



Paris, 29 April 2020

- 2020 First quarter Sales¹: 61.7 M€, + 2.5%
A contrasted start to the year driven by good bulk sales activity
- Publication of 2019 annual results postponed to May 29, 2020 at the latest
- Postponement of the General Meeting to 31 July 2020

Note: all net sales growth figures mentioned in this press release are expressed at constant structure and exchange rates, unless stated otherwise

Marie Brizard Wine & Spirits (Euronext: MBWS) today announced its unaudited net sales for the first quarter of 2020.

Andrew Highcock, CEO of Marie Brizard Wine & Spirits, comments: " In a context characterized by the expansion of the Covid-19 pandemic, we are committed to making every effort to protect our employees and partners whose health and safety is a priority. The impact of this health crisis on activity from mid-March onwards is visible for our Brand activities and should continue at least in the second quarter. In a difficult global context that is rapidly changing, we remain cautious about the outlook until visibility improves. We are confident in the relevance of our strategic choices aimed at restoring the sustainable profitability of our business and we are committed to pursuing their implementation with determination."

RESULTS BY CLUSTER - Q1 2019

en €M	Q1 2019	Org. growth	Currency impact	Q1 2020	Org. Growth at cc	Growth
Branded Business	43.2	-3.6	0.1	39.6	-8.5%	-8.3%
WEMEA	24.1	-2.3	0.0	21.9	-9.3%	-9.3%
France	20.4	-1.9	0.0	18.6	-9.2%	-9.2%
Rest of cluster	3.7	-0.4	0.0	3.3	-10.3%	-10.3%
CEE	14.4	-2.8	0.0	11.6	-19.7%	-19.9%
Poland ²	7.7	-1.9	0.0	5.7	-25.4%	-25.7%
Other CEE	6.8	-0.9	0.0	5.9	-13.4%	-13.4%
Americas	4.1	1.5	0.1	5.7	35.2%	37.2%
APAC	0.5	0.0	0.0	0.4	-1.8%	-1.8%
Other Businesses¹	17.0	5.1	0.0	22.1	29.9%	29.8%
Private Labels	17.0	5.1	0.0	22.1	29.9%	29.8%
TOTAL MBWS	60.2	1.4	0.0	61.7	2.4%	2.5%

¹Application of IFRS 5 relating to the sale of Sobieski Trade on 15 November 2019 (for the record, revenue for the 1st quarter of 2019 of €23.8M)

²Revenues including sales of MBWS Polska to Sobieski Trade of €2.4M in Q1 2019 and to Alco Trade (ex. ST) of €0.2M in Q1 2020 following the application of IFRS 5



RESULTS BY CLUSTER - Q1 2019

WEMEA: an activity impacted by the first effects of the global pandemic, the commercial strategy focused on profitability in France and persistent difficulties in the aromatised wine-based beverage (BABV) segment

Over the first quarter of 2020, WEMEA cluster revenues reached €21.9 million, down -9.3% compared to 2019. It mainly reflects the change in sales in France, at €18.6 million, the contraction (-9.2%) being due to the downward trend in the spirits and BABV markets. In addition to these effects, there is also the significant impact of containment measures, including a reduction in promotional activity, as part of the fight against coronavirus. The Group focused on its main brands, William Peel and Sobieski, aligning with the priorities of its customers.

The Fruits & Wine brand suffered from the continued downturn in the BABV market in the first quarter of 2020, with the confinement also accentuating this downward trend from mid-March onwards. It was also impacted by the effects of the commercial policy adopted since the beginning of 2019.

Revenues for the rest of the cluster reached €3.3 million, down -10.3%, largely due to the change in distribution mode adopted during the second quarter of 2019 in Spain and the initial effects of the Covid-19 crisis. Overall, the impact of the pandemic on the level of sales in all Western European countries was felt fairly quickly in March, particularly in the UK market and more markedly in Scandinavia, with Denmark being one of the first countries in Europe to implement strict containment measures.

Central and Eastern Europe (CEE): a cluster marked above all by the increase in tax rates in Q1

First-quarter revenues for the CEE cluster came to €11.6 million, down 19.7% compared with the first quarter of 2019, which was boosted by good momentum in Poland.

In Poland, volumes were down at the beginning of the year, as a result of particularly strong demand at the end of 2019 from distributors wishing to build up stocks in anticipation of the 10% increase in excise duty on spirits on 1 January 2020. This mechanical effect was added to the impact of the Covid-19 crisis, which was felt from March onwards. Sales in Poland, solely consisting of the Brands activity, amounted to €5.7 million in the first quarter of 2020, down 25.4% compared to the same period in 2019. Furthermore, the Group maintained rigorous management of commercial contracts in a Vodka market that remains difficult. All these factors also impacted sales to Sobieski Trade, which was sold in November 2019 and has now been restated as a "discontinued operation" in accordance with IFRS 5.

The rest of the cluster recorded revenues of €5.9 million in Q1 2020 (-13.4%). Sales in Lithuania were impacted by a 10.5% increase in excise duties from March 1, 2020, as legislative changes reduced the possibility of building up precautionary stocks upfront. In Bulgaria, the first quarter was affected by a decline in sales to both the domestic and export markets, partly attributable to Covid-19.

Americas: A cluster with strong growth, driven by the new distribution partnership in the United States.

Net sales for the Americas region in the first quarter of 2020 reached €5.7 million, up +35.2% compared to the first three months of 2019.



The beginning of the year was boosted in the United States by the effects of the new distribution partnership with Sazerac. The sales trend is also in line with the US market, which benefited from strong growth in off-trade during the early containment period. In Brazil, while business was buoyant until the end of February, March was impacted by the Covid-19 arrival, resulting in delays in orders from wholesale customers.

Asia Pacific

In the first quarter of 2020, revenues for the Asia-Pacific cluster amounted to €0.4 million, down 1.8% compared with the first three months of 2019. The shipments over the quarter of orders delayed in Q4 2019 masked the impact of Covid-19 on these markets.

Other Businesses

As a result of the application of the IFRS 5 standard relating to Sobieski Trade, the turnover of Other Activities corresponds to the Private Label activity (MDD). It increased by nearly 30% over the first quarter of 2020, to €22.1 million, reflecting bulk sales in Poland and Lithuania. Since the beginning of the crisis, the Group has in fact received new purchase orders for its bulk distillate and rectified alcohol for the production of disinfectants and has chosen to participate, to the extent possible, in the collective support effort by donating part of the production to people in need.

POST CLOSURE EVENTS: NEW FINANCIAL CALENDAR - UPDATE ON THE AGREEMENT CONCLUDED ON 20 DECEMBER 2019 BETWEEN MBWS AND COFEPP - NEW DEADLINE FOR THE AGM

New financial calendar

Given the context of the Covid-19 pandemic, the publication date of Marie Brizard Wine & Spirits' 2019 annual results has been postponed to May 29, 2020 at the latest. The Group will also make available its universal registration document, including its annual financial report, by the end of May at the latest.

Update on the agreement concluded on 20 December 2019 between MBWS and COFEPP

In accordance with the agreement signed on December 20, 2019, to which MBWS France adhered, COFEPP has concluded with MBWS and MBWS France a first current account advance of €15 million, of which (i) €7.6 million was made available to MBWS France on January 20, 2020 in order to strengthen its cash position until mid-March 2020 (see press release dated January 17, 2020) and (ii) €7.428 million made available to MBWS on 5 February 2020 to finance the acquisition by a French subsidiary of MBWS of 68% of the capital of the Lithuanian company Vilnius Degtine from MBWS Polska, enabling the latter to meet its cash requirements at short notice.

As a reminder, the agreement signed with COFEPP on December 20, 2019 also provide for a second current account advance of €17 million (remunerated at the annual capitalized rate of EURIBOR 3 months with a floor at zero + 425 bps), which was to be made available to MBWS during the first quarter of 2020 (the "**Advance No. 2**"), subject in particular to (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 Scotch Whisky bulk supply contract concluded with an MBWS supplier and (iii) the stability of the estimated cash requirements for 2020.

The conditions precedent of Advance No.2 have not yet been lifted and remain uncertain. Discussions are in progress between the Company and COFEPP on possible interim funding for the Group in the near future.



New deadline for the AGM

Taking note of the delay in the disclosure of its FY2019 financial statements, the uncertainties regarding the timing of the availability of the Advance No. 2 and, more generally, the impact of the Covid-19 pandemic on the annual general meetings approving the financial statements, the Group has decided, pursuant to the terms of Order No. 2020-318 of 25 March 2020, to postpone its annual general meeting, initially scheduled for 25 June 2020, to 31 July 2020. The Group also wishes to facilitate dialogue with its shareholders by favouring a physical meeting, if possible, rather than a meeting behind closed doors.

COVID-19 MANAGEMENT

The group is closely monitoring the evolution of the Covid-19 pandemic, with the absolute priority of ensuring the health and safety of its employees and partners, and the continuity of its business.

Very strict precautionary and hygiene measures have been put in place at its sites, in line with WHO recommendations and those of government authorities in the countries where the Group operates. For example, MBWS has restricted access to its sites exclusively to employees performing functions critical to business continuity, and whose assignments cannot be carried out by teleworking.

The Group continuously monitors the situation in order to adapt these measures to the evolution of the pandemic. To date, none of the Group's major sites in France have been affected.

However, the restrictions imposed to prevent the spread of the Covid-19 virus have had an impact on the Group's business since mid-March, affecting sales of our branded products. With the extension of the containment measures, these marked effects are expected to continue at least in the second quarter.

Given the context, the Group has undertaken initiatives to limit the effects of the pandemic by taking measures to control its cost base and adopting a strict policy of cash preservation and control, and assessment of its potential additional needs.

The Group remains fully committed to its medium-term transformation plan to reduce costs and return to sustainable profitability.

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 of 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



Contact

Image Sept

Claire Doligez

cdoligez@image7.fr

Phone: +33 (0)1 53 70 74 70