

Charenton-le-Pont, 17th February 2022

Q4 and FY 2021 Net Sales

- **2021 Net Sales of €166.7m, down just 1% but up 3.6% excluding non-recurring effects ¹**
 - > Sales driven by France before a retail spirits market slowdown in Off-Trade, particularly in the second half of the year, in favour of out of home consumption, following the progressive re-opening of the On-Trade
 - > International business impacted by multiple successive changes in health restrictions, particularly in Europe but also in some major Asian markets. Excluding non-recurring effects in 2020¹, the overall level of business was quite encouraging in the United States in this second year of the new distribution model
- **Q4 Net Sales up 5.6% to €44.9m**
 - > France: 10.7% increase in sales mainly driven by strong recovery in the On-Trade
 - > Good brand portfolio performance in many European domestic markets, boosted by the recovery of the On-Trade.
- **Elements of uncertainty persist for the beginning of 2022**
 - > In France, with the expected end of the Covid pandemic, which temporarily boosted sales in Off-Trade, the market should return to its historic downward trend. The context of inflationary pressure on costs is creating additional difficulties in commercial negotiations with the Off-Trade partners, amplified by changes in regulations.
 - > In direct exports markets and through international subsidiaries, in markets that are mostly well oriented, increases in raw material prices and supply difficulties for certain components (notably glass bottle) and finished products resulting from external logistical or manufacturing tensions could temporarily affect our ability to meet market demand

Marie Brizard Wine & Spirits (Euronext: MBWS) today announces its unaudited Net Sales for the fourth quarter of 2021, covering the period from 1st October to 31st December 2021 as well as its unaudited net sales for the 2021 financial year.

As a reminder, Group Net Sales are now presented as two clusters, France and International, in line with the Group's new management structure implemented on 1st January 2021.

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

¹ Restated for the impact of the early 2020 sales reorganisation in the USA and bulk sales of hydroalcoholic gel in Lithuania, estimated at a total €7.8 million in H1 2020.

2021 full-year sales (*)

€m	FY 2020	LFL change	Currency impact	FY 2021	LFL change (excl. currency impact)	Reported change (incl. currency impact)
France	75.9	2.7	-	78.6	3.5%	3.5%
International	93.2	-4.5	-0.6	88.1	-4.8%	-5.4%
TOTAL MBWS GROUP	169.1	-1.8	-0.6	166.7	-1.0%	-1.4%

* Application of IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations:' pre-consolidation adjustments relating to the businesses sold (Poland and Moncigale)

Q4 2021 sales (*)

€m	Q4 2020	LFL change	Currency impact	Q4 2021	LFL change (excl. currency impact)	Reported change (incl. currency impact)
France	19.7	2.1	-	21.8	10.7%	10.7%
International	22.6	0.3	0.2	23.1	1.2%	2.1%
TOTAL MBWS GROUP	42.3	2.4	0.2	44.9	5.6%	6.1%

* Application of IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations:' pre-consolidation adjustments relating to the businesses sold (Poland and Moncigale)

Review by Cluster

France

In France, the Group posted 2021 Net Sales of €78.6 million, up 3.5% from 2020 despite the second half slowdown in the retail spirits market in Off-Trade, due to the gradual re-opening of the On-Trade. Q4 2021 sales rose 10.7% driven by a surge in On-Trade sales (up 70% in volume) compared to 2020, when the sector was crippled by restrictions and partial lockdowns.

In a sector where competition remains particularly fierce, this positive quarterly sales trend reflects the Group's strategy of balancing value and volume while optimising its sales policy per distribution channel.

Following the second semester reopening of hotels, bars and restaurants and despite the health pass, On-Trade sales rose 12% in the second half to the detriment of the business in Off-Trade, which nevertheless continued to grow throughout the year. Meanwhile, the under 12 YO blended Scotch whisky market fell 0.9% over the period and had a significant impact on William Peel volumes and sales in Off-Trade amid vigorous promotional activity.

The Group's main brands followed the spirits market trend and confirmed their performance in the fourth quarter, particularly Marie Brizard and leading Tequila brand San José. Apart from the slowdown in William Peel volumes, other brands including Sobieski in the vodka segment gained market share thanks to targeted promotional support.

In 2021, France also benefited from full-year sales of Paddy Irish whiskey, distribution of which was taken over by MBWS in H2 2020.

At the beginning of 2022, MBWS sales to Off-Trade channel in France fell slightly following significant orders by some customers in Q4 2021 despite the decline in consumption which was confirmed at the end of the year.

International

After a slight improvement in fourth quarter sales, the International cluster posted full-year 2021 Net Sales of €88.1 million, limiting the downturn to 4.8% versus 2020.

Restated for the positive knock-on and non-recurring effects seen in first half 2020¹, International cluster sales would have risen 3.6% like-for-like in 2021.

The gradual reopening of On-Trade in the second half of 2021 has had a more or less positive impact on our international business in early 2022, partially driven by temporary delays in logistics (sea freight) and supplies (particularly glass bottle) which led to some delayed shipments towards the end of 2021.

In Western Europe, business throughout 2021 was marked by the kaleidoscope of restrictions imposed on all sectors of the economy in response to the health crisis.

Spain was one of the first countries to reopen the On-Trade market, which boosted Marie Brizard sales in particular as well as border sales.

In Benelux, the strategy of balancing value and volume has resulted in a slight loss of volume sales. These effects were partly offset, mainly in the second half, by the reopening of the On-Trade business in the UK, a key market for the Marie Brizard brand. The revival of markets such as Denmark was confirmed in the fourth quarter. Against this backdrop, the Italian market picked up in 2021 and sustained momentum until the end of the year.

The French overseas territories recorded significant growth punctuated by successive changes in health measures, as in mainland France. Export markets in Africa also prospered, posting strong sales growth throughout the year.

As in the first half, Baltic sales continued to be hit by a sharp fall in bulk sales¹. In the fourth quarter, following the lifting of health restrictions and in anticipation of an early 2022 increase in excise duties, domestic sales edged up while Eastern European export markets posted a sharper upswing towards the end of the year.

Bulgaria also saw strong growth in sales of the Group's international spirits brands (Marie Brizard, Sobieski, Gautier and William Peel) in 2021, combined with an increase in sales of major domestic wine brands, a significant increase in export volumes, particularly to Greece and Turkey, and subcontracting activity towards Romania.

In Poland, brand sales (primarily William Peel and Cognac Gautier) to the former MBWS subsidiary, now Premium Distillers, increased steadily during 2021.

In the United States, 2021 Net Sales fell 8% versus 2020 under the impact of the first half 2020 change in distribution model¹. The fourth quarter saw a slowdown in Sobieski sales due to aggressive marketing strategies among competitors in the vodka segment (leading to a decline in category value) and the postponement of sales to 2022 due to logistical constraints (particularly sea freight). These adverse effects were partly offset by a strong performance from Cognac Gautier. Canada, fairly stable throughout the year, was impacted by anti-COVID restrictions in the first and last quarters.

In 2021, Brazil posted strong business growth despite the complex health situation and the cancellation of major events such as Carnaval at the beginning of the year. Business was driven by growth in local and imported brand sales (Cutty Sark and Sobieski), although sales dipped in the fourth quarter.

Business in the Asia Pacific region in 2021 was driven by strong overall resilience in sales in Australia and South Korea, which offset difficulties in Japan following the declaration of a state of emergency and lockdown, while the expected benefits from hosting the Olympic Games failed to materialise. In Australia and South Korea, after a buoyant Q4 2020, the last part of 2021 saw a significant decline in sales associated with an inventory rundown effect in Australia.

Financial calendar

- FY 2021 Net Results 14th April 2022 (after close of trading)

About Marie Brizard Wine & Spirits

Marie Brizard Wine & Spirits is a wine and spirits group operating in Europe and the United States. Marie Brizard Wine & Spirits stands out for its expertise, a combination of long-standing brands and a resolutely innovative spirit. Since the foundation of Maison Marie Brizard in 1755, the Marie Brizard Wine & Spirits Group has developed its brands in a spirit of modernity while respecting their origins. Marie Brizard Wine & Spirits' commitment is to offer its customers bold and trusted brands full of flavour 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 Euronext Paris, Compartment B (FR0000060873 - MBWS) and is included in the EnterNext® PEA-PME 150 index.



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