



Paris, 29 July 2020

2020 Half-Year Activity

- **2020 Half-Year net sales¹ of €135.4M (-4.3%)**
 - > Strong growth of Other Businesses (+23.9%), driven by increased demand for bulk spirit in Poland and Lithuania in the context of Covid-19
 - > Resilience of Branded Business in France and other CEE countries (Baltic States and Bulgaria).
- **A second quarter down by -9.3% to €73.7M**
 - > Branded Businesses highly impacted (-24.2%) by lockdown measures due to Covid-19, mainly in Poland and several countries in the WEMEA cluster
 - > Sales growth in the United States following the new partnership with Sazerac

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

Marie Brizard Wine & Spirits (Euronext: MBWS) today announced its unaudited net sales for the 2nd quarter 2020, covering the period from April 1st to June 30, 2020 as well as 2020 Half-Year net sales.

Andrew Highcock, CEO of Marie Brizard Wine & Spirits, comments: “ During the first half of the year, we focused on protecting our employees and partners whose health and safety remain a priority. As expected, the effects of the Covid-19 pandemic worsened in the 2nd quarter for our Branded Businesses. The unprecedented level of bulk sales contributed strongly and mitigated some of this decline. We are resolutely pursuing the implementation of our strategic plan aimed at restoring the Group's profitability on a sustainable basis. The recently announced plan to sell our activities in Poland is fully in line with this plan, while providing them with a new impetus. The macroeconomic impact of the persistent uncertainties about the global health situation require us to remain cautious about the business outlook until there is better visibility, nevertheless we are confident about the relevance of our strategic choices. ”

1st half 2020 – Sales by cluster

en €M	H1 2019	Org. growth	Currency impact	H1 2020	Org. Growth at cc	Growth
Branded Business	97.2	-16.7	0.1	80.6	-17.2%	-17.1%
WEMEA	53.6	-8.6	0.0	45.0	-16.0%	-16.0%
France	44.5	-4.6	0.0	39.9	-10.3%	-10.3%
Rest of cluster	9.1	-4.0	0.0	5.1	-43.9%	-43.9%
EE	34.2	-11.1	-0.1	23.1	-32.4%	-32.6%
Poland ²	22.2	-10.3	-0.1	11.8	-46.4%	-46.8%
Rest of cluster	12.1	-0.8	0.0	11.3	-6.5%	-6.5%
Americas	8.4	2.7	0.1	11.3	32.3%	33.9%
APAC	1.0	0.2	0.0	1.2	20.5%	20.5%
Other Businesses¹	44.3	10.6	-0.1	54.8	23.9%	23.8%
TOTAL MBWS⁽¹⁾	141.5	-6.1	0.0	135.4	-4.3%	-4.3%

¹Application of IFRS 5 relating to the sale of Sobieski Trade on 15 November 2019 (for the record, revenue for the 1st half of 2019 of €49.9M)

²Revenues including sales of MBWS Polska to Sobieski Trade and to Alco Trade (ex. ST) of €5.6M in H1 2019 following the application of IFRS 5



2nd quarter 2020 - Sales by cluster

en €M	Q2 2019	Org. growth	Currency impact	Q2 2020	Org. Growth at cc	Growth
Branded Businesses	54.1	-13.1	0.0	41.0	-24.2%	-24.2%
WEMEA	29.5	-6.3	0.0	23.1	-21.4%	-21.4%
France	24.0	-2.7	0.0	21.3	-11.2%	-11.2%
Rest of cluster	5.4	-3.6	0.0	1.8	-66.6%	-66.6%
CEE	19.8	-8.2	-0.1	11.5	-41.6%	-41.8%
Poland ²	14.5	-8.3	-0.1	6.1	-57.5%	-57.9%
Rest of cluster	5.3	0.1	0.0	5.4	2.3%	2.3%
Americas	4.3	1.3	0.1	5.6	29.4%	30.7%
APAC	0.6	0.2	0.0	0.8	38.6%	38.6%
Other Businesses¹	27.2	5.5	0.0	32.7	20.2%	20.1%
TOTAL MBWS⁽¹⁾	81.3	-7.6	0.0	73.7	-9.3%	-9.4%

¹Application of IFRS 5 relating to the sale of Sobieski Trade on 15 November 2019 (for the record, revenue for the 1st half of 2019 of €49.9M)

²Revenues including sales of MBWS Polska to Sobieski Trade and to Alco Trade (ex. ST) of €5.6M in H1 2019 following the application of IFRS 5

ACTIVITY BY CLUSTER

WEMEA : a successful strategy of concentrating on popular formats in France, but a quarter still impacted overall by the global pandemic and difficulties of the aromatised wine-based beverage (BABV) segment

Over the 2nd quarter of 2020, WEMEA cluster revenues totalled €23,1 M, down -21,4% compared to 2019, which can largely be attributed to lockdown measures and closures in the HoReCa segment.

In France, net sales totalled €21.3 M (-11.2%) in the 2nd quarter. The Spirits business showed some resilience in face of the Covid-19. After several months affected by lockdown, the activity in May and June recovered in terms of sales helped by post-lockdown purchases in the Off Trade, driven by William Peel brand. Difficulties in the BABV market persisted in the 2nd quarter 2020, strongly affecting sales of Fruits & Wine brand.

In the rest of the cluster, Q2 sales of €1.8 M reflect a sharp decline of c. 67% compared with the second quarter of 2019, largely attributable to the closures and shutdown of activity in the HoReCa segment (pubs, cafés and restaurants) in most of the cluster (Spain, Denmark and the United Kingdom having been particularly affected by these anti-Covid-19 measures).

In the first half of 2020, WEMEA cluster's sales amounted € 45 M, down 16% compared with the first half of 2019.



Central and Eastern Europe (CEE): a cluster heavily affected by the effects of the health crisis in the 2nd quarter

Sales for the 2nd quarter of 2020 for the CEE cluster came to €11.5 M, down 41.6% compared with the same period in 2019, with sales in Poland accounting for the bulk of this decline.

Affected by lockdown measures, which resulted in particular in a drop in consumption in modern trade, sales in Poland (Branded Businesses only) totalled €6.1 M in the 2nd quarter of 2020, showing a sharp drop of 57.5% compared with the 2nd quarter of 2019. With a strategy favouring profitability over volumes gains, the Group also continued to optimize its commercial investments and maintained its rigorous management of commercial contracts in a still difficult Vodka market.

Revenues for the rest of the cluster increased by +2.3% to €5.4 M in Q2 2020. In Lithuania, sales of select categories such as whisky grew in the local market despite the impact of Covid-19 on national brands. Export sales fell sharply during the 2nd quarter. In Bulgaria, the good performance of spirits only partially offset the decline in wine.

Sales for the first half of 2020 for the CEE cluster totalled €23.1 M (-32.4% compared to the first half of 2019).

Americas: a cluster that is benefitting from the change in distribution in the United States

Second quarter 2020 revenues for the Americas cluster reached €5.6 M, up +29.4% compared to the same quarter in 2019.

Business in the United States during the first half of the year was sustained by the initial phase of the distribution partnership, which resulted in the building up of inventories by Sazerac, an effect that should however slow down over the second half of the year. The sales performance also reflects the dynamics of the US market, whose strong growth in off-trade offset the decline observed in the on-trade and export segment, which is the consequence of Covid-19. In Brazil, on the other hand, business continued to be strongly impacted by Covid-19 in April with a very gradual recovery in May and June. This quarter saw the introduction of new COFEPP brands, Cutty Sark and Glen Moray.

In the first half of 2020, sales for the Americas cluster amounted to € 11.3 M, up 32.3% compared to the first half of 2019.

APAC

Over the 2nd quarter of 2020, revenues for the Asia-Pacific cluster amounted €0.8 M (+38.6%), and reached €1.2 M over the first half of the year (+20.5%) thanks to the resilience of off-trade activities. Projects to revitalize this cluster had to be put on hold due to the Covid-19 crisis.

Other Businesses

Following the application of IFRS 5 relating to Sobieski Trade, turnover from Other Businesses represents the private label activity and bulk alcohol sales. The latter experienced strong growth (+20.2% in the 2nd quarter and nearly 24% over the 1st half of 2020, reaching €54.8 M), with the weakness of the private label market in France offset by the strong increase in bulk sales in Poland and the Baltic countries, to meet surging demand for anti-bacterial gels due to the Covid-19 crisis.



POST CLOSING EVENTS

Signature of the agreement with United Beverages S.A., subject to conditions precedent, for the sale of MBSW 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 M and has substantially hampered the Group's return to profitability in recent years.

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.

Agreement-in-principle concerning the modification of a contract for the bulk supply of Scotch Whisky concluded with a supplier of MBWS, with a view to the forthcoming availability of the balance of the Advance n°2 by COFEPP subject to contractual formalisation and the lifting of the other conditions precedent - Commitment to make available by COFEPP an additional tranche of up to €5.5 M

On July 16, 2020, at the completion of negotiations, the Group announced that it 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 no later than September 15, 2020, was on that same day accepted by MBWS's Board of Directors and by COFEPP.

In addition, under the agreement between MBWS and COFEPP dated 16 July, reiterated on 27 July, COFEPP agreed to make available to the Group an additional amount of up to €5.5 M (instead of the additional advance initially provided for of €4 M) (the "**Balance 1bis**"). The Balance 1bis should be paid (i) during the first week of August, for an amount of €4 M and (ii) during September, for an amount of €1.5 M, upon proof of the Group's cash requirements. The securities granted to COFEPP for the funds made available under Balance 1bis will be identical to those provided for under the current account advance of May 25, 2020, and, if applicable, in the event of the availability of the amount of €1.5 M, supplemented by a pledge of the current account receivable between MBWS and MBWS France, coupled with a pledge on the securities of Cognac Gautier and/or on the Marie Brizard brands. The sum of the various additional advances, including Balance 1bis, will be deducted from the amount of Advance No. 2.



Additional repayment of the receivable held on Clico Investment Bank

The Group announced on July 3 that MBWS Ltd, the Group's subsidiary in Trinidad, had received on June 26, 2020, an additional repayment of its debt held on Clico Investment Bank located in Trinidad and Tobago, in the amount of 50.8 million Trinidadian dollars, i.e. approximately €6.7 million. This amount will be converted within a timeframe that takes into account the low liquidity for this currency, which will therefore have no immediate impact on the Group's cash position in the short term. This receivable had been fully written down in the Group's accounts.

Financial Calendar

- Annual General Meeting held behind closed doors on July 31, 2020 (approval of the 2019 financial statements)
- Publication of First-Half results on September 25, 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 of 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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