

Charenton-le-Pont, 28 October 2021

Sales for 3rd Quarter of 2021

- Sales for the first nine months at €121.9M (-3.1%) at constant rate but up 3.0% excluding non-recurring items⁽¹⁾
- Sales up 2.7% in the third quarter to €40.8m
 - France: continued improvement with a sales contraction limited to -1.2%, or €17.7m, after a decrease of -2.0% in Q2 2021
 - International: sales growth of +5.8% to €23.1m after a decline of -7.1% in Q2 2021
- Good contribution of North America and Brazil to the sales recovery
- Tensions at several levels of the international supply chain, whose potential net impact on the 4th quarter cannot yet be assessed, but which are addressed by targeted measures
- Continued focus on profitability of sales volumes

(1) Adjusted for the positive one-off effect of bulk ethyl alcohol sales in Lithuania in 2020 and of the stock pipeline build linked to the new third-party distribution agreement introduced in the USA on 1st January 2020

NB: Unless otherwise stated, any growth in turnover mentioned is quoted at a constant exchange rate and consolidation scope.

Marie Brizard Wine & Spirits (Euronext: MBWS) today announces its unaudited turnover for the 3rd quarter 2021 covering the period from 1st July to 30 September 2021, and for the first nine months of 2021.

NB: In accordance with the Group's new management structure implemented on 1 January 2021, the Group's turnover is now presented as two Clusters, France and International, in order to reflect the evolution of business after the different disposals in 2019 (including the business' in Poland, sold on 21 October 2020 and Moncigale, sold on 16 February 2021).

Sales* at end September 2021

in €M	9 months 2020	Organic growth	Exchange rate effect	9 months 2021	Organic growth (excl. exchange rate)	Published growth (inc. exchange rate)
France	56.2	0.6	0.0	56.8	1.0%	1.0 %
International	70.4	-4.5	-0.8	65.1	-6.4%	-7.6 %
MBWS TOTAL	126.6	-3.9	-0.8	121.9	-3.1%	-3.8 %

* Application of IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations:' pre-consolidation adjustments relating to the businesses sold (Poland and Moncigale)

Sales for Q3 2021

in €M	Q3 2020	Organic growth	Exchange rate effect	Q3 2021	Organic growth (excl. exchange rate)	Published growth (inc. exchange rate)
France	17.9	-0.2	0.0	17.7	-1.2%	-1.2%
International	21.9	1.3	-0.1	23.1	5.8%	5.4%
MBWS TOTAL	39.8	1.1	-0.1	40.8	2.7%	2.5%

* Application of IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations:' pre-consolidation adjustments relating to the businesses sold (Poland and Moncigale)

Details per Cluster

France

The French Cluster generated a turnover of €56.8m for the first nine months of 2021, up 2% compared to 30 September 2020, with a slight decline of -1.2% in the third quarter of 2021.

In a slightly decelerating spirits market where competition remains fierce, the Group has continued its strategy of favouring value over volume, while optimising its commercial policy in each distribution channel.

With hotels, bars and restaurants closed during the first half of the year, the On-trade business gradually picked up in the third quarter, to the detriment of Off-trade sales. The under-12 Blended Scotch market was particularly affected, with a -1.3% decline recorded over the period. The recovery of the On-trade business was however slowed down by the implementation of the "Health Pass".

In this context, the Group's brands nevertheless broadly maintained their position (except for a slowdown in William Peel volumes) or gained market share, such as Sobieski, thanks to strong targeted promotional support.

At end September, the France Cluster also continued to enjoy the contribution of the Irish Whiskey brand, Paddy, whose distribution was taken over in June 2020.

International

With a third quarter increase of +5.8%, the International Cluster's turnover for the first nine months of 2021 stands at €65.1m, limiting its decline to -6.4% compared to the end of September 2020. The main contributors to this turnaround in growth are the Americas (USA, Canada and Brazil).

Adjusted for one-off positive mechanical effects in the first half of 2020 (i.e. the impact of the new distribution agreement in the USA leading to the build-up of initial stocks and very strong bulk sales of hydro-alcoholic gel in Lithuania), the International Cluster's adjusted sales would be up +4.7% at end September 2021.

For the first nine months of the year, sales trends in Western Europe remained in line with that of the first half. In Benelux, the strategy favouring value over volume led to a slight contraction in turnover. These factors were partially offset by the reopening of the On-trade in the United Kingdom, the main market for the Marie Brizard brand. The recovery of other markets such as Denmark, which began in the second quarter, continued in the third quarter.

As was the case in the first half of the year, turnover in the Baltic States at the end of September was still impacted by a sharp decline in the bulk sales market. In the third quarter, a slight upturn in activity and a proactive policy of price increases nevertheless mitigated the decline in turnover, along with a slight recovery of branded sales to its export markets. This quarter also marked a recovery in activity in Bulgaria, which continues to benefit from a subcontracting agreement started in July 2020. In Poland, in line with the first half of the year, the third quarter saw a good level of sales from William Peel to the Group's former subsidiary.

In the USA, the third quarter saw the materialisation of favourable elements that partially offset the unfavourable trend of the first half of 2021 compared to 2020, with an improvement in Sobieski's sales and a good dynamic for local distributor sell-out of Sobieski and Gautier brands compared to some competitor brands. The Gautier and Sobieski brands also recorded growth in Canada. Business in Brazil was driven by sales of Cutty Sark and local brands, as well as by higher prices since mid-2021. At the end of September, sales in this region were still affected by the comparison with the last year base and an unfavourable product mix in the USA.

The Asia-Pacific region has seen contrasting developments since the beginning of the year, depending on the country. Japan remains in sharp decline under the persistent effect of Covid. In Australia, after very strong growth in the first half of the year, particularly for the Marie Brizard brand, sales fell slightly in the third quarter which suffered from a high base for comparison in 2020 and a transfer effect between off and on-trade, which was only partially offset by the rebound in Korea and Taiwan.

Financial calendar : Fourth quarter and full year 2021 turnover: 17 February 2022

About Marie Brizard Wine & Spirits

Marie Brizard Wine & Spirits is a Wine and Spirits Group with operations in Europe and the United States. Marie Brizard Wine & Spirits is notable for its expertise, its combination of brands with a long tradition and a corporate spirit firmly focused on innovation. From the birth of the Maison Marie Brizard in 1755, the Marie Brizard Wine & Spirits Group has developed its products in line with modernity while respecting their historical origins. Marie Brizard Wine & Spirits is committed to offering its customers brands that are trustworthy, bold and full of flavours and experiences. The Group now has a rich portfolio of leading brands in their market segments, including William Peel, Sobieski, 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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