



Earnings Call

For the periods ending December 31, 2024

February 13th, 2025

SUMMARY

SECTION 1 | Market context

SECTION 2 | Growth Strategy

SECTION 3 | Q2 and H1 FY25 financial results

SECTION 4 | Conclusion: Why invest in Corby

Today's speakers



Favourite Drink:
J.P. Wiser's on the Rocks

NICOLAS KRANTZ

President & CEO



Favourite Drink:
Jameson Ginger

JUAN ALONSO

Vice-President & CFO



Forward-Looking Statement

- Today's presentation contains forward-looking statements, including statements concerning possible or assumed future results of operations of Corby Spirit and Wine Limited. Forward-looking statements typically are preceded by, followed by or include the words "believes", "expects", "anticipates", "estimates", "intends", "plans" or similar expressions.
- Forward-looking statements are not guarantees of future performance. They involve risks and uncertainties, including, but not limited to, the impact of competition, the impact and successful integration of acquisitions, business interruption, trademark infringement, consumer confidence and spending preferences, regulatory changes, general economic conditions, and the Company's ability to attract and retain qualified employees. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.
- Accordingly, readers should not place undue reliance on forward-looking statements. These factors are not intended to represent a complete list of the factors that could affect Corby. Additional factors are noted elsewhere in this presentation.
- This presentation contains certain information that is current as of February 12, 2025. Events occurring after that date could render the information contained herein inaccurate or misleading in a material respect. Corby will provide updates to material forward-looking statements, including in subsequent news releases and its interim.
- Additional information regarding Corby, including its Annual Information Form and Management's Discussion and Analysis Form, are available on SEDAR at www.sedarplus.com





Strong H1 performance, demonstrating resilience and the strength of Corby portfolio



Double-digit revenue growth in H1, with +4% organic growth supplemented by Nude business acquisition

- Continued to deliver resilient retail value growth across our diversified brand portfolio, consistently outpaced the overall spirits market for over 2 years
- Recent accretive acquisitions of ABG and Nude position Corby as one of the key Canada-wide players in the fast-growing RTD category, bolstering growth
- RTM modernization in Ontario with RTDs and wine being sold in groceries and convenience stores, driving initial stocking demand over the first half of fiscal year
- Entire industry severely impacted by July 2024 LCBO labour strike, exacerbated by successive port strikes

Corby 2.0 roadmap bearing fruit

- Portfolio prioritization and innovation strategy proving to be effective
- Excellence in sales execution is amplifying growth across our brands through diverse price points

Strong cash flow generation supporting attractive capital return to shareholders

- Solid balance sheet with Net Debt to adjusted EBITDA¹ ratio reduced to 1.3x
- Increased quarterly dividend by 5% in August 2024 and by an additional 5% in February 2025 to \$0.23 per share, signaling continued confidence in Company's outlook

Responsible
Shape
a more
circular
world

SECTION 1

MARKET CONTEXT

IN SPIRIT AND WINE
CORBY



Corby beats the market

Corby has been consistently outperforming the Canadian market in value since FY23



MARKET

CORBY

SPIRITS

-1.9%

-0.3%

RTD

+6.8%

+12%

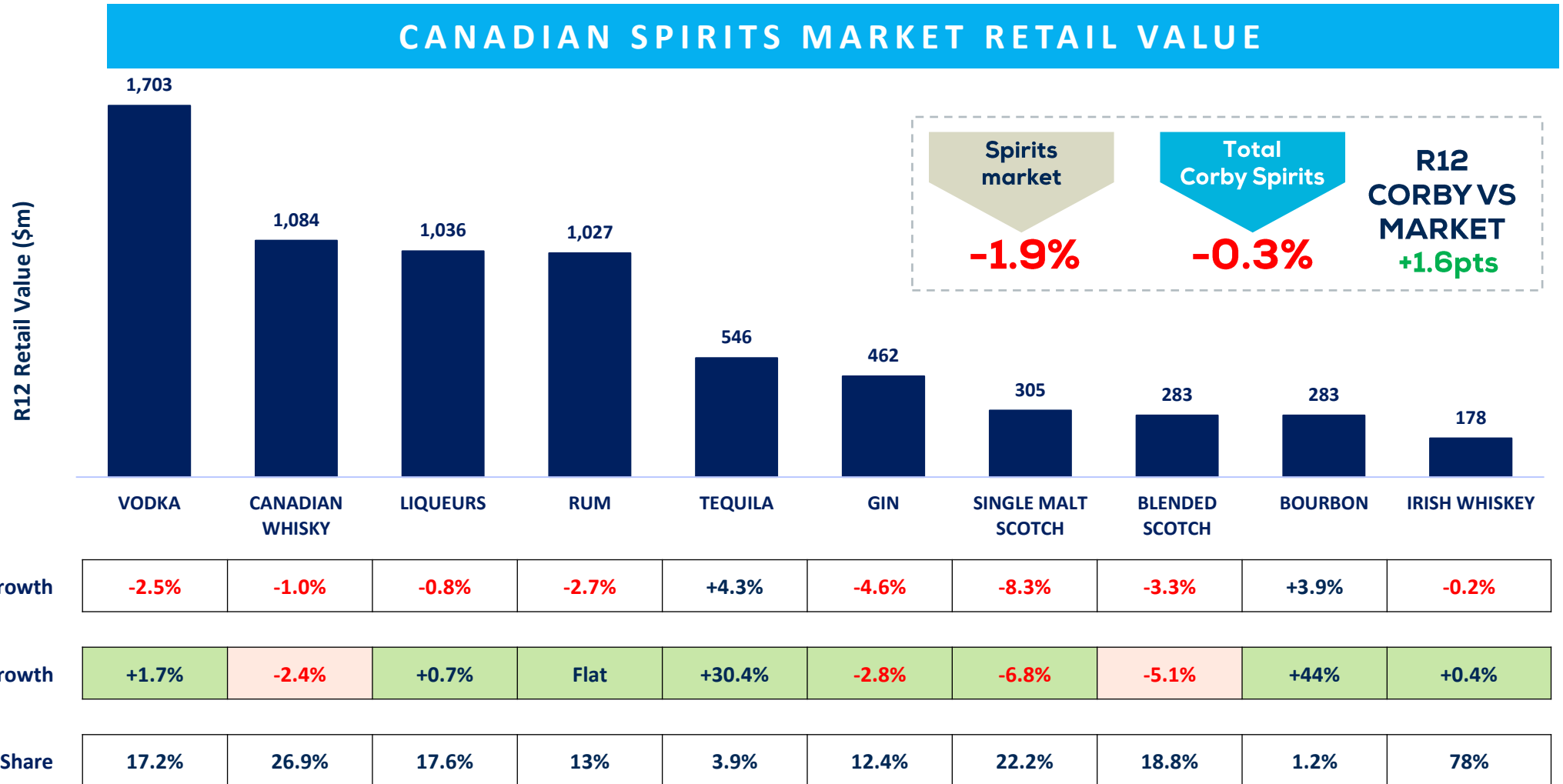
**WINE, RTD,
AND SPIRITS**

-0.8%

+0.2%



Corby outpaced the market in almost all spirits categories in the last 12 months



SECTION 2

GROWTH STRATEGY

IN SPIRIT AND WINE
CORBÝ



Our strategy to generate long-term sustainable growth and value



Grow portfolio sustainably at a faster rate than the overall spirits market

- Supported by best-in-class brand activation and excellence in commercial execution
- Impactful innovative launches to deliver roughly one-third of our annual revenue growth
- Efficiency and effectiveness improvement in each \$ invested in Advertising & Promotion

Accelerate growth and penetration in high growth categories

- Scale Cottage Springs brand outside of Ontario and reignite Nude brands in RTD category
- Take fair share in growing Tequila category

Targeted expansion of export business to key markets

- Targeted approach with regional activations to embed J.P. Wiser's in local culture
- Leverage the depth of J.P. Wiser's portfolio to answer consumer needs (rural vs. metro area)

Continue to grow Value ahead of Volume

- Targeted price increase approach to protect margins
- Full leverage of our promotional efficiency-focused internal AI-based tool

Dynamic portfolio management

- Explore strategic and accretive acquisition of brands competing in fast moving segments and opportunistic disposition of non-core assets in less attractive segments



Total Corby RTD portfolio has been gaining share in value over the last 12 months, sustained by a strong innovation pipeline

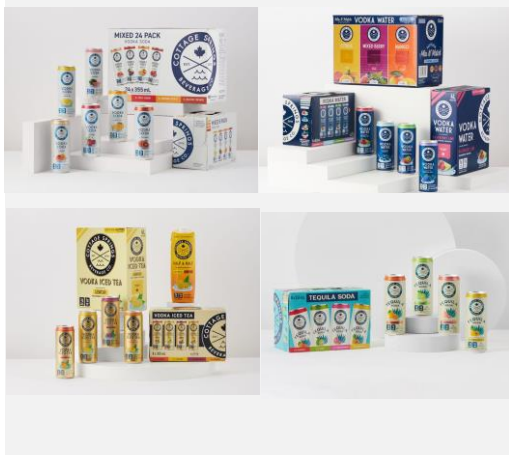
ACE BEVERAGE GROUP

#1 LCBO RTD¹

For Cottage Springs

2.0m 9Lc / \$58m

Volume / Revenue in FY24



Corby/PR RTDs

Successful innovations

Absolut x Ocean Spray

Malibu Cocktails variety pack

Jameson Lemonade

PIV Berry & Orange Blizzard



nude[®]

0.8m 9Lc / \$17m

Indicative annualized

Volume / Revenue



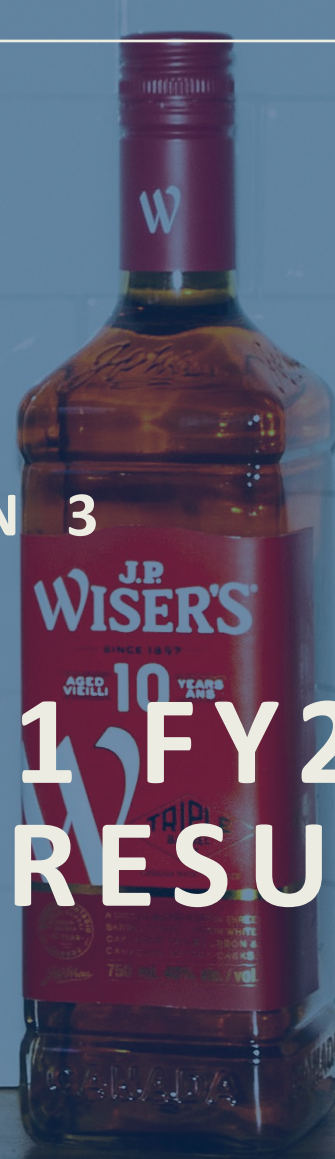
Recent acquisitions of ABG and Nude brands enabled Corby to **enter at scale one of the most dynamic beverage alcohol categories** in the 5th largest RTD market in the world

Corby acquired a **specialized RTD route-to-market** with strategic penetration in Ontario (ABG) and Western Canada (Nude) that will help accelerate the entire RTD portfolio

Corby RTD portfolio is set for success with a strong innovation pipeline across all brands to increase its provincial foothold and continue to gain share, sustained by ABG in-house innovation lab

Ongoing Nude integration seeking to generate operational efficiencies relating to cost savings and margin enhancement to support a sustainable RTD business model

Ontario RTM modernization is a game changer for the RTD market, and Corby has begun tapping into this opportunity, leveraging the breadth and depth of its RTD portfolio



SECTION 3

Q2 AND H1 FY25 FINANCIAL RESULTS

IN SPIRIT AND WINE
CORBÝ



Q2 FY25 RESULTS



Strong Q2 FY25 earnings and profitability growth supported by core brand strength, new channel expansion and Nude acquisition



Revenue
\$61.7m

Reported **+10%**
Organic¹ **+5%**



Adj. EBITDA¹
\$17.2m

+10%



**Adj. Net Earnings
per share¹**
\$0.30 / share
(Reported \$0.28)

Reported **+8%**
Adjusted¹ **+8%**



**Cash from
Operating Activities**
\$31.9m
+\$5.9m

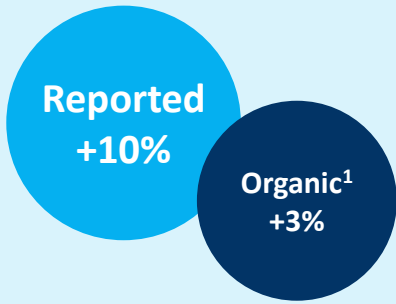


Q2 Dividend declared
\$0.23
+\$0.01 / +5%
vs previous quarter



Corby's Q2 Revenue was \$61.7m, growing +10% vs last year

Domestic Case Goods
\$48.2 million



- Led by RTD business benefitting from the RTM modernization in Ontario
- Spirits kept gaining market share in a declining spirits market
- Nude contributed \$3.0m Revenue

Total Commissions
\$8.4 million



- Led by imported wines benefitting from RTM modernization in Ontario

International Case Goods
\$3.8 million



- Export sales lapping pipeline fill to new markets last year, partially offset by the recovery of shipments of J.P. Wiser's in the US



Robust earnings improvement, including EPS growth of +8%



\$0.30
+8%

**ADJUSTED
EPS¹**

\$0.28
+8%

**REPORTED
EPS**

C\$m	Q2 FY24	Q2 FY25	% change
Revenue	56.0	61.7	+10%
Total operating expenses ²	(44.7)	(48.6)	+9%
Earnings from Operations	11.4	13.0	+15%
Adj. Earnings from Operations¹	12.0	13.0	+9%
Adj. EBITDA¹	15.7	17.2	+10%
Net financial expenses	(1.6)	(2.1)	+32%
Income taxes	(2.5)	(3.1)	+24%
Net Earnings	7.3	7.9	+8%
Adj. Net Earnings¹	7.8	8.4	+8%

- Strong Q2 financial results underpinned by continued value share gains across most categories, the Nude acquisition in Q4 FY24, and the retail expansion opportunity in Ontario for Corby's RTDs and wine brands
- Increased interest charges related to the loan contracted to acquire ABG and additional interest charges from the non-controlling interest obligation
- Delivered Adjusted EBITDA growth in line with our strong revenue growth performance, reflecting operational execution and diligent internal cost management



H1 FY25 RESULTS



Strong H1 FY25 revenue and earnings growth, with continued share gains against a dynamic market backdrop



Revenue
\$126.8m

Reported **+11%**
Organic¹ **+4%**



Cash from Operating Activities
\$35.6m
+\$14.4m



Adj. EBITDA¹
\$36.7m

+9%



H1 Dividends declared
\$0.45



Adj. Net Earnings per share¹
\$0.66 / share
(Reported \$0.60)

Reported **+16%**
Adjusted¹ **+8%**



Net Debt / Adjusted EBITDA¹
1.3x



Corby's H1 Revenue was \$126.8m, growing +11% vs last year

Domestic Case Goods
\$101.6 million

Reported
+11%

Organic¹
+3%



- ABG brands (excl. Nude) grew +10%
- Capitalized on pipeline fill opportunities in Ontario grocery and convenience stores
- Strong performance despite negative impact of LCBO strike in Q1 FY25

Net Commissions
\$16.1 million

Reported
+16%



- Led by PR wines benefitting from RTM modernization in Ontario, and the lapping of destocking patterns at liquor boards in the prior year period

International Case Goods
\$7.0 million

Reported
-9%



- Lapping the pipeline fill to new markets in H1 FY24
- J.P. Wiser's performance bouncing back in USA
- Good performance of Lamb's in UK



Strong adjusted EPS growth of +8%, supported by disciplined execution



\$0.66
+8%

**ADJUSTED
EPS¹**

\$0.60
+16%

**REPORTED
EPS**

C\$m	H1 FY24	H1 FY25	% change
Revenue	114.7	126.8	+11%
Total operating expenses ²	(91.9)	(98.7)	+7%
Earnings from Operations	22.8	28.0	+23%
Adj. Earnings from Operations ¹	26.2	28.6	+9%
Adj. EBITDA ¹	33.7	36.7	+9%
Net financial expenses	(2.8)	(4.1)	+46%
Income taxes	(5.2)	(6.7)	+30%
Net Earnings	14.8	17.2	+16%
Adj. Net Earnings ¹	17.3	18.6	+8%

- Strong H1 FY25 financial performance, including continued value share gains across most categories, the addition of Nude in Q4 FY24, and Corby successfully capitalizing on new channel expansion opportunities
- Strategic investments in key brands balanced by disciplined cost management to sustain profitability
- Increased interest charges related to the loan contracted to acquire ABG and additional interest charges from the non-controlling interest obligation



Healthy balance sheet and solid cash flow, highlighting the sustainability of Corby's attractive quarterly dividend



1.3x

**Net Debt /
Adjusted EBITDA¹**

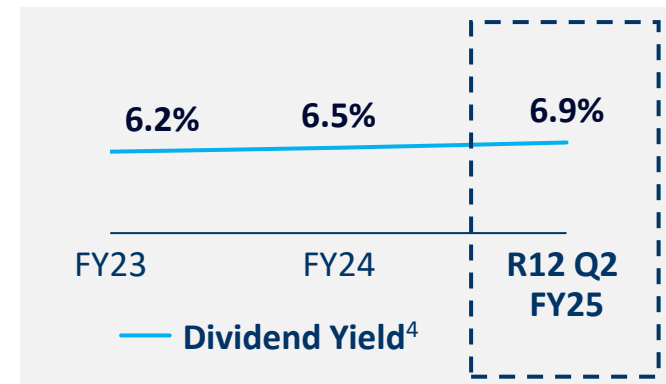
C\$m	H1 FY24	H1 FY25	\$ change
Net Cash / (Debt), beginning of period	39.4	(105.8)	(145.2)
Net earnings adjusted for non-cash items	30.1	36.0	+5.9
Net change in non-cash working capital balances	(1.1)	5.0	+6.1
Net payments for interest and income taxes	(7.8)	(5.4)	+2.3
Cash Flow from Operating Activities	21.2	35.6	+14.4
Addition to PP&E	(1.1)	(1.0)	+0.1
Additions to intangible assets	-	(0.1)	(0.1)
Lease payments	(0.7)	(0.9)	(0.2)
Investments in ABG	(136.3)	-	+136.3
Dividends paid	(12.0)	(12.5)	(0.6)
Free Cash Flow	(128.9)	21.0	+149.9
Cash, end of period	-	1.4	+1.4
Cash management pools, end of period	38.0	24.0	(14.0)
Bank indebtedness and long-term debt, end of period	(127.5)	(110.2)	+17.3
Net Cash / (Debt), end of period	(89.5)	(84.8)	+4.7

53%

**Dividend payout
ratio (Cash)²**

93%

**Dividend payout
ratio (Earnings)³**



- Solid cash flow generation, reflecting strong revenue, earnings growth and the lapping of ABG acquisition-related costs in the prior year
- Favourable working capital changes driven by timing of spend and disciplined inventory management
- ABG acquisition on July 4th, 2023 for total consideration of \$136m reflected in past year's figures
- Maintain a healthy balance sheet to execute on Corby's strategic initiatives and drive long-term shareholder value, with Net Debt / Adjusted EBITDA¹ of 1.3x at quarter-end
- Quarterly dividend increased by 5% in Q4 FY24 and by an additional 5% in Q2 FY25 to \$0.23 per share, supported by increased cash flow generation and the Company's outlook



Building off a solid foundation and a clear strategy, Corby is well-positioned for continued success in the balance of FY25



In a volatile market environment, we anticipate continued resilience in the back half of fiscal 2025:

- Additional market share gains in a spirits market forecasted to decline by low single digits
- Despite US tariff risks, Corby is well-positioned to navigate the challenges with its diversified portfolio and leading brands, its strong local footholds, its best-in-class marketing, and its AI-based portfolio prioritization capabilities
- Unlocking the full potential of our RTD portfolio, including the realization of ABG and Nude sales and operational synergies
- Continued agility in our approach to the RTM modernization in Ontario to capitalize on this strategic business opportunity and continue catering to the needs of our consumers
- Continued focus on revenue growth management alongside diligent cost management, with the objective of protecting our margins, delivering long-term sustainable growth, and generating incremental shareholder value

DISTILLED IN 1982
J.P. Wiser
HIRAN WALKER DISTILLERY

DISTILLED IN 1996
J.P. Wiser
HIRAN WALKER DISTILLERY

SECTION 4

CONCLUSION: WHY INVEST IN CORBY

W AGED **42** YEARS
DECADES SERIES
AN ULTRA PREMIUM WHISKY AGED
42 YEARS SMOOTH TO PERFECTION
LIMITED EDITION *Distilled IN 1982*
CANADIAN WHISKY CANADIEN
750 mL 52% alc./vol.

W AGED **28** YEARS
DECADES SERIES
AN ULTRA PREMIUM WHISKY AGED
28 YEARS SMOOTH TO PERFECTION
LIMITED EDITION *Distilled IN 1996*
CANADIAN WHISKY CANADIEN
750 mL 48% alc./vol. (96 PROOF)

IN SPIRIT AND WINE
CORBY



Why invest in Corby?

1

Largest publicly-listed, multi-beverage alcohol company in Canada with the **most comprehensive & diverse portfolio** in the industry

2

Close partnership with **Pernod Ricard, a global industry leader**, bringing strategic advantages, best practices, and operational and financial support to Corby

3

Clear strategic priorities to **continue gaining value share**, with Corby outpacing the spirits market in value for more than two years

4

Operational excellence in execution with a strong track-record of impactful innovations, unparalleled marketing capabilities and cost synergies through acquisitions

5

Financial consistency reflected in **resilient revenue, healthy balance sheet, strong cash flow generation** supporting attractive and growing dividends



Affiliated with Pernod Ricard

THANK YOU

Questions or looking for more information?
Please reach out to investors.corby@pernod-ricard.com

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