



Paris, 13 February 2020

Net sales for the fourth quarter and full-year 2019

Annual sales: €365million

Organic growth (adjusted for Sobieski Trade disposal¹) of -0.6% in line with the strategic and commercial changes implemented in 2019.

Healthy inventory levels at the end of the year.

2019 Q4 sales: €80.3 million

A quarter boosted by sales in anticipation of excise duty increases in Poland

Continued rollout of strategic plan

Sale of Sobieski Trade

Signature of a three-party agreement with COFEPP and the banks

NB: All net sales growth figures mentioned in this press release are at constant structure and exchange rates, unless otherwise stated.

Marie Brizard Wine & Spirits (Euronext: MBWS) today announced its unaudited net sales for the 4th quarter 2019, covering the period from 1 October to 31 December 2019, as well as its unaudited net sales for 2019's financial year.

RESULTS BY CLUSTER

YEAR 2019

in M €	2018	Organic growth	Currency Impact	2019	Org. Growth at cc	Growth
Branded Businesses	195.7	1.4	0.4	197.5	0.7%	0.9%
WEMEA	118.3	-11.4	0.0	106.9	-9.6%	-9.6%
France	96.9	-9.1	0.0	87.8	-9.4%	-9.4%
Rest of cluster	21.4	-2.3	0.0	19.1	-10.8%	-10.8%
CEE	57.3	12.2	-0.4	69.2	21.3%	20.7%
Poland	29.0	13.2	-0.4	41.8	45.6%	44.4%
Rest of cluster	28.4	-1.0	0.0	27.4	-3.5%	-3.5%
Americas	16.9	1.1	0.8	18.8	6.6%	11.2%
APAC	3.1	-0.5	0.0	2.5	-17.4%	-17.4%
Other Businesses	193.3	-25.1	-0.7	167.4	-13.0%	-13.4%
Sobieski Trade (ST)	107.5	-20.6	-0.7	86.2	-19.2%	-19.9%
2018 Restated	86.2	0.7	-0.7	86.2	0.8%	0.0%
Private Label	85.8	-4.5	0.0	81.2	-5.3%	-5.3%
TOTAL MBWS (*)	389.0	-23.7	-0.3	365.0	-6.1%	-6.2%
Total ST restated ¹	367.7	-2.4	-0.3	365.0	-0.6%	-0.7%

(*) Before IFRS impact following the disposal of Sobieski Trade (see press release of 15 November 2019)

¹ Disposal of Sobieski Trade on November 15, 2019; 2018 figures restated by excluding the period 31/10 to 31/12 of the 2018 comparison basis



4th QUARTER 2019

in M€	Q4 2018	Organic Growth	Currency Impact	Q4 2019	Organic Growth at cc	Growth
Branded Businesses	57.9	-0.6	0.2	57.5	-1.0%	-0.7%
WEMEA	31.9	-5.1	0.0	26.8	-16.1%	-16.1%
France	24.3	-3.2	0.0	21.2	-13.0%	-13.0%
Rest of cluster	7.6	-2.0	0.0	5.6	-26.3%	-26.3%
CEE	19.5	4.5	0.1	24.1	23.3%	23.8%
Poland	10.4	5.0	0.1	15.4	47.9%	48.7%
Rest of cluster	9.1	-0.4	0.0	8.7	-4.6%	-4.6%
Americas	5.3	0.5	0.2	6.0	8.8%	11.7%
APAC	1.2	-0.4	-0.1	0.7	-38.2%	-42.8%
OTHER BUSINESSES	41.5	-19.3	0.6	22.8	-46.5%	45.0%
Sobieski Trade (ST)	26.3	-19.4	0.6	7.5	-73.8%	-71.6%
2018 Restated	5.0	1.9	0.6	7.5	38.2%	50.4%
Private Label	15.2	0.2	0.0	15.3	1.0%	1.0%
TOTAL MBWS (*)	99.4	-19.9	0.8	80.3	-20.0%	-19.2%
Total ST restated¹	78.1	1.5	0.8	80.3	1.9%	2.9%

(*) Before IFRS impact following the disposal of Sobieski Trade (see press release of 15 November 2019)

WEMEA: performance in line with the strategy of focusing on profitability

For the full year 2019, the WEMEA cluster's revenues amounted to €106.9 million, down -9.6% compared to 2018, with a 4th quarter down -16.1% to €26.8 million.

In France, the change in sales for the year reflects the Group's sales policy, which focuses primarily on value rather than volume, with limited use of promotional activities. In addition, the EGAlim Act, which has been in place since 1 January 2019, has led to increased competition. Revenues thus came to €87.8 million for 2019 (-9.4%) after a 13% drop in the 4th quarter of 2019 (to €21.2 million), penalized by national strikes. In this context, although it is still suffering from the decline in the BABV² market for its Fruits & Wine brand, the Group has successfully repositioned its brands and is starting the year 2020 with healthier inventories and brand portfolio.

Revenues for the rest of the cluster amounted €19.1 million (-11%), of which €5.6 million (-26%) in Q4 2019. The change of distribution model in Spain explains most of this decline in value, with the 4th quarter reflecting the full technical impact. Overall, 2019 will have seen good momentum in Western Europe and Africa.

¹ Disposal of Sobieski Trade on November 15, 2019; 2018 figures restated by excluding the period 31/10 to 31/12 of the 2018 comparison basis

² BABV: aromatised wine-based beverage



Central and Eastern Europe (CEE): A favourable impact in the 4th quarter in Poland in anticipation of the change in tax rates.

The EEC cluster's 2019 sales amounted to €69.2 million, up +21.3%, at the end of a 4th quarter which reached €24.1 million, up +23.4% compared with the 4th quarter of 2018.

The Cluster's growth was driven by Poland, where the Group experienced particularly strong demand in the fourth quarter from distributors wishing to build up stocks in anticipation of the implementation of the 10% increase in alcohol excise duties from January 1, 2020. This favourable impact, along with improved control of promotional budgets, offset some of the continued competitive pricing pressures in the vodka market. For the full year 2019, sales in Poland reached €41.8 million (+45.6%), including €15.4 million (+47.9%) in the 4th quarter. This performance compares with a particularly difficult and disappointing activity in calendar 2018 in Poland.

The rest of the cluster recorded revenues of €27.4 million (-3.5%) for the full year, reflecting the reorganisation of the portfolio to focus on profitable categories in Lithuania. The 4th quarter experienced a recovery in export sales from Bulgaria, after a decline in the 3rd quarter.

Americas: strong growth in Brazil in 2019 and better year-end performance in the US

The Americas cluster's 2019 revenue reached €18.8 million, up +6.6% compared to 2018.

In the United States, 2019 was characterized by the implementation of the partnership with Sazerac and benefited from the introduction of the Tax Trump over the year.

In Brazil, despite a slightly lower 4th quarter year-on-year due to a high comparison base in 4th quarter 2018, the Group had a good year in 2019 with double-digit growth (+15%). It reflects the relevance of the commercial strategy that emphasizes the promotion of local MBWS brands in priority states.

In total, the cluster's revenues reached €6 million in Q4 2019, up +8.8%.

APAC

For the full year 2019, revenue for the Asia-Pacific cluster totaled €2.5 million, down -17.4% compared with 2018, with a -38.2% decline in the fourth quarter due to order deferrals. Difficulties continued in China, where sales are not yet significant.

Other businesses

On a like-for-like basis (2018 figures restated to take into account the disposal of Sobieski Trade at the end of October 2019), revenue from Other Businesses fell by -2.2% in 2019, to € 167.4 million.

Private label sales are down 5.3% to €81.2 million for the year 2019, as the Group prioritized profitability over volumes in a difficult market context in France.



2019 RESULTS OUTLOOK

Marie Brizard Wine & Spirits confirms its estimated EBITDA range for the 2019 financial year between -€20 million and -€25 million as indicated on 15 October 2019.

POST CLOSING EVENTS

In accordance with the agreement concluded on 20 December 2019, COFEPP has agreed with MBWS France to make a first current account advance of a principal amount of €15million of which €7.6 million provided to the company on 20 January 2020, in order to strengthen its cash position until mid-March 2020 (see press release of 17 January 2020) and €7.4 million on 5 February 2020 to finance the acquisition by a French subsidiary of MBWS SA of 68% of the capital of the Lithuanian company Vilnius Degtine from MBWS Polska, enabling the latter to meet its immediate cash requirements.

As a reminder, the agreement signed with COFEPP on December 20 2019 also provides for a second current account advance of €17 million (remunerated at the annual capitalized EURIBOR 3-month rate with a floor at zero + 425 bps), which would be made available to MBWS during the first quarter of 2020 (the "Bridge n°2"), subject to (i) the agreement in principle of the public creditors on a moratorium on a part of the Group's tax and social security debts, (ii) the amendment of a bulk Scotch Whisky supply contract with an MBWS supplier and (iii) the stability of forecast cash requirements for 2020. Bridge n°2 would be secured by several additional pledges on the Group's assets, in particular second-rank pledges on the Sobieski, Marie Brizard and William Peel brands, as well as on the shares of MBWS France (first-rank) and Cognac Gautier (second-rank).

The terms and conditions (notably the amount, subscription price and COFEPP's guarantee) of the MBWS capital increase described in the press release of December 20, 2019, and the conditions precedent to such an operation, remain unchanged. Further details will be provided at a later date on the exact terms of the capital increase according to progress on the lifting of the conditions precedent. This capital increase will be submitted to a vote at the Annual General Meeting of Shareholders to be held on 25 June 2020.

Financial calendar

Marie Brizard Wine & Spirits will announce its 2019 results on April 29, 2020.

About Marie Brizard Wine & Spirits

Marie Brizard Wine & Spirits is a wine and spirits group based in Europe and the United States. Marie Brizard Wine & Spirits stands out for its know-how, a combination of brands with a long tradition and a spirit resolutely turned towards innovation. From the birth of the Maison Marie Brizard in 1755 to the launch the Fruits and Wine in 2010, the Marie Brizard Wine & Spirits Group has been able to develop its brands in a modern way while respecting their origins.

Marie Brizard Wine & Spirits' commitment is to offer its customers trustworthy, bold and full of flavors and experiences. The Group now has a rich portfolio of leading brands in their market segments, including William Peel, Sobieski, Krupnik, Fruits and Wine, Marie Brizard and Cognac Gautier.

Marie Brizard Wine & Spirits is listed on Euronext Paris Compartment B (FR0000060873 - MBWS) and is part of the EnterNext© PEA-PME 150 index



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