



Paris, 16 July 2020

Financial information

- Signature of an agreement subject to conditions precedent with United Beverages S.A. for the sale of the Group's activities in Poland
The closing of the transaction should take place within 2 to 4 months
- Agreement in principle on the modification of a contract for the bulk supply of Scotch Whisky concluded with a supplier of MBWS, allowing the balance of Advance 2 to be made available by COFEPP in the near future, subject to contractual formalization and the lifting of other conditions precedent.
Commitment by COFEPP to make available an additional intermediate tranche for a maximum amount of €5.5 million depending on the Group's immediate needs.
- Annual General Meeting to be held in private on 31 July 2020
The AGM to decide on the approval of the 2019 financial statements

Marie Brizard Wine & Spirits (Euronext: MBWS) announces today major progress in the implementation of its strategic plan and on the financing agreements agreed with its majority shareholder COFEPP.

AGREEMENT WITH UNITED BEVERAGES S.A., SUBJECT TO CONDITIONS PRECEDENT, FOR THE SALE OF MBWS ACTIVITIES IN POLAND

MBWS announces the signing of an agreement with the United Beverages Group, subject to conditions precedent, in relation to the 100 percent sale of MBWS Polska's shares and part of Polmos Lancut's outstanding shares. The formal closing of the agreement is anticipated to take place within the next 2 to 4 months. It is reminded that the contribution of the Poland business is negative in the Group's results, generating in 2019 an EBITDA of €-9.3 million and has substantially hampered the Group's return to profitability in recent years.

The agreement, concluded after a competitive and rigorous sale process, is in line with MBWS' strategic commitment to evaluate each of its business units, with regard to their ability for creating and sustaining shareholder value, over a mid- to long-term horizon. Hence, today's announcement is fully in line with the stated 2019-2022 strategic plan. The agreement provides for the payment of the sale price in several installments. Taking into account the net financial debt related to the divested business, the immediate cash impact will remain very limited.

Despite recent improvements driven by improved productivity and a selective commercial strategy, the MBWS business in Poland has faced significant challenges for several years, lacking the required scale and footprint to meet the stated mid- to long-term objectives of sustained profitability. Based on this analysis, the Board determined that the prospects of organically improving this challenging situation were limited and that conducting a sale process to find the right partner with critical mass would be the preferred option in order to maximise shareholder value.



The current agreement will allow MBWS and the United Beverages Group to work closely as partners. More specifically, the United Beverages Group will continue to produce Sobieski vodka (a brand that will remain the property of MBWS S.A.) for MBWS at the sites covered by this sale and a substantial number of MBWS international brands will be imported by the United Beverages Group, through the implementation of a new distribution agreement.

The agreement is conditional upon receiving a positive decision of the Polish Anti-Trust Authorities as well as upon the refunding of some of its financial debts related to the financing of the Polish activities.

Andrew Highcock, Chief Executive Officer of Marie Brizard Wine and Spirits, said: *“I am pleased that we have been able to reach an agreement with the United Beverages Group, one of the largest and most established players in the Polish alcoholic beverages market, with over 25 years of experience. I am convinced that we found a great home for the Polish assets, which will secure their long-term future. Above all, this choice allows the continuity for the employees of our subsidiary, whom I would like to thank for their commitment and who will benefit from a new momentum within United Beverages. For MBWS, this agreement is also another step forward in our group strategy of simplifying the operating model and of focusing on investments in shareholder value optimising assets. Finally, I would like to thank the United Beverages Group for their commitment to this transaction and wish them every success going forward.”*

William V Carey, Chief Executive Officer of the United Beverages Group, said: *“The acquisition of a leading Polish vodka producer as well as of a modern distillation plant completes one of the strategic gaps for the United Beverages Group. These production assets, coupled with our existing distribution strength, are an attractive investment opportunity to create a vertically integrated and value-increasing platform. This transaction will enable us to further develop our vision of establishing a leading, integrated and Polish-based FMCG group, with a specific focus on the alcoholic beverages segment. The United Beverages Group, post-acquisition, will have annual revenues exceeding 1 billion Euro and will employ 2500 employees in Poland. I look forward to working with the team at MBWS Polska and at Polmos Lancut on the integration and with a view to grow the business. I am also convinced of the strong potential of both businesses, especially as part of the broader United Beverages Group. Finally, I want to thank Andrew and the MBWS Board for selecting the United Beverages Group as partner and I strongly believe in the mutual value creation of our ongoing cooperation.”*

AGREEMENT-IN-PRINCIPLE CONCERNING THE MODIFICATION OF A CONTRACT FOR THE BULK SUPPLY OF SCOTCH WHISKY CONCLUDED WITH A SUPPLIER OF MBWS

At the completion of negotiations, the Group finally reached an agreement-in-principle with its supplier on the amendment of its contract for the bulk supply of Scotch Whisky.

This agreement-in-principle, which is still subject to the prompt formalisation of the final contract, was today accepted by MBWS’s Board of Directors and by COFEPP. The aim is to complete the signing of the agreement in September.

As a reminder, with respect to the financing of MBWS, the agreement signed with COFEPP on 20 December 2019 provided for a second current account advance of €17 million (the "Advance No.2"). Under the amended agreement entered into on May 13, 2020, which resulted in COFEPP providing a current account advance of €6 million to MBWS on May 25, 2020, an additional current account advance was to be made available to MBWS for a maximum amount of €4 million to meet the cash requirements of MBWS Group until July 15, 2020, subject to acceptance by COFEPP and upon proof of the cash requirements concerned. Under an agreement signed today between MBWS and COFEPP, COFEPP has



agreed to make an additional amount available to the Group up to a maximum of €5.5 million (the "Balance 1bis") -in place of the additional advance initially provided for of €4 million- depending on the Group's immediate cash requirements. The securities granted to the benefit of COFEPP in respect of the funds made available as part of Balance 1bis will be identical to those provided for as part of the current account advance of May 25, 2020. The different amounts of the additional advances including Balance 1bis will be deducted from the amount of Advance No.2.

The condition precedent relating to the amendment of the contract for the supply of Scotch Whisky must be lifted on the date of signature of the final amended contract to be concluded with the supplier. The balance of Advance No.2, i.e. an amount of between €5,5 million and €11 million depending on the amount of Balance 1bis actually made available by COFEPP, will soon be made available to MBWS, subject to (i) the final contractual formalization of the agreement-in-principle reached today and (ii) the lifting of the remaining conditions precedent, and in particular the agreement in principle of the public creditors to a moratorium on part of the Group's tax and social security debts.

It is reminded that the receivables held by COFEPP over the Group are intended to be converted into ordinary shares in the context of a capital increase, as previously announced, the terms and conditions of which remain unchanged. Further details on the terms and timing of the capital increase will be provided at a later date.

HOLDING OF THE GENERAL MEETING IN PRIVATE ON JULY 31, 2020

In view of the health context, the Group has decided, pursuant to the terms of Order No. 2020-321 of March 25, 2020, to hold its annual general meeting behind closed doors. Under these conditions, the company will pay particular attention to the written responses following the receipt of written questions.

This shareholders' meeting will mainly focus on the approval of the 2019 financial statements and will not be called to vote on any resolution to increase the share capital, which will, if applicable, be the subject of a subsequent extraordinary shareholders' meeting.

In the light of the above commitments, the Group should now be in a position to meet its cash requirements at least until mid-October 2020, based on its forecasts and excluding exceptional external events.

Financial Calendar: Publication of first-half sales on July 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



Contact

Image Sept

Claire Doligez

cdoligez@image7.fr

Phone: +33 (0)1 53 70 74 70