



Paris, 20 December 2019

Signature of an agreement between MBWS and COFEPP subject to conditions in order to address group's immediate cash needs

Marie Brizard Wine & Spirits (Euronext: MBWS) announced today the signature of a conditional agreement with its majority shareholder, Compagnie Financière Européenne de Prises de Participations (COFEPP), which currently holds around 51% of the capital and voting rights of MBWS. Under this agreement, COFEPP has undertaken to finance MBWS' cash flow requirements for 2020, provided that certain suspensive conditions are met and under the conditions described below.

Facing immediate cash needs requiring cash inflows as from early 2020, resulting in particular from past losses, the business situation in Poland and also the legislative changes affecting the market for aromatised wines, MBWS examined all possible solutions and asked its majority shareholder COFEPP to grant it new financing, which would be made available to it as quickly as possible, after the group had initiated several unsuccessful attempts to obtain financing from third parties.

Subject to the prior agreement of MBWS' bank lenders, representing the entire bank debt of MBWS SA (excl. factoring) the Company, to transfer to COFEPP by January 15, 2020 at the latest their receivables from the €45 million credit agreement signed on July 26, 2017 and the overdrafts drawn to date (the "**Bank Debt**"), COFEPP will grant the Group two financing arrangements, in the form of current account advances:

- A first current account advance amounting to €15 million (paid at an annual capitalised rate of EURIBOR 3 months¹ + 425 bps) which would be made available to MBWS by January 17, 2020, including, (i) under certain conditions, €7.4 million which would be allocated to MBWS for its activities in Poland and (ii) €7.6 million which would be distributed to MBWS France to cover the cash flow requirement until mid-March 2020 ("**Bridge No. 1**"); and
- A second current account advance of €17 million (paid at an annual capitalised rate of EURIBOR 3 months² + 425 bps) which would be made available to MBWS by 17 March 2020 and which would be used in particular for the Group's general cash flow requirements ("**Bridge No.2**");

Bridge No.1 and Bridge No.2 would be secured by several guarantees on the Group's assets, in particular pledges on the Sobieski, Marie Brizard and William Peel brands, as well as a pledge on the shares of MBWS France, Cognac Gautier and Vilniaus Degtiné.

In addition to the condition of obtaining an agreement relating to the Bank Debt, the granting of Bridge No. 2 is furthermore contingent on (i) the agreement in principle of the public creditors on a moratorium on part of the Group's tax and social security debts, (ii) the amendment of a contract for the bulk supply of Scotch Whisky concluded with an MBWS supplier and (iii) the stability of estimated cash requirements for 2020.

If all of the suspensive conditions are fulfilled, Bridge No. 1, Bridge No. 2 and the Bank Debt would then be fully incorporated into the capital of MBWS by COFEPP, as part of a capital increase of MBWS which would

¹ With a floor at zero

² With a floor at zero



be carried out with retention of the preferential subscription rights for a maximum overall amount (issue premium included) of €105,3 million, via the issuance of new ordinary shares to be subscribed in cash and/or by offsetting debts (the "**Capital Increase**").

COFEPP has committed itself to subscribing on a non-reducible basis, up to the amount of its share in capital of MBWS and, as a guarantee, up to 75% of the amount of the Capital Increase, namely a total aggregate amount (issue premium included) of 79 million euros, in particular by offsetting against its receivables in respect of Bridge No. 1, Bridge No. 2 and the Bank Debt. If the conditions precedent related to the Capital Increase are not lifted by 30 June 2020, the reimbursement of the Bridges would take place at the latest on 31 March 2022.

The subscription price of the new shares to be issued within the framework of the Capital Increase would be equal to 1.50 euros per share.

COFEPP's commitments to subscribe for and underwrite the Capital Increase are subject to the fulfillment of the legal and regulatory conditions precedent customary for this type of transaction (i.e. authorization of the Extraordinary General Meeting, approval by the AMF of the prospectus relating to the transaction, reduction of the share capital of MBWS by decrease of the nominal value to enable the transaction to be carried out at the aforementioned price, etc...)

Diana Holding, a shareholder with around 8.8% of the share capital and voting rights of MBWS, has undertaken to vote in favour of all the transactions provided for under this agreement, both in its capacity as a shareholder and through its representatives on the Board of Directors.

Upon completion of the Capital Increase and in the event that COFEPP, in accordance with its aforementioned undertakings, subscribes to the Capital Increase on an irreducible basis as well as by way of guarantee, i.e. for a total amount of 79 million euros, COFEPP would hold 77.5% of the share capital and voting rights of MBWS.

Disclaimer

This press release, the information contained herein, does not constitute an offer to sell or subscribe, if solicited, for securities of MBWS in Australia, Canada, Japan or the United States of America or in any other country in which such offer or solicitation would be prohibited.

The dissemination, publication or distribution of this press release in certain countries may constitute a violation of applicable laws and regulations. Consequently, persons physically present in such countries and in which this press release is disseminated, distributed or published must inform themselves of and comply with any such local restrictions. This press release must not be disseminated, published or distributed, directly or indirectly, in Australia, Canada, Japan or the United States of America.

This press release does not constitute a prospectus as defined in Regulation 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing the Prospectus Directive 2003/71/EC (the "Prospectus Regulation").

No offer of MBWS securities is made, nor will be made to the public in France, prior to the AMF's approval of a prospectus, which will be available on the MBWS website (<http://fr.mbws.com/>) and on the AMF website (www.amf-france.org).



As regards the Member States of the European Economic Area other than France, no action has been or will be taken to allow a public offering of securities requiring the publication of a prospectus in any of the Member States concerned. Accordingly, any offer of securities of MBWS may only be made in any of the Member States (i) to qualified investors within the meaning of the Prospectus Regulation; or (ii) in any other case exempting MBWS from publishing a prospectus in accordance with Article 1(4) of the Prospectus Regulation.

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 the 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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