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ACQUISITION OF THE CENCI COMPANIES

SPECIALIZING IN FORESTRY OPERATIONS AND TIMBER PROCESSING

A NEW CHAPTER IN THE STRATEGY TO INTEGRATE ADDITIONAL CAPABILITIES UPSTREAM OF THE VALUE CHAIN

Oeneo Group has announced the acquisition by its Winemaking division of 100% of the capital of the CENCI companies, which have been specializing in forestry operations and the value-added processing of beech and oak timber (unedged timber, staves, flooring, etc.) since 1960.

A strategic addition that will strengthen the Group's upstream positioning in the wood industry value chain, the acquisition will enable Oeneo to further its expertise and ensure the qualitative and quantitative procurement of raw materials. Once the transaction is complete, Oeneo Group will be able to handle close to 80% of its own raw materials' supply within the Group and in doing so meet the growing needs of the Seguin Moreau and Millet cooperages.

Located in Franche Comté, a region renowned for its deciduous oak and beech forests, the CENCI companies currently generate approximately €5 million in yearly revenues. As its facilities are already equipped to absorb additional volumes, Oeneo Group will be able to rapidly expand operations, in particular through the integration of other value-added services (milling for alternative products, preparation of wood, etc.). All activities will be maintained, notably those tied to beech wood and flooring.

Headed up by three generations of the Cenci family, the existing operational management will continue to play a key role, enabling Oeneo Group to benefit from their teams' extensive expertise in forestry operations, timber processing and the export of processed products. The CENCI companies, for their part, will benefit from the operational synergies to be gained from the transaction to accelerate their development and secure their lasting success.

The acquisition is financed entirely in cash via a bank loan.

Nicolas Hériard Dubreuil, Chief Executive Officer of Oeneo Group, said: "The acquisition of the CENCI companies will give Oeneo Group the means to strategically reinforce its positioning further upstream in the wood industry. It will also give the CENCI companies the means to develop rapidly on a market with a high value-added. We are delighted to welcome the CENCI teams and confidently look forward to their seamless integration within Oeneo Group".





ABOUT OENEO GROUP

Oeneo Group is a major wine industry player with high-end and innovative brands. Present around the world, the Group covers each stage in the winemaking process through two core and complementary divisions:

- Closures, which manufactures and sells cork closures, including high value-added technological closures through its Diam range and traditional closures through its Piedade range.
- Winemaking, which provides high-end solutions in winemaking and spirits for leading market players with Seguin Moreau and develops innovative solutions for the wine industry with Vivelys (R&D, consulting, systems).

Oeneo prides itself in offering solutions in the production, maturing, preservation and enhancement of wines or spirits that faithfully convey all of the emotion and passion of each winegrower and improve their performance.

WE CARE ABOUT YOUR WINE

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