

2023 HALF YEAR RESULTS
Solid business growth
Operating income up sharply

CONSOLIDATED
TURNOVER

€ 117,7 million

+4,9%

CURRENT
OPERATING INCOME

€ 11,0 million

+5,6 €M

vs H1 2022

NET INCOME

€ -2,0 million

+0,1 €M

NET FINANCIAL
DEBT*

€ 701,2 million

-1,5 €M

*excluding IFRS16 : 682,5 €M

Reims, september 11, 2022

The Board of Directors of Vranken-Pommery Monopole met on September 11, 2023 under the chairmanship of Mr. Paul-François Vranken, and in the presence of the Statutory Auditors, to approve the Group's financial statements for the half year 2023.

The limited review procedures on the half-yearly financial statements have been performed by the statutory auditors. Their limited review report is being issued.

<i>Consolidated data in €M</i>	06/2023	06/2022 restated (*)	Change in value	% Change
Turnover	117,7	112,2	+5,5	+4,9%
Current Operating Income	11,0	5,4	+5,6	+103,7%
Operating Income	11,2	6,0	+5,2	+86,7%
<i>Financial result</i>	-12,8	-8,7	-4,1	
Net Income	-2,0	-2,1	+0,1	+4,8%
<i>Attributable to equity holders of the parent</i>	-1,9	-2,1	+0,2	
Shareholders' equity	404,9	374,4	+30,5	+8,1%
Minority interests	5,1	4,3	+0,8	
Net financial debt	701,2	702,7	-1,5	-0,2%

(*) At the close of the 2022 financial year, an error was identified in the valuation of inventories relating to the 2018 to 2021 financial years. This error was corrected in the second half of 2022, but was still present when the consolidated financial statements at June 30, 2022 were published. In application of IAS 8 "Accounting policies, changes in accounting estimates and errors", VPM's consolidated financial statements have therefore been subject to retrospective treatment of this error correction. The comparative income statement for fiscal 2022 has been restated, with a negative impact of 0.4 million euros on the published net income for June 30, 2022. These corrections have no impact on the income statement for fiscal 2023.

Solid business growth

Vranken-Pommery Monopole's consolidated sales for the 1st half of 2023 came to **€117.7 million** (+4.9%), in line with the announced growth target of 5% for the year.

This good performance was achieved in a Champagne market where shipment volumes were down 4.7% in the first half of 2023 (source Comité Champagne).

In **France** (35% of consolidated sales), Group sales rose by 1.6%, strengthening the Group's position in the off-trade.

With **65% of sales generated outside France**, the Group confirmed its positive sales momentum, particularly in English-speaking countries and travel retail.

Champagne brands Pommery & Greno and Vranken underpin the Group's sales growth, while Champagne Heidsieck & Co Monopole performs well in the export market.

Operating income up sharply

The results for the first half of 2023 confirm the strategy of sustainable value creation initiated by the Group several years ago.

- **Operating income recurring reached €11 million**, more than double the figure for the first half of 2022.
- The operating margin before non-recurring items rose sharply to 9.3% (4.8% in first-half 2022).
- **Operating income rose by 86.7% to €11.2 million**, compared with €6 million in 2022.
- The sharp and rapid rise in interest rates in the first half of 2023 was offset by the improvement in margins.
- **Net income improved by +4.8% to -2 M€.**

Improved financial structure

Shareholders' equity rose by **€30.5m to €404.9m**, representing **31.7% of the balance sheet total**.

Net financial debt was again reduced by 1.5 M€ to **701.2 M€** (682.5 M€ excluding IFRS 16).

The Group has renewed all its ageing loans, giving it greater visibility and more secure financing for its inventories.

Société à Mission « La Vérité du Terroir »

The Mission Committee has chosen to focus on reducing greenhouse gas emissions over the coming year, in order to achieve the "zero net emissions" trajectory by 2050 defined by the United Nations.

Based on the carbon footprint for the 2022 financial year, the Group's objective is to achieve a 10% reduction in CO2 emissions over 3 years, through actions already taken and those still to come, such as the conversion of our vehicle fleet to electric, photovoltaic projects at all our production sites, and the improved electrification of our kilometers of cellars, notably through the replacement of sodium lighting with LED lighting.

The Group also remains focused on the other fundamental pillars of its Raison d'Etre, notably the preservation of water resources, and has closely followed the publication of the decree of August 29, 2023 relating to the uses and conditions of use of rainwater and treated water. This easing of current regulations is a first step in the realization of the innovative Salt'Eau project in the Camargue, while we await the decrees that will define the conditions of use and the thresholds to be respected.

Forecast

In Champagne, harvesting has begun and the appellation yield of 11,400 kg/ha will be reached.

In Provence, harvesting is underway at Château La Gordonne. The maximum AOP Côtes de Provence yield of 50 hl/ha will be reached.

In Camargue, harvesting began on August 2 and, as announced, the measures taken in response to the 2021 harvest shortfall are bearing fruit, improving yields by 5%.

In Douro Valley, harvesting began on August 7, and yields are expected to be 12-15% up on 2022, with grapes of excellent quality.

For 2023, **the Group is maintaining its sales growth forecast of +5%**.

Next communication

Publication of 2023 annual turnover: 25 January 2024 after stock exchange closing

About Vranken-Pommery Monopole

Vranken-Pommery Monopole manages 2,600 hectares of land, owned outright or under lease and spread over four vineyards in Champagne, Provence, Camargue and Douro. The group's wine-making activities range from production to marketing, with a strong commitment to the promotion of terroirs, sustainable wine-growing and environmental conservation.

Its brand portfolio includes:

- the Vranken, Pommery & Greno, Heidsieck & Co Monopole, Charles Lafitte and Bissinger & Co champagnes;
- the Rozès and Sao Pédro port wines and the Terras do Grifo Douro wines;
- the Domaine Royal de Jarras and Pink Flamingo Camargue wines and the Château La Gordonne Provence wines;
- the Sparkling wines, the Louis Pommery California, Louis Pommery England, Brut de France and Pink Flamingo sparkling wines.

*Vranken-Pommery Monopole is a company listed on NYSE Euronext Paris and Brussels.
(code "VRAP" (Paris), code "VRAB" (Brussels); ISIN code: FR0000062796).*

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