

Charenton-le-Pont, 29 September 2021

## 2021 First half Results

**Resilient profit delivery in the first half of 2021  
taking into account the one-off impacts in the 2020 reported half-year results**

- EBITDA\* of €6.0m at 30 June 2021 (-11%) compared to €6.9m in H1 2020 restated <sup>(1)</sup> which benefited from non-recurring items totalling €3.3m related to the pandemic
- Net income from continuing operations up 22.3% to €2.5m at end of June 2021
- Net profit (Group share): €1.5m (-€1.4m at 30 June 2020)

\* EBITDA = EBIT – provisions for current assets – depreciations – pensions liabilities.

NB: Unless otherwise stated, any growth in turnover mentioned is quoted at a constant exchange rate and consolidation scope.

Marie Brizard Wine & Spirits (Euronext: MBWS) announces today its consolidated results for the first half of 2021, approved by the Group's Board of Directors held on 28<sup>th</sup> September 2021. The audit procedures have been completed.

**Andrew Highcock, CEO of Marie Brizard Wine & Spirits, comments:** " *This first half year performance was resilient, thanks in particular to the disciplined application of management policies. Although the external situation improved from May onwards, mainly due to the roll-out of vaccinations, the health context has had disruptive effects on the business depending on the distribution networks. Moreover, the situation remains too uncertain for the end of the year to allow us to provide a short or medium-term outlook. Nevertheless, MBWS enters this period with a restored balance sheet, a more agile and efficient organisation, committed teams and an unchanged ambition to pursue its 2019-2022 strategic plan whose aim is to sustainably strengthen the Group's profitability.*"

### Simplified income statement for First Half 2021

<i>In €m, except EPS</i>	H1 2020 restated (1)	H1 2021	2021/20 Change
<b>Net sales (excluding excise tax)</b>	<b>86.7<sup>(1)</sup></b>	<b>81.0</b>	<b>-5.8%</b>
Gross profit	37.3	32.2	-€5.1m
Gross margin	43.0%	39.7%	-3.3pt
EBITDA	6.9	6.0	-€0.8m
Current operating income	3.0	2.5	-€0.5m
<b>Attributable net income</b>	<b>(1.4)</b>	<b>1.5</b>	<b>+€2.9m</b>
Earnings per share	(0.65)	0.02	n.s.

<sup>1</sup> On 16 February 2021, MBWS France sold all the shares in Moncigale to the Boisset group. Due to the high likelihood of this disposal on 31 December 2020, the Moncigale activity had been reclassified as a discontinued operation under IFRS 5: in the income statement, its contribution over the period to the consolidated net income, as well as the capital loss on disposal, are reported on the line "income from discontinued or sold operations" (detailed income statement in the appendix), the comparative period is also restated in the income statement. This restatement also includes the impact of the disposal of the Group's Polish activities on 21 October 2020.

### 2021 First Half Sales

In accordance with the Group's new managerial organisation implemented on 1 January 2021, the Group's turnover is now split between two clusters, France and International, in order to reflect the evolution of business after the different disposals in 2019 (including the business in Poland, sold on 21 October 2020 and Moncigale, sold on 16 February 2021).

H1 2021 sales reached €81m, down 5.8% on a like-for-like basis compared to the same period of 2020 (restated for Polish and Moncigale entities), reflecting the impact of Covid-related restrictions, lower demand for hydro-alcoholic gel and some shipment deferrals to the second half of the year.

Sales for the first half of 2021 increased by 3.5% after adjusting for one-off effects including both the impact of pandemic-related bulk ethyl alcohol sales in Lithuania in 2020 and the impact of the new distribution system implemented in the US as of 1 January 2020, which resulted in an initial build-up of inventory linked to the new local distribution network.

In France, revenue for the first half of 2021 was €39.1m, up 2% on 2020.

International sales amounted to €41.9m, a decline of 12% as a result of the negative comparison with the particularly high level of activity in Lithuania and in the United States in H1 2020 (change in distribution model at the beginning of 2020 as mentioned above). The decline in International sales was less severe in the second quarter (-7.1%) thanks to the recovery of certain key markets, particularly the UK and Spain.

### Results

Consequently, gross margin for the first half of 2021 fell by 14%, resulting in a 3.3 point reduction in the gross margin rate to 39.7% in the first half of 2021, compared with 43% (restated accounts) at 30 June 2020, a consequence of non-recurring activities and events in the first half of 2020). To note that the gross margin rate in the first half of 2019 was 38.7%.

EBITDA amounted to €6.0m in H1 2021, compared to €6.9m in 2020, a decrease of 11% excluding the currency effect, a change of -€0.9m also explained by the impact of non-recurring impacts in H1 2020.

As at 30 June 2021, the cost of net financial debt was €1.3m lower than at the end of June 2020 due to a significant reduction in the Group's debt following the capital increase launched on 14 January 2021<sup>2</sup>. Overall, the financial result was €0.2m at 30 June 2021, compared with €3.7m in the restated first half of 2020, which included a non-recurring financial income.

Attributable net profit amounted to €1.5m in the first half of 2021, compared with a loss of €1.4m in the first half of 2020, with a Net Profit (Group share) from Continuing Operations of €2.5m at the end of June 2021, compared with €2m at 30 June 2020, an increase of 22.3%.

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<sup>2</sup> See "Balance sheet at 30 June 2021" on page 3 below

### 2021 First Half EBITDA by cluster

(in €m)	H1 2020 restated	Organic growth	FX impact	H1 2021	Organic growth (excl. FX)	Variation (incl. FX)
<b>FRANCE CLUSTER</b>	4.9	1.6	-	6.5	32.3%	32.3%
<b>INTERNATIONAL CLUSTER</b>	7.5	(4.1)	(0.1)	3.3	-54.1%	-55.5%
<b>HOLDING</b>	(5.5)	1.7	-	(3.8)	-30.1%	-30.1%
<b>TOTAL MBWS</b>	6.9	(0.8)	(0.1)	6.0	-11.0%	-12.5%

The **France cluster** contributes €6.5m to Group EBITDA in H1 2021, compared to €4.9m in H1 2020 restated. At end-June, €1.7m of a one-off, non-recurring discount granted to MBWS as part of the renegotiation of the whisky supply contract finalised in early 2021 was recognised.

The entities under the **International cluster** reported EBITDA of €3.3m for the first half of 2021, compared to €7.5m in the restated first half of 2020, reflecting in particular the cyclical impact of bulk ethyl alcohol sales in Lithuania in 2020, as well as the initial build-up of inventories on listings linked with the new distribution system in the USA on 1 January 2020.

**Holding:** EBITDA amounted to -€3.8m, an improvement of €1.7m vs. 2020, mainly driven by three factors: the reduction of operating costs and central teams in line with the new size of the group and the operational organisation implemented at the beginning of 2021, controlled operating budgets and the postponement of certain expenses to the second half of 2021.

### Balance sheet at 30<sup>th</sup> June 2021

Shareholders' equity (Group share) was €168.2m at 30 June 2021, compared with €66m at 31 December 2020, while net financial debt was €6.3m at 30 June 2021, down by €79.3m compared with 31 December 2020.

These changes reflect the capital increase conducted in January 2021, which led to the incorporation into the Company's capital of all the bank debt (excluding factoring) purchased by COFEPP from the Company's bank lenders (principal amount of €45m) and the overdraft facilities drawn down (principal amount of €1,1m), the incorporation of all the current account advances paid or still to be paid by COFEPP to the Company and its subsidiary MBWS France (total principal amount of €32m) as well as the first tranche of the Poland advance granted by COFEPP to the Company (amount of €3m).

### Outlook

The Group is pursuing the implementation of its 2019-2022 Strategic Plan aimed at creating the conditions for profitable and sustainable development, with in particular the sale of the Polish activities and the wine business in France. The resulting simplification of operational structures has led to a new organisation with two clusters (France - International and wines) under the overall management of the

Holding Company on 1 January 2021. This strategy and cost alignment to the size of the activities country by country will be pursued to strengthen the Group's profitability.

After an encouraging trend in results in 2020, the Group faced a mixed context as the pandemic evolved in the first half of 2021. With its disruptive impact on the business differing by distribution channel and the uncertainty about its evolution by the end of the year, the Group is currently cautious about predicting future trading performance.

### Financial calendar

- Availability of the 2021 first half financial report: 30 September 2021
- Publication of Sales at end-September 2021: 28 October 2021

### **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. Since the birth of the Maison Marie Brizard in 1755, 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, Marie Brizard and Cognac Gautier.

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

### FIRST HALF 2021 Consolidated Financial Statements <sup>(1)</sup>

#### INCOME STATEMENT

(in €000)

	30.06.2021	30.06.2020 Restated
<b>NET SALES</b>	<b>103,536</b>	<b>111,981</b>
Excises tax	(22,507)	(25,227)
<b>NET SALES EXCL TAX</b>	<b>81,028</b>	<b>86,753</b>
Cost of goods sold	(48,865)	(49,469)
External charges	(11,050)	(12,494)
Salary expenses	(16,282)	(17,092)
Taxes and Duties	(1,156)	(1,372)
Depreciation and Amortization	(3,562)	(4,691)
Other operating income	3,680	2,639
Other operating expenses	(1,315)	(1,289)
<b>RECURRING OPERATING PROFIT</b>	<b>2,478</b>	<b>2,986</b>
Extraordinary income	2,403	2,781
Extraordinary expenses	(2,488)	(5,978)
<b>OPERATING PROFIT</b>	<b>2,393</b>	<b>(211)</b>
Interest income	107	65
Interest expenses	(343)	(1,623)
<b>NET COST OF DEBT</b>	<b>(236)</b>	<b>(1,558)</b>
Other interest income	507	6,747
Other interest expenses	(86)	(1,479)
<b>NET INTEREST EXPENSES</b>	<b>185</b>	<b>3,710</b>
<b>PRE-TAX INCOME</b>	<b>2,578</b>	<b>3,499</b>
Income tax/credit	(89)	(1,465)
<b>INCOME FROM ONGOING OPERATIONS</b>	<b>2,489</b>	<b>2,034</b>
<b>INCOME FROM DISCONTINUED OPERATIONS</b>	<b>(942)</b>	<b>(3,404)</b>
<b>NET INCOME</b>	<b>1,546</b>	<b>(1,370)</b>
Attributable net income	1,546	(1,392)
Of which net income from ongoing operations	2,488	2,012
O which net income from discontinued operations	(942)	(3,404)
Non-controlling interests	1	22
Of which net income from ongoing operations	1	22
O which net income from discontinued operations	<b>1,547</b>	
Attributable Net income per share (in €)	0.02 €	0.05 €
Attributable net income from ongoing operations per share fully diluted (in €)	0.02 €	0.05 €
Net income per share (in €)	0.02 €	-0.65 €
Net income per share diluted (in €)	0.02 €	-0.64 €
Weighted average number of outstanding shares	99,866,838	37,366,868
Weighted average diluted number of outstanding shares	99,866,838	37,835,336

(1) For all tables and figures, "30.06.2020 restated" refers to the financial statements as at 30 June 2020 which have been restated for the effects of the application of IFRS 5 Discontinued operations.

## BALANCE SHEET

### Assets

(in €000)

#### Non-current assets

	30.06.2021	31.12.2020
Goodwill	14,704	14,704
Intangible assets	82,303	83,167
Property, plant and equipment	27,320	28,111
Financial assets	4,840	5,639
Non-current derivatives		
Deferred tax assets	1,573	1,225
<b>Total non-current assets</b>	<b>130,740</b>	<b>132,846</b>

#### Current assets

Inventory and work-in-progress	39,094	37,811
Trade receivables	25,997	20,813
Tax receivables	2,677	554
Other current assets	17,105	22,123
Current derivatives	133	70
Cash and cash equivalents	52,605	42,075
Assets held for disposal		12,900
<b>Total current assets</b>	<b>137,611</b>	<b>136,346</b>
<b>TOTAL ASSETS</b>	<b>268,350</b>	<b>269,192</b>

### Liabilities

#### Shareholders' equity

Share Capital	156,729	62,578
Additional paid-in capital	72,750	66,711
Consolidated and other reserves	(52,554)	(14,083)
Translation reserves	(10,230)	(10,720)
Consolidated net profit/(loss)	1,546	(38,465)
<b>Shareholders' equity (Group share)</b>	<b>168,241</b>	<b>66,020</b>
Non-controlling interest	329	328
<b>Total Shareholders' equity</b>	<b>168,570</b>	<b>66,348</b>

#### Non-current liabilities

Employee benefits	3,345	3,150
Non-current provisions	3,815	3,926
Long-term borrowings – due in > 1 year	2,915	65,352
Other non-current liabilities	1,719	1,751
Non-current derivatives	-	-
Deferred tax liabilities	18,188	17,879
<b>Total non-current liabilities</b>	<b>29,983</b>	<b>92,058</b>

#### Current liabilities

Current provisions	4,816	7,049
Long-term borrowings – due in < 1 year	1,159	15,023
Short-term borrowings	2,265	5,287
Trade and other payables	32,157	34,777
Tax liabilities	(12)	5,667
Other current liabilities	29,242	32,584
Current derivatives	170	98
Liabilities held for sale		10,301
<b>Total current liabilities</b>	<b>69,798</b>	<b>110,786</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>268,350</b>	<b>269,192</b>

## CONSOLIDATED CASH FLOW STATEMENT

(in €000)

	30.06.2021	30.06.2020
<b>Total consolidated net profit</b>	<b>1,547</b>	<b>(1,370)</b>
<b>Eliminations :</b>		
Amortization and provisions	1,124	(8,199)
Revaluation gains / losses (fair value)	-	-
Gains/losses on disposals and dilution	466	5,844
<b>Operating cash flow after net cost of debt and tax</b>	<b>3,137</b>	<b>(3,724)</b>
Income tax charge (credit)	89	2,002
Net cost of debt	214	2,351
<b>Operating cash flow before net cost of debt and tax</b>	<b>3,440</b>	<b>629</b>
Change in working capital 1 (inventories, trade receivables and payables)	(5,108)	(4,073)
Change in working capital 2 (other items)	(2,021)	(1,552)
Tax paid	(7,881)	(87)
<b>Cash flow from operating activities</b>	<b>(11,570)</b>	<b>(5,082)</b>
Purchase of property, plant and equipment and intangible assets	(1,147)	(3,179)
Purchase of financial assets	-	-
Decrease in loans and advances granted	893	7,072
Disposal of property, plant and equipment and intangible assets	94	510
Impact of change in consolidation scope	1,947	23
<b>Cash flow from investing activities</b>	<b>1,787</b>	<b>4,427</b>
Capital increase	16,709	4
New loans	7,149	19,546
Loans repayment	(831)	-
Net interest paid	(214)	(1,455)
Net change in short-term debt	(3,008)	(4,734)
<b>Cash Flow from financing activities</b>	<b>19,805</b>	<b>13,360</b>
Impact from changes in foreign exchange rates	508	(430)
<b>Change in cash and cash equivalents</b>	<b>10,530</b>	<b>12,275</b>
Opening cash position	42,075	26,193
Closing cash position	52,605	38,468
<b>Change in cash and cash equivalents</b>	<b>10,530</b>	<b>12,275</b>