



PRESS RELEASE

2024 FIRST-HALF RESULTS POSITIVE IN A CONTRACTED MARKET

Reims, Wednesday September 11, 2024 - 5:45 pm

The LANSON-BCC Group, a Champagne pure player, is reporting €3.71m of net income for the first half of 2024. The positive effects of the improvement in the product mix were not sufficient to offset the negative impact of the contraction in volumes linked to the general economic environment and the increase in stock financing costs. The market reflects a global drop in consumption and the active management of destocking by retailers, which are also exposed to the increase in financing costs. Despite the geopolitical and economic uncertainty, LANSON-BCC is still firmly committed to its long-term value creation strategy and would like to highlight that historically revenues for the first half of the calendar year represent only one third of sales for the full year.

Global Champagne wine market

During the first half of 2024, the Champagne industry shipped 106.7 million bottles, with volumes down -15.2% versus the same period in 2023 (125.8 million bottles). This comparison is even more significant as the first half of 2023 had been particularly dynamic (42.1% of 2023 shipments), supported by the exceptional level of export sales. The French market, which represents 40.5% of the volumes shipped, is down -10.2%. Export markets (59.5% of volumes) show a sharper contraction of -18.2% (source: CIVC).

Our Maisons

In this context, the Lanson-BCC Group recorded a higher contraction in its volumes than the market, both in France and for exports. However, the premiumization policy launched in 2019 is continuing to move forward with determination and helping drive a continued improvement in the price-product mix.

Consolidated income statement

IFRS (€m)	H1 2024	H1 2023	Change (%)
Revenues	87.79	109.07	-19.5%
Gross margin	50.44	57.81	-12.7%
% of revenues	57.5%	53.0%	+4.5 pts
Income from ordinary operations	12.35	19.25	-35.9%
% of revenues	14.1%	17.7%	-3.6 pts
Finance costs	-7.26	-3.88	+87.1%
Net income	3.71	11.57	-67.9%

Consolidated revenues for the first half of 2024 totaled **€87.79m**, down **-19.5%** from the first half of 2023. **Exports** generated **56.8%** of revenues at June 30, 2024, compared with 60.7% at June 30, 2023. This change primarily reflects the lower level of shipments to the United Kingdom, Germany and Japan, as well as their stagnation over this period for the United States and Australia, with these markets continuing to show surplus inventory.

EBITDA (income from ordinary operations before depreciation and provisions, net of reversals) came to **€16.54m**, down -29.3% from €23.38m linked primarily to the lower level of volumes shipped, particularly for exports, despite a favorable price-product mix effect.

After €4.2m of net depreciation and provisions, **income from ordinary operations** totaled **€12.35m**, compared with €19.25m for the first half of 2023.

EBIT came to **€12.28m**, compared with €19.32m for the first half of 2023, without any significant impact for non-current items.

Finance costs, linked primarily to interest on Champagne wine stocks, represent **-€7.26m**, compared with -€3.88m for the first half of 2023. This change reflects the direct impact of the higher interest rates, which is increasing the cost of our aging credit facilities each time they renew.

Following an effective corporate income tax rate of 25.7%, **net income** totaled **€3.71m**, compared with €11.57m for the first half of 2023 (effective rate of 25.1% at June 30, 2023).

Consolidated balance sheet

Group shareholders' equity is up to **€354.72m**, compared with €329.75m at June 30, 2023.

Consolidated net financial debt came to **€533.65m**, compared with €494.13m at June 30, 2023. €462.0m (+€39.5m) correspond to credit facilities for aging the stock of Champagne wines, representing a volume of 4.4 years of sales, with a book value of €561.31m, compared with €503.44m at June 30, 2023. Other financial debt, linked to investments in our Maisons and vineyards, totaled €71.7m (versus €71.6m at June 30, 2023). **Gearing** is still reasonable at **1.49**, compared with 1.48 at June 30, 2023.

Outlook

Considering the strong seasonality of Champagne sales, the results for the first half of 2024 cannot be extrapolated over the full year. Traditionally, around one third of sales are recorded during the first half of the year, which is also subject to half of fixed costs for the whole year. While this ratio has not been verified in the last few years, a better level of activity over the second half of the year is expected to enable 2024 to move closer to it again. However, in an uncertain economic and political context, with a lack of visibility over the end of the year, LANSON-BCC is not releasing full-year forecasts.

As a family-owned Champagne pure player, LANSON-BCC is still firmly committed to its long-term development strategy focused on value. The Group's ambition to further strengthen its position in the high-end wines segment is still one of its core priorities. This approach is particularly crucial faced with the continued increase in grape prices and the rapid rise in the cost of stock financing.

Additional information

The half-year financial report, approved by the Board of Directors on September 11, 2024, is available on the Group website: www.lanson-bcc.com.

2024 full-year revenues will be released on **Thursday January 30, 2025** (after close of trading).

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, 85% of Champagne sold on international markets, owner of Domaine de la Malmaison, the Champagne region's largest biodynamic vineyard.
- **Champagne Philipponnat**, Maison founded 1910 with a 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 in France and for export, 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) in France and for export.
- **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 1933, 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 in France and for export, also producer of **Rosé des Riceys**.

www.lanson-bcc.com

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)

LANSON-BCC

Bruno Paillard

Tel: +33 (0)3 26 78 50 00

investisseurs@lansonbcc.com |

actionnaires@lansonbcc.com

CALYPTUS

Cyril Combe

Tel: +33 (0)1 53 65 68 68

cyril.combe@calyptus.net