

Charenton-le-Pont, 28th October 2020

Financial Information for the third quarter 2020

- Sales¹ for the first nine months of 2020 up +3.9% at €126.8m (excluding Poland and Moncigale)
 - > An activity driven by bulk sales and the positive effects of the change in distribution model in the United States which enjoyed strong growth over the first nine months of 2020
 - > A WEMEA cluster impacted by the health crisis
- Third-quarter Sales (excluding Poland and Moncigale) of €40.0m, down -2.4%
 - > Branded Business (-9.5%) impacted by a highly promotional French market this quarter, persistent difficulties on the HoReCa segment in Europe (West and East) due to Covid-19 and the on-going value-driven strategy
 - > Slight deceleration in the United States after a strong first half year
- Uncertainty about the rest of the year due to changes in health measures in some countries

NB: All sales growth figures mentioned in this press release are at constant exchange rates and on a like-for-like basis, unless otherwise stated.

Marie Brizard Wine & Spirits (Euronext: MBWS) is today releasing its quarterly business information for its activity up to 30th September 2020. In applying IFRS 5 relating to "entities sold and held for sale", the scope of consolidation has been restated following the definitive disposal of operations in Poland communicated on October 23rd and the announced signing of the sale of Moncigale communicated on October 14th which are therefore considered as sold at September 30th 2020 according to the accounting standard IFRS 5. Quarterly performance before the application of IFRS 5 is presented in the appendix.

9 Months 2020

In €m	Q3 YTD 2019	Organic Growth	Currency Impact	Q3 YTD 2020	Organic Growth at C.C.	Growth
Branded Business	107.1	-6.2	-0.5	100.5	-5.8%	-6.2%
WEMEA	73.4	-7.3	0.0	66.1	-10.0%	-10.0%
France ¹	59.8	-3.1	0.0	56.8	-5.1%	-5.1%
Rest of cluster	13.5	-4.3	0.0	9.3	-31.5%	-31.4%
Central & Eastern Europe	19.0	-1.7	0.0	17.3	-9.0%	-9.0%
Poland ¹	0,0	0.0	0.0	0.0	0.0%	0.0%
Rest of cluster	19.0	-1.7	0.0	17.3	-9.0%	-9.0%
Americas	12.9	2.7	-0.5	15.0	20.8%	16.9%
Asia Pacific	1.9	0.2	0.0	2.1	8.9%	8.9%
Other Businesses	15.5	10.9	0.0	26.4	70.7%	70.7%
TOTAL MBWS (¹)	122.6	4.8	-0.5	126.8	3.9%	3.5%

¹ Application of IFRS 5 "Entities held for sale": restatement of the scope of consolidation relating to the sale of the activities in Poland and Moncigale considered sold at 30 September 2020.

3rd Quarter 2020

In €m	Q3 2019	Organic Growth	Currency Impact	Q3 2020	Organic Growth at C.C.	Growth
Branded Business	37.1	-3.5	-0.6	32.9	-9.5%	-11.1%
WEMEA	24.8	-2.5	0.0	22.3	-10.0%	-10.0%
France ¹	20.4	-2.1	0.0	18.2	-10.5%	-10.5%
Rest of cluster	4.4	-0.4	0.0	4.1	-8.1%	-8.0%
Central & Eastern Europe	6.9	-0.9	0.0	6.0	-13.2%	-13.2%
Poland ¹	0.0	0.0	0.0	0.0	0.0%	0.0%
Rest of cluster	6.9	-0.9	0.0	6.0	-13.2%	-13.2%
Americas	4.5	-0.1	-0.6	3.8	-1.6%	-15.0%
Asia Pacific	0.9	0.0	0.0	0.8	-4.7%	-4.7%
Other Businesses	4.5	2.5	0.0	7.1	55.7%	55.7%
TOTAL MBWS (*)	41.6	-1.0	-0.6	40.0	-2.4%	-3.8%

¹ Application of IFRS 5 "Entities held for sale": restatement of the scope of consolidation relating to the sale of the activities in Poland and Moncigale considered sold at 30 September 2020.

WEMEA: a quarter that reflects the value strategy and the difficult environment in the HoReCa segment

At end-September 2020, the cluster WEMEA's sales amounted to €66.1 million, down -10.0% compared with 2019, with a third quarter down -10,0% at €22.3 million.

In France, revenue for the third quarter of 2020 amounted to €18.2 million, down -10.5% compared with the same period in 2019. The Group had to deal with a highly promotional and competitive spirits market where its marketing initiatives were limited, in accordance with its strategy of enhancing the value of its portfolio. Sales in the HoReCa segment were further impacted by the health crisis. In this context, the William Peel brand shows some resilience.

Revenue in the rest of the cluster amounted to €4.1 million in the third quarter of 2020, down -8.1% when compared with the same period in 2019. This decrease, less pronounced than in H1 (-44%), includes a slight business recovery in Western Europe and Africa thanks to the reopening of retail markets. The Iberian region, whose activity had deteriorated sharply as a result of the closures and halt in activity in the HoReCa segment in the first half of the year, continues to suffer but to a lesser extent in this quarter. The Scandinavian countries, still under pressure in the domestic retail market, suffered the negative effects of lockdown which were not offset by marketing actions.

Central and Eastern Europe (CEE): impact of the strategy favouring profitable volumes

Revenue for the first nine months of 2020 for the CEE cluster amounted to €17.3 million, down -9.0%, following a third quarter of €6.0 million, down -13.2% compared with the third quarter of 2019.

During this quarter, activities were impacted by a decline in volumes and sales in Lithuania, due to the termination of non-profitable commercial contracts and the ongoing reorganisation of the portfolio focused on profitable ranges. This was not fully offset by the good export performance for spirits from Bulgaria.

Americas: slight deceleration in the United States after strong growth in the first half of the year

At the end of September 2020, revenue for the Americas cluster reached €15.0 million, up 20.8% compared with the first nine months of 2019.

The third-quarter 2020 revenue amounted to €3.8 million for the cluster, a -1.6% decrease after recording a very robust first half in the United States driven by the start of the new distribution partnership with Sazerac at the beginning of the year and better off-Trade performance in the second quarter. The latter continued in the third quarter, albeit with a less favourable price-mix effect.

The good performances recorded in Brazil this quarter is the result of the commercial strategy implemented with the launch of a local brand, the introduction of new COFEPP brands and a positive price effect.

Asia-Pacific

Over the first nine months of 2020, revenue in the Asia-Pacific region amounted to €2.1 million, reflecting a slowdown in the third quarter. Due to the global health context, the Group has suspended the implementation of projects to revitalise this cluster for the year 2020.

Other Activities

Driven by bulk alcohol sales in Lithuania, revenue from Other Activities grew very strongly over the first nine months of 2020. Revenue grew, but at a slower pace over the third quarter of 2020, at €7.1m.

Activities sold or held for sale

- Polish activities: business in Poland experienced a sharp decline during the third quarter, with sales (€5.9 million) down -35.7% due to a still highly competitive commercial situation, to the continuing impact of the pandemic on traditional distribution and cash & carry channels, and to our proactive policy of focusing on sales profitability. Over the quarter, bulk demand weakened in Poland due to high levels of disinfectant product inventories and new offers from a number of producers.
- Moncigale: despite an improvement in net sales prices, the Wine business posted a sharp drop in revenue this quarter as the difficulties experienced for several years in the Wine Based Flavoured Drink segment affected Fruits & Wines. In a highly competitive market, the Private Label activity in France experienced a sharp decline in sales in the 3rd quarter 2020.

Outlook

As indicated on 30th September 2020, the difficulties linked to Covid-19 will continue over the second part of the year and could prove to be more restrictive again in the coming weeks. Given the decisive weight of the fourth quarter in its business, the Group does not yet have sufficient visibility and remains cautious about the outlook for the year.

Financial calendar

Extraordinary General Meeting on 30th November 2020.

About Marie Brizard Wine & Spirits

Marie Brizard Wine & Spirits is a Group of wines and spirits based in Europe and the United States. Marie Brizard Wine & Spirits stands out for its expertise, a combination of brands with a long tradition and a resolutely innovative spirit. From the birth of the Maison Marie Brizard in 1755 to the launch of Fruits and Wine in 2010, the Marie Brizard Wine & Spirits Group has developed its brands in a spirit of modernity while respecting its origins. Marie Brizard Wine & Spirits' commitment is to offer its customers brands of confidence, daring and full of flavours and experiences. The Group now has a rich portfolio of leading brands in their market segments, including William Peel, Sobieski, Fruits and Wine, Marie Brizard and Cognac Gauthier.



Marie Brizard Wine & Spirits is listed on Compartment B of Euronext Paris (FR0000060873 - MBWS) and is part of the EnterNext PEA-PME 150 index

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APPENDIX

Revenue at 30 September 2020 before application of IFRS 5 relating to "entities sold or held for sale".

9 Months 2020

In €m	Q3 YTD 2019	Organic Growth	Currency Impact	Q3 YTD 2020	Organic Growth at C.C.	Growth
Branded Business	138.8	-17.7	-1.0	120.0	-12.8%	-13.5%
WEMEA	80.1	-12.2	0.0	67.9	-15.2%	-15.2%
France	66.6	-7.9	0.0	58.6	-11.9%	-11.9%
Rest of cluster	13.5	-4.3	0.0	9.3	-31.5%	-31.4%
Central & Eastern Europe	43.9	-8.4	-0.5	35.0	-19.1%	-20.2%
Poland	24.9	-6.7	-0.5	17.7	-26.8%	-28.8%
Rest of cluster	19.0	-1.7	0.0	17.3	-9.0%	-9.0%
Americas	12.9	2.7	-0.5	15.0	20.8%	16.9%
Asia Pacific	1.9	0.2	0.0	2.1	8.9%	8.9%
Other Businesses	65.9	9.4	0.0	75.3	14.3%	14.3%
Sobieski Trade	0.0	0.0	0.0	0.0	0.0%	0.0%
Private Labels	65.9	9.4	0.0	75.3	14.3%	14.3%
TOTAL MBWS	204.7	-8.3	-1.0	195.4	-4.1%	-4.5%

3rd Quarter 2020

In €m	Q3 2019	Organic Growth	Currency Impact	Q3 2020	Organic Growth at C.C.	Growth
Branded Business	48.3	-8.1	-0.8	39.5	-16.7%	-18.4%
WEMEA	26.5	-3.6	0.0	22.9	-13.7%	-13.7%
France	22.1	-3.3	0.0	18.8	-14.9%	-14.9%
Rest of cluster	4.4	-0.4	0.0	4.1	-8.1%	-8.0%
Central & Eastern Europe	16.5	-4.3	-0.2	12.0	-26.3%	-27.5%
Poland	9.6	-3.4	-0.2	5.9	-35.7%	-37.8%
Rest of cluster	6.9	-0.9	0.0	6.0	-13.2%	-13.2%
America	4.5	-0.1	-0.6	3.8	-1.6%	-15.0%
Asia Pacific	0.9	0.0	0.0	0.8	0.0%	0.0%
Other Businesses	21.6	-1.3	0.2	20.5	-6.1%	-5.2%
Sobieski Trade	0.0	0.0	0.0	0.0	0.0%	0.0%
MDD	21.6	-1.3	0.2	20.5	-6.1%	-5.2%
TOTAL MBWS	70.0	-9.4	-0.6	60.0	-13.4%	-14.3%