



PRESS RELEASE

## **GROWTH IN BUSINESS AND EARNINGS FOR THE FIRST HALF OF 2022**

### **CANCELLATION OF TREASURY SHARES AND SHARE CAPITAL INCREASE**

**Reims, Monday September 5, 2022 - 5:45pm**

The LANSON-BCC Group is publishing its accounts for the first half of 2022, with a net profit of €10.09m, a significant increase versus 2021. This satisfactory first-half result was recorded thanks to the improved value creation with sales and the acceleration of exports. It makes it possible to confirm the Group's sound financial foundations. As a family-owned pure player for Champagne, LANSON-BCC is continuing to focus on its long-term value development strategy, despite the uncertainties linked to the global economic context.

#### **Key developments**

In a context of economic volatility and geopolitical uncertainty, the Champagne industry progressed during the first half of 2022, confirming the resumption of consumption following the health crisis and highlighting the strong level of attachment to Champagne wines among consumers around the world. In terms of volumes, the industry's shipments over this period climbed +13.6%. The French market (38.8% of volumes shipped) increased by +9.3%. In terms of exports, shipments to European Union countries (+19.0%; 19.3% of volumes shipped) and to third countries<sup>1</sup> (+15.5%; 41.9% of volumes shipped) continued to progress. Source: CIVC

On these growing markets, the Group's Maisons recorded positive trends, primarily for export. The increase in sales, which came in lower than the overall industry in terms of volumes, was mainly achieved through positive price-mix effects, reflecting the growing success of our outstanding wines. Our Maisons with the strongest focus on exports and traditional sectors have continued to improve their results.

#### **Consolidated income statement**

<i>IFRS (€m)</i>	<b>H1 2022</b>	<b>H1 2021</b>	<b>Change (%)</b>
<b>Revenues</b>	<b>115.02</b>	<b>99.11</b>	<b>+ 16.0</b>
<b>EBIT</b>	<b>15.08</b>	<b>8.57</b>	<b>+ 76.0</b>
<b>Financial income and expenses</b>	<b>-1.83</b>	<b>-2.04</b>	<b>+ 10.3</b>
<b>Net income</b>	<b>10.09</b>	<b>4.71</b>	<b>+ 114.2</b>

**Consolidated revenues** for the first half of 2022 came to **€115.02m**, up **16.0%** from the first half of 2021. Excluding the brokerage subsidiary, whose activity is traditionally subject to fluctuations, consolidated revenues represent **€112.11m**, up 15.2% compared with the previous year.

<sup>1</sup> Following Brexit, the Champagne industry's shipment statistics have been adjusted since January 1, 2021, with the United Kingdom included in the "Third Country" region.

**Exports** generated **62.9%** of revenues at June 30, 2022, compared with 57.9% at June 30, 2021. This change reflects the increase in sales for several European destinations (Germany, Italy, Switzerland, etc.) and in the UK, where Maison Lanson has historically had strong market shares, as well as in the United States and Japan.

**EBIT** came to **€15.08m**, compared with €8.57m for the first half of 2021. This change is linked mainly to the growth in average sales prices and the improvement in the product mix, which were essential to absorb the increase in the cost price of wines sold during the period. EBIT includes €1.6m of non-current income linked to the favorable outcome of an administrative dispute.

**Financial expenses** primarily concern interest linked to the aging of Champagne stocks and came to **-€1.83m**, versus -€2.04m for the first half of 2021, with the increase in interest rates not yet having a visible impact during the first half of the year.

Following an effective corporate income tax rate of 24.3%, **net income** totaled **€10.09m**, compared with €4.71m for the first half of 2021.

### **Consolidated balance sheet**

**Shareholders' equity** is up to **€307.40m**, compared with €291.69m at June 30, 2021.

**Consolidated net financial debt** totaled **€484.65m**, compared with €519.18m at June 30, 2021. €421.6m concerns the aging of a stock of wines, representing 3.4 years of sales to date, down following the shortfalls seen with the last two harvests and the good level of shipments during the first half of 2022.

**Other financial debt** represents **€63m** (versus €48m at end-2021) and concerns the investments in the Maisons and vineyards (Besserat de Bellefont, Lanson and Chanoine).

**The Group's sound financial structure has been consolidated**, with **gearing** down to **1.58** from 1.78 at June 30, 2021.

### **Subsequent events: capital reduction through the cancellation of treasury shares and capital increase through the incorporation of reserves**

During its meeting today, the Board of Directors, as authorized by the General Meeting on April 29, 2022 under its 10<sup>th</sup> resolution, decided to reduce LANSON-BCC's share capital, by canceling 355,495 treasury shares representing 5% of the Company's capital.

All of these canceled shares were bought back from February 2, 2022 to July 4, 2022 under the program authorized by the 9<sup>th</sup> resolution approved at the General Shareholders' Meeting on April 29, 2022, covering 10% of the Company's capital.

The Board of Directors, under the 11<sup>th</sup> resolution approved by the General Shareholders' Meeting on April 29, 2021, also decided to increase the Company's share capital, by raising the par value of the shares comprising the capital to €20 and incorporating reserves for a total of €67,544,150.

These operations are expected to be effectively carried out from September 8, 2022. Following this, LANSON-BCC's share capital will represent €135,088,300, split into 6,754,415 shares with a par value of €20.

### **Outlook**

Considering the traditional seasonality of Champagne sales, the results for the first half of 2022 cannot be extrapolated over the full year. LANSON-BCC would like to highlight that usually around one third of sales are recorded during the first half of the year, which is subject to half of fixed costs for the whole year. However, this proportion may not be verified this year due to the international tensions, the persistent global economic uncertainties and the impossibility of strongly developing volumes in the short term. Due to this lack of visibility for the end of the year, LANSON-BCC is not releasing any forecasts for the full year.

The outstanding 2022 harvest that is underway, combining abundance and quality, is expected to help drive the development of volumes over the medium term.

The Group is effectively positioned to move forward. As a family-owned pure player for Champagne, LANSON-BCC is continuing to focus on its long-term value development strategy. The Group's ambition to further strengthen its positioning in the world of high-end wines is, more than ever, firmly anchored at the heart of its plans.

### **Additional information**

The half-year consolidated accounts have not been subject to a limited review by the statutory auditors. The half-year financial report, approved by the Board of Directors on September 5, 2022, is available on the Group website: [www.lanson-bcc.com](http://www.lanson-bcc.com).

**2022 full-year revenues** will be released on **Thursday January 26, 2023** (after close of trading).

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**LANSON-BCC is a group built around eight Maisons producing Champagne wines, created and led by Champagne families.** It unites together outstanding Maisons, renowned for their unique wines and benefiting from the effective fit between their customer segments. The combination of ancestral know-how and modern technical capabilities, creative independence and rational synergies enables each one of its Maisons to develop its performances, ensuring the LANSON-BCC Group's sustainability.

- **Champagne Lanson**, prestigious Maison founded 1760, Reims, holder of a Royal Warrant since the time of Queen Victoria, 80% of Champagne sold on international markets.
- **Champagne Chanoine Frères**, Maison founded 1730, Reims, Champagne sold primarily for the European mass retail market, reputed above all for its highly sought-after **Tsarine** cuvee.
- **Champagne Boizel**, Maison founded 1834, Epernay, Champagne distributed through mail order in France (BtoC) and in traditional sectors for international markets.
- **Champagne De Venoge**, Maison founded 1837, Epernay, Champagne sold on selective retail markets, notably with its **Cordon Bleu** and **Princes** ranges and its **Louis XV** grande cuvee.
- **Champagne Besserat de Bellefon**, Maison founded 1843, Epernay, producer of the **Cuvée des Moines**, Champagne distributed through traditional networks (restaurants, wine stores).
- **Champagne Philipponnat**, Maison founded 1910, Mareuil sur Aÿ, owner of **Clos des Goisses**, Champagne sold on selective retail markets and in the world's leading restaurants.
- **Maison Burtin**, Maison founded 1930, Epernay, private-label supplier for the European mass retail market and also producer of Champagne **Alfred Rothschild**.
- **Domaine Alexandre Bonnet**, Les Riceys, Domaine founded 1970, owner of a vast vineyard, with wine sold in traditional sectors, also producer of **Rosé des Riceys**.

[www.lanson-bcc.com](http://www.lanson-bcc.com)

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LANSON-BCC shares are listed on Euronext Growth Paris  
Ticker: ALLAN | ISIN: FR0004027068 | Reuters: ALLAN.PA | Bloomberg: ALLAN:FP  
Indices: EN Growth Allshare, EN Family Business

LANSON-BCC shares are eligible for SME share-based savings schemes (PEA-PME - implementing order of March 4, 2014)

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