



PRESS RELEASE

## STRONG FULL-YEAR EARNINGS GROWTH FOR 2022

- **Revenues: €289.2m, +6.7%**
- **Income from ordinary operations: €50.2m, +64.9%**
- **Net income: €38.75m, with €5.74 per share**
- **Dividend to be proposed at the General Meeting: €1 per share**

*Reims, Tuesday March 14, 2023, 5:45pm*

*The 2022 full-year results of LANSON-BCC, a Champagne pure player, reflect the impacts of the new governance structure put in place in 2019 aiming to improve the price-product mix and create value more effectively. Combined with the robust development of shipments on the Champagne market, this premiumization of our Maisons and their expansion for exports enabled the Group to make strong progress with its results. Faced with the uncertainty linked to the geopolitical and economic environment, the LANSON-BCC Group confirms the relevance of its value creation strategy.*

### Key developments: the global Champagne wine market in 2022

The market saw a further increase in volumes, up +1.5% to 325.5 million bottles shipped, with record sales of €6.3bn (+10.9%). France (42.5% of volumes) is down -1.8%, while exports (57.5% of volumes) are up +4.1% (source CIVC).

### Our Maisons

In this favorable environment, the LANSON-BCC Group recorded a controlled contraction in its volumes by -3.7%, with +6.7% consolidated revenue growth to €289.2m. The best performance was recorded by Maison Lanson, which confirmed its redeployment for export and its price repositioning in 2022. The Group's Maisons serving the traditional sectors - Philipponnat, De Venoge, Boizel, Besserat de Bellefon and Domaine Alexandre Bonnet - also made progress in terms of value despite constraints affecting the volumes available. Maison Burtin and Chanoine, which have very strong exposure to the French mass retail sector, had a more difficult year.

### Consolidated income statement

IFRS (€m)	2022	2021	Change (%)
<b>Revenues</b>	<b>289.23</b>	<b>271.09</b>	<b>+6.7%</b>
Gross margin	131.65	101.38	
<b>Income from ordinary operations</b>	<b>50.24</b>	<b>30.47</b>	<b>+64.9%</b>
% of revenues	17.4%	11.2%	+6.2 pts
Non-current income and expenses	5.61	0.66	
<b>EBIT</b>	<b>55.86</b>	<b>31.13</b>	<b>+79.4%</b>
<b>Financial income and expenses</b>	<b>-4.27</b>	<b>-3.89</b>	
Corporate income tax	-13.13	-7.92	
<b>Net income</b>	<b>38.75</b>	<b>19.36</b>	<b>+100.2%</b>
% of revenues	13.4%	7.1%	+6.3 pts
<b>Net earnings per share (€)</b>	<b>5.74</b>	<b>2.72</b>	<b>+€3.02</b>

**Consolidated revenues** for 2022 came to **€289.23m** (+6.7%). Excluding the brokerage subsidiary, whose activity is traditionally subject to fluctuations, consolidated revenues represent €282.7m (+7.0%). With the increase in Champagne revenues and the change in its product mix and market mix, average sales price growth came to +12.2%, outpacing the industry figure of +9.4%. France generated 43.6% of revenues in 2022, with 56.4% for exports.

**EBITDA** (income from ordinary operations before depreciation and provisions - net of reversals) is up +54% from €37.65m to **€57.99m**. This change is linked mainly to the growth in average sales prices and the improvement in the mixes.

After net depreciation and provisions of €7.75m (+€0.57m), **income from ordinary operations** climbed to **€50.24m**, up +64.9% compared with €30.47m in 2021. The ratio of income from ordinary operations to revenues is up +6.2 pts to 17.4%.

**EBIT** reached **€55.86m**, compared with €31.13m in 2021, with +79.4% growth. This result includes €1.6m of non-current income linked to the favorable outcome reached following a dispute with the tax authorities and a €3.2m reversal of provisions relating to an agreement concerning the financing and conditions for managing the mutual health insurance program for retired Maison Burtin staff.

**Financial expenses** primarily concern interest relating to the aging of Champagne stocks. They totaled **-€4.27m**, compared with -€3.89m in 2021, factoring in the reduced level of aging-related credit facilities, due to the good level of sales and the small harvests in 2020 and 2021. The gradual increase in interest rates as our credit facilities reached their deadlines for renewal only had negative impacts during the last quarter of 2022, but will be significantly more marked in 2023 and 2024.

**Pre-tax earnings** came to **€51.58m**, compared with €27.24m in 2021.

Factoring in a corporate income tax rate of 25.4% in 2022, compared with 29.1% in 2021, **net income** is up +100.2% from €19.36m in 2021 to **€38.75m**. The net margin rate also increased, climbing from 7.1% in 2021 to 13.4%.

The full-year results for 2022 do not yet reflect the impact of grape price inflation on the cost of sales or the impact of interest rates on stock financing.

### **Consolidated balance sheet**

**Shareholders' equity** is up to **€323.9m**, compared with €304.6m at end-2021, linked in particular to the +€19.3m change in net income between 2022 and 2021. After buying back the entire interest held by Crédit Mutuel Equity, the Group decided to cancel 355,495 shares (-€11.5m impact), representing 5% of the shares comprising its capital. The decision was also taken to double the par value of the share to €20 by incorporating reserves.

**Consolidated net financial debt** was reduced to **€466.9m**, compared with €481.9m at end-2021. €406.3m correspond to credit facilities for the aging of a stock of Champagne wines, representing a volume of nearly 3.6 years of sales, with a book value of €519.3m, compared with €473.1m at end-2021. This low level is linked in part to the good sales achieved, as well as the small harvests in 2020 and 2021. Other financial debt represents €60.6m (versus €48.4m at end-2021) and concerns the investments in the Group's Maisons and vineyards.

**The Group consolidated its sound financial structure: gearing**, at **1.42**, compared with 1.58 in 2021, is at a normal level for Champagne due to the significant levels of stock for aging.

### **Proposed dividend**

Taking into account the year's results, LANSON-BCC's Board of Directors will be submitting a dividend of €1.00 per share, representing 17% of net income, for approval at the General Meeting on May 12, 2023, scheduled for payment on May 19, 2023. Historically, the bulk of earnings have been capitalized in order to continue to improve gearing and give each of the Group's Maisons the means to drive its development.

### **Outlook**

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 still, more than ever, firmly anchored at the heart of its plans.

The progress with business in 2023 will be driven exclusively by the continued improvements in the product/destination mix, with volumes still restricted following the small harvests in 2020 and 2021. The outstanding 2022 harvest will only see volumes pick up again in three to four years. The Board of Directors decided today to appoint François Van Aal as Deputy Chief Executive Officer.

### **Additional information**

The consolidated financial statements for 2022 were approved by the Board of Directors on March 14, 2023. The audit procedures on the consolidated accounts have been completed. The certification report will be issued once the necessary procedures have been finalized for filing the 2022 Universal Registration Document with the AMF.

A video presenting the 2022 earnings is available on the Group website: [www.lanson-bcc.com](http://www.lanson-bcc.com).

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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 Philipponnat**, Maison founded 1910 with a family tradition dating back to 1522, Mareuil sur Aÿ, owner of **Clos des Goisses**, Champagne sold on selective retail markets and in the world's leading restaurants.
- **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 Boizel**, Maison founded 1834, Epernay, Champagne distributed through mail order in France (BtoC) and in traditional sectors for international markets.
- **Champagne Chanoine Frères**, Maison founded 1730, Reims, Champagne sold primarily on mass retail and export markets, reputed above all for its **Tsarine** cuvee.
- **Maison Burtin**, Maison founded 1930, Epernay, mass retail supplier, producer of "custom" Champagne for key accounts, including the **Alfred Rothschild** range.
- **Domaine Alexandre Bonnet**, Les Riceys, owner of a vast vineyard, with "grower" champagnes sold in traditional sectors, also producer of **Rosé des Riceys**.

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

LANSON-BCC shares are listed on Euronext Growth Paris

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Indices: EN Growth Allshare, EN Family Business

LANSON-BCC shares are eligible for SME share-based savings schemes (PEA-PME - implementing order of March 5, 2014)

**LANSON-BCC**

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