

November 3, 2020

BUSINESS BACK TO ALMOST STABLE LEVELS IN THE SECOND QUARTER
HIGHLY RESILIENT PERFORMANCE IN THE CONTEXT OF COVID-19

TURNOVER (€M)	2020-2021	2019-2020	CHANGE	CHANGE AT CONSTANT EXCHANGE RATES
2ND QUARTER	73.3	74.7	-1.9%	-0.6%
O/w Closures	42.1	42.5	-1.1%	+0.7%
O/w Winemaking	31.3	32.2	-2.9%	-2.3%
1ST HALF	131.2	143.0	-8.3%	-7.1%
O/w Closures	84.6	92.1	-8.2%	-6.8%
O/w Winemaking	46.6	50.9	-8.4%	-7.8%

Oeneo Group posted a very solid second quarter performance, with business recovering to levels close to that reported for the same prior-year period, despite the persistently unfavorable context. Oeneo's comprehensive offering across the entire winemaking value chain and its international standing allow it to take advantage of various market opportunities across all regions. This performance demonstrates the resilience of its two divisions. It also reflects a catch-up effect for orders pushed back from the first to second quarter.

Thanks to marketing campaigns that continued throughout the first half of the year and its commercial agility, the Group attracted new clients over the period, offsetting the caution exercised by certain longstanding clients who temporarily cut back on their orders due to the uncertain context.

This strong quarterly performance significantly mitigates the decline in turnover seen in the first quarter, which was limited to 7% at constant exchange rates, with similar trends in each division.

On the whole, the Group's performance is in line with its business plan in this quite particular year. The resilience of its model will also be reflected in the level of recurring operating margin, which will decline moderately despite a lower absorption of fixed costs linked to the slowdown in business. Oeneo therefore confirms the robustness of its model, while remaining cautious in the short term given the uncertainty caused by recent restrictions and lockdown measures, particularly in Europe, exacerbated by the California wildfires that have impacted the 2020 harvest in the United States.





REVIEW BY DIVISION

CLOSURES: 0.7% GROWTH (LIKE FOR LIKE) IN THE SECOND QUARTER

The division posted a strong second quarter performance, with turnover of €42.1 million, up 0.7% at constant exchange rates, a strong rebound from the first-quarter performance. This helped limit the decline in the Closures division turnover for the first half of the year to 6.8% at constant exchange rates.

The trends observed over the first quarter continued for the entire first half of the year. High-end Diam Closure ranges (bio-sourced Origine by Diam range and the Diam 10 and 30 ranges) continued to fare well and volumes increased, confirming their increasing popularity among the most prestigious wine producers and new client wins. This success offset the downturn in mid-range volumes, with clients, particularly in Europe, exercising caution in relation to their bottling forecasts.

Taking into account the other technological closures marketed by Oeneo, the division once again hit the one-billion mark in cork sales over a half-year period.

With its market share wins, the division is confident in its ability to deliver a robust full-year performance despite the ongoing climate of uncertainty.

WINEMAKING: FIRST-HALF PERFORMANCE IN LINE WITH EXPECTATIONS

The Winemaking division posted turnover for the first half of the year of €46.6 million, edging down by just 7.8% at constant exchange rates, thanks to a robust second quarter that exceeded initial expectations. This performance was particularly driven by France (up 11% in the second quarter, down 2% over the half-year) and by large containers in Asia, with very substantial orders in China.

The division has therefore demonstrated strong resilience, despite the health crisis and adverse weather conditions (the California wildfires) that have led clients to adopt a wait-and-see approach. For example, clients may decide to temporarily suspend their investments in barrels or defer them by a year.

By capitalizing on its loyal client base and new client wins, the division intends to consolidate this resilience in the second half, and anticipates a moderate decline in full-year business in the current unprecedented and unusual context.

OENEO WILL PUBLISH ITS 2020-2021 FIRST-HALF RESULTS

ON DECEMBER 3, 2020 AFTER THE CLOSE OF TRADING



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, involving the manufacture and sale of cork closures, including high value-added technological closures through its Diam and Pietec ranges.
- Winemaking, providing high-end solutions in winemaking and spirits for leading market players through its cooperage brands Seguin Moreau, Boisé, Millet, Fine Northern Oak and Galileo, and developing 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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