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PASQUA WINES LOOKS TO THE FUTURE THROUGH THE EYES OF GEN Z AND MILLENNIALS, AGAIN CHOOSES ART AS A VEHICLE FOR INSPIRATIONAL MESSAGES, AND PRESENTS ITS 2022 FINANCIAL RESULTS.

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“As for the future, your task is not to foresee it, but to enable it.”

Antoine de Saint-Exupéry

**THE VISION OF PASQUA WINES ON CHANGING CONSUMPTION STYLES.
INNOVATIVE, TRANSPARENT, SHARED:
THE RELATIONSHIP WITH THE WORLD OF WINE FOR THE MILLENNIAL AND GEN Z
GENERATIONS IN ITALY, UK, AND USA**

The research commissioned by Pasqua Wines to the international company Toluna confirms the profile of an ever more aware and informed consumer, who chooses brands capable of embodying their values and offering a unique, personalised and shareable experience

Understanding the market from a global perspective, with the ability to develop innovative wine projects that cut across geographic areas and address the complexity of the scenario as an opportunity, encourages Pasqua Wines to carry out regular surveys in key markets such as the United States, the United Kingdom and Italy.

The research and the premiumisation strategy, supported by investments in the technical area for 6 million euros in the last year and ongoing investments in brand value (which have oscillated between 7.5% and 9% on turnover in the last 7 years), are closely interconnected with the desire to consolidate a distinctive positioning. Creativity and innovation are central values that permeate the entire process from the product to the tone of voice of the narrative revolving around it.

"We carefully observe new consumption styles - commented **CEO Riccardo Pasqua** - and build a conversation around wine that evolves in style and form, along with the new generations. *We are not limiting ourselves to recording market trends, but are interested in analysing and understanding them, so as to build an open and non-intermediated dialogue with those who choose our wines*".

For this, **Pasqua Wines** commissioned the research company Toluna to carry out an ad hoc survey to investigate the consumption styles and attitudes of young people in Italy, the United Kingdom, and the United States.

The questionnaire was administered to **2,400 participants, women and men**, born between 1980 and 2000, **equally divided between Italy, the UK and the US, who had drunk wine at least once in the last month.**

While the aspect of **conviviality and emotional involvement** (in the sense of pleasure associated with the tasting experience) is perceived in a similar way by Millennials and Gen Z, the former also perceive this ritual as a personal gratification (Italy 33%, UK 34%, USA 27%), while the latter see it as a way to feel more carefree and inclined towards others (21% Italy, 28% UK, 26% USA).

Red wine is the absolute favourite of the entire sample surveyed, and is popular with both Millennials and Gen Z (in Italy 42% and 43%, in the UK 33% and 39%, in the USA 42% and 39%).

The wine and food culture, in which the **Italian interviewees** have always been immersed, means that they are well aware of their purchasing choices, so much so that they prefer national labels, synonymous with excellence (72% Millennial, 68% Gen Z), and are nonetheless interested in novelties (67% one side, 64% the other). **In other countries**, the tendency is towards the choice of labels already known (67% Millennial and 59% Gen Z UK, 71% Millennial and 66% Gen Z USA), although there is an openness towards exploring and being curious to taste wines 'from all over the world' (66% Millennial and 53% Gen Z UK, and even 79% and 69% in the USA).

An ever more attentive and aware lifestyle makes the sustainability factor (environmental and social) central when deciding which brand to trust. Recyclable packaging, low CO₂ impact (carbon footprint), green production processes but also a focus on the well-being of employees and the community, an open attitude to innovation and transparency in dialogue with the consumer are the values that most appeal to the target group.

During their free time, both generations agree that **lunch or dinner out is one of their favourite activities.** This is why, among the items that Millennials and Gen Z in the US are most interested in, and about which they seek information, wine occupies a prominent role (49% and 42% of the sample).

A large proportion of interviewees say they are familiar with the Valpolicella appellation (facilitated by the Italian sounding), this is the case for both the Italian panel (62% by Millennials and 44% Gen Z), the US panel (46% by Millennials and 41% Gen Z) and the UK panel (26% by Millennials and 31% Gen Z).

Overseas interviewees also express great interest in the world of art and, **when it comes to unconventional approaches, they see the world of wine as being favourably linked to the world of art** (with an average of 4.23 for the Millennials and 4.16 for the Gen Z, in on a scale of 1 to 5), as they both share values like creativity (56% Millennials, 53% Gen Z), attention to quality (45% and 46%) and the ability to innovate (38% and 27%).

*"The evidence emerging from Toluna's research, especially on the American Millennials and Gen Z, confirms the direction of our strategy where creativity and innovation from the vineyard to the winery to communication are central," says **Alessandro Pasqua, president of Pasqua USA.** "Both profiles show a growing attention for the world of wine and its denominations and confirm to us how Italy is one of the reference countries of the global wine culture, able to attract the consumers of the future with its offer. "Both profiles show a growing attention for the world of wine and its denominations and confirm to us how Italy is one of the reference countries of the global wine culture, able to attract the consumers of the future with its offer.*

PASQUA WINES CONFIRMS ITS CONNECTION WITH ART AS A VEHICLE FOR INSPIRATION AND VISION, WITH CREATIVITY CONTINUING TO BE CENTRAL AMONG ITS VALUES

The collaboration with fuse* is renewed and, during Vinitaly, the Verona-based winery will be presenting the site-specific installation "Luna Somnium".

Everyone is looking for unique and significant experiences, for connections that offer meaningful realities, capable of involving and moving individuals and communities. Art perfectly meets these expectations, through an immediate, unfiltered and authentic language that can overcome language, cultural and gender barriers.

The research commissioned from Toluna shows how transversally, but particularly **among Millennials and Gen Z, brands' patronage projects towards the art world are appreciated, allowing artists to express themselves freely** and patrons to reach audiences around the world.

Over the years, Pasqua Wines has identified contemporary interpreters capable of translating the bold spirit, the drive for innovation and the desire for inclusiveness and curiosity that characterises its vision into images and artistic experiences. **And, for the second year running, Pasqua Wines has entrusted fuse* with the task of bringing an imaginative and engaging artistic project to Vinitaly, with the moon as its protagonist.**

What has inspired man - of any age, country and culture - more in history to seek out, explore, imagine, if not the moon? The moon is one of the most evocative symbols of human imagination and most representative of the aspiration to transcend the boundaries of the known. A metaphor of becoming, the lady of time, a warning of the future.

"Luna Somnium" is a site-specific installation, redesigned by fuse* for the Gallerie Mercatali space in Verona. The title of the work is inspired by what Carl Sagan and Isaac Asimov called the first work of science fiction ever written by man: **Somnium by John Kepler**. Three hundred years before Georges Méliès made his film Journey to the Moon, the German astronomer and mathematician imagines the hero of his story travelling to our satellite in a dream. Here he has the chance to observe the sky and admire the Earth from a different point of view, one that challenges beliefs and certainties and inspires a new way of perceiving and understanding reality.

Just as in the Kepler story, the exploration of reality from different points of view is at the centre of the installation, which prompts visitors to reflect on how even a small change can influence their perception of the world. **"Luna Somnium" intends to suggest a new vision of reality through the emotional power of art, urging the observer not to stay anchored to prejudices, to what one already knows, but to be open to changing one's point of view and modifying one's perception, evaluation and judgement on reality.**

"Luna Somnium" thus becomes an invitation to free experimentation, a dream come true through human creativity, capable of combining vision and technology. A perfect similarity with the very vision of Pasqua Wines: a lab of constant research, open to dialogue and confrontation, unafraid of the unexplored and the new.

"Luna Somnium" is a work by fuse* presented for the first time at the Videocittà festival at the Gazometro in Rome on 20 July 2022 on the anniversary of the day in which man took the first step on the moon in 1969.

President Umberto Pasqua states: "As the Toluna research has also shown, for Millennials and Gen Z, art and wine are not two worlds apart but rather share a common perception, made of creativity, striving for the highest quality and a desire for innovation, values that have been at the basis of our company's DNA and its actions since 1925. *We do believe in talent as the highest form*

of expression, and the dialogue with the exponents of the new performing arts is part of a coherent approach with our vision. We are thrilled to renew our collaboration with fuse, which will give the citizens of Verona and the wine community a moment of powerful symbolic value at Vinitaly.”*

INVESTMENTS THAT CREATE VALUE FOR THE BRAND: PASQUA WINES AND THE LONG-TERM VISION

The premiumisation strategy continues to be the key to success for Pasqua Wines, which consolidates its 2022 turnover at EUR 65.4 million and its intention to continue to make structural and brand investments.

Pasqua Wines closed 2022 with a consolidated turnover of EUR 65.4 million (+4% compared to the previous year) and an EBITDA value standing at 12.3% of revenues.

High-end wines lead sales, headed by the Icons - the collections that represent the most innovative wine-making styles and best interpret the peculiarities of the Valpolicella terroir - is confirmed by the growth in the Ho.Re.Ca channel in all the key markets for the company, from Italy (+35% over 2021) to the United Kingdom (+27.8%) and the United States (+34%).

Pasqua Wines is present in 72 markets worldwide and, again in 2023, the company confirms to be one of the most important Italian wineries in terms of exports (over 89%) and turnover.

The company's deep roots in the terroir have meant that, over the years, production has focused more on wines from the vineyards of Valpolicella: the red wine segment accounts for 40.4% of the total, with particular emphasis on Amarone della Valpolicella and Valpolicella Ripasso; this is followed by white wines (33.9%), sparkling wines (16.5%) and rosé wines (9.2%). Of this total, the organic niche makes up 4.5%.

The company focuses more and more on products of great value, striving for excellence in terroir identity performance.

Riccardo Pasqua, CEO, commented: *"The ambitious investment cycle, which is planned between now and 2026, is aimed at achieving four main objectives: further growth in quality, the continuation of sustainability projects, support for organic multi-geographic and multi-channel growth, and the enhancement of investments aimed at informing and educating about the world of wine, also through collaborations with artists."*

The company has planned investments in the cellar, in technology and in the vineyards to continue to grow in quality. In particular, the exploration of the potential of organic wine is deemed of paramount importance, as evidenced by recent projects, including the Cascina San Vincenzo line and the natural Brasa Coèrta wine. Always along these lines, the path started with the Equalitas certification continues.

The strategy to support organic, multi-geographic and multi-channel growth is to prioritise distribution quality over volume, with the aim of increasing the weight of premium and ultra-premium wines from 55% in 2022 to 75% in 2026.

Lastly, the investment plan allocates expansive budgets to communication in the primary geographic areas. The objective is to promote education and information around the world of wine through projects with high involvement for the audiences of the various markets. In particular, specific resources are allocated to projects in collaboration with the art world.

PASQUA VIGNETI E CANTINE

PASQUA VIGNETI E CANTINE is a Verona-based wine company, owned by the Pasqua family. Founded in 1925, the winery is recognised worldwide as a producer and ambassador of prestigious Veneto wines. The company's ambition is to bring into the future, with renewed stylistic codes, all the winemaking experience consolidated over 100 years of history. Today, working alongside President Umberto are his sons Riccardo, Chief Executive Officer, and Alessandro, President of Pasqua USA. With the presentation of the *Pasqua House of the Unconventional* manifesto, today the company aims to be a research laboratory, a space for dialogue, where quality and creativity are the protagonists.

TOLUNA

Toluna is a leading company in digital market research and in providing agile consumer insights. Toluna allows companies to carry out on-demand research projects to learn about the markets in which they operate, innovate their products, and answer specific business needs. Toluna is transforming how marketing decisions are made, bringing people and brands together in the world's largest social voting community with over 40 million participants in 70 countries. The number of members in Italy is 652,000, making the Toluna panel the largest and most profiled at a national level. Real-time access to consumers is coupled with the first end-to-end research platform. Toluna operates in 24 offices across Europe, North and South America, MENA, and Asia Pacific.

fuse*

fuse* is a multidisciplinary art studio founded in 2007 that interprets the complexity of human, social and natural phenomena by creating multimedia installations and performances, using digital technologies to generate new connections between light, space, sound, and movement. Over the years the art studio has evolved, tending towards an increasingly holistic approach to the creation of new projects. fuse* has presented its works and productions in art institutions and festivals including Mutek, Today's Art, Sónar Istanbul, Artehouse, STRP Biennial, RomaEuropa, Kikk, Hong Kong Design Institute and the National Centre for the Performing Arts of China.

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