

Chapel Down Group Plc
('CDG' or 'the Company')
EPIC: CDGP

Full Year Trading Update

Chapel Down, England's leading and largest winemaker, is pleased to provide an unaudited trading update for the year ended 31 December 2022.

	2022	2021	Annual	H2 2022	H2 2021	H2
	£000s	£000s	growth	£000s	£000s	Growth
Gross Sales Revenue (GSR)	£17,746	£16,640	+7%	£9,860	£8,818	+12%
Duty	£2,110	£2,368		£1,155	£1,204	
Net Sales Revenue (NSR)	£15,635	£14,272	+10%	£8,705	£7,614	+14%

- Net Sales Revenue (NSR), which excludes duty, is up 10% for the year at £15.6m (2021: £14.3m); significant momentum carried into 2023 with 14% growth in H2 2022 NSR versus H1.
- Strong growth in traditional method sparkling wine sales revenue, up 53% on 2021, in line with the Company's planned premiumisation strategy and increased focus on sparkling wine. Traditional method sparkling wine now represents 70% of wine sales by value. A record 790k bottles of traditional method sparkling were sold to customers in 2022 (2021: 522k)
- Average selling price to customers grew by 19%, due to a combination of favourable product sales mix and price increases achieved in Q1.
- Sales performance was strong across all trade channels:
 - Off-trade revenue up 9% overall despite a reduced availability of still wines following the challenging 2021 harvest, however sparkling wines sales revenue increased by 69%.
 - On-trade revenue up 34% due to increased numbers of distribution outlets and brand support.
 - Direct to Consumer (DTC) offering remains a key strategic focus. eCommerce and the Tenterden vineyard shop & tours together accounted for over 30% of sales in 2022. We had 65,000 visitors to our Tenterden brand home in 2022 (2021: 55,000).
 - Export sales revenue grew by 164% from a small base reflecting the growing interest and potential for English sparkling wines overseas.
- The strong Group sales performance and category leadership position is reflected in the Nielsen* data for the Off-trade. Chapel Down retail sales value grew by 23% versus the English Sparkling Wine category of 9%. The brand's market share increased from 27% to 31%, reinforcing Chapel Down's market leadership position.

Andrew Carter, CEO, commented: "We are delighted by the sales performance achieved in 2022, driven by our premiumisation strategy which supported stellar growth in our traditional sparkling wines sales. We look forward to updating the market on the continued growth in the profitability of our business in our full year audited results. This performance, and the excellent harvest we enjoyed in 2022, means we carry momentum into 2023 and are on track to meet our target of doubling the size of our business by 2026."



*52 weeks Off-trade Nielsen Data to 17th December 2022

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About Chapel Down

Chapel Down is England's leading wine producer with an award-winning range of sparkling and still wines. Based in Kent, in the heart of the Garden of England, Chapel Down produces wines of the highest quality and which the winemaker believes offer the best expression of England.