

January 21, 2021

STRONG RESILIENCE OF THE BUSINESS OVERALL DESPITE UNFAVORABLE ENVIRONMENT

STABLE PERFORMANCE FOR CLOSURES

CLIMATE IMPACT ON WINEMAKING

TURNOVER (€M)	2020-2021	2019-2020	CHANGE	CHANGE AT CONSTANT EXCHANGE RATES
<b>3<sup>RD</sup> QUARTER</b>	<b>65.4</b>	<b>69.0</b>	<b>-5.2%</b>	<b>-4.3%</b>
O/w Closures	43.5	44.5	-2.0%	-1.1%
O/w Winemaking	21.8	24.5	-11.0%	-10.0%
<b>9 MONTHS</b>	<b>196.6</b>	<b>212.0</b>	<b>-7.3%</b>	<b>-6.2%</b>
O/w Closures	128.1	136.6	-6.2%	-4.9%
O/w Winemaking	68.5	75.4	-9.2%	-8.5%

Oeneo Group posted turnover of €65.4 million in the third quarter of 2020-2021, down 5.2% year on year (down 4.3% at constant exchange rates). The Group continued to exceed initial expectations, holding up well in a global market impacted by the economic fallout of the health crisis. Investments from clients supplying the café, hotel and restaurant business have been particularly hard hit.

Thanks to its premium positioning, the Closures division remained resilient, generating turnover broadly in line with that of the same prior-year period. The downturn was more pronounced for the Winemaking division, due notably to dwindling order numbers from the United States this quarter with the impact of the California wildfires on harvest volumes.

Thanks to the third-quarter performance, the Group's turnover for the first nine months achieved €196.6 million, limiting the decline for the year to date to 7.3% (6.2% at constant exchange rates). As the health situation remains unchanged, the trends observed in the third quarter are likely to continue into the fourth. In these unprecedented times, Oeneo Group continues to benefit from its extensive global presence to seize all business opportunities and consolidate market share, while also seeking to reduce its operating expenses.

## REVIEW BY DIVISION

### **CLOSURES: CONTINUING ON A POSITIVE TRAJECTORY**

Closures posted a solid third-quarter performance, with turnover of €43.5 million – virtually identical to that reported for the same prior-year period – down by just 1.1% at constant exchange rates. The division owes this achievement to its ability to acquire new clients despite the difficult context calling for prudence. It was therefore able to limit the decline since the beginning of the year to 4.9% at constant exchange rates.

This excellent quarterly performance demonstrates the resilience of the Group's premium positioning, thanks to which it has been able to withstand pricing pressure caused by the economic environment. The high-end Diam Closure ranges (bio-sourced Origine by Diam range and the Diam 10 and 30 ranges) are continuing their positive trajectory, offsetting the downturn in mid-range volumes. The Group has also benefited from its global presence and a strong catch-up effect in certain regions that were strongly impacted by the health crisis in previous quarters.

Across all ranges, the division hit the 1.5 billion cork-based closures mark over the first nine months of the year, and is confident in its ability to deliver a robust full-year performance despite the ongoing climate of uncertainty.

### **WINEMAKING: CLIMATE IMPACT IN THE UNITED STATES**

The Winemaking division posted third-quarter turnover of €21.8 million, down €2.7 million year on year mainly due to the downturn in orders from the US market as a result of the California wildfires. In Europe, especially France (Cognac), the decline was less significant, despite slightly lower harvests.

In terms of the offering, sales of large containers and alternative oak solutions were upbeat this quarter, making up in part for lower barrel volumes. Sales of winemaking equipment were also affected by projects delayed due to the economic context.

The division's nine-month performance declined a moderate 9.2%, in line with initial projections. Trends are likely to remain constant in the final quarter of the year given that the current restrictions applicable in most countries are causing clients to adopt a wait-and-see approach. Business in the fourth quarter will be buoyed in part by sales in the southern hemisphere, with greater momentum expected in South America than in Oceania. The division will continue to roll out its strategy for improving operating efficiency, which was already bearing its first fruits in the first half.

OENEO GROUP WILL PUBLISH ITS YEARLY TURNOVER  
FOR 2020-2021 ON MAY 10, 2021.

## 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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