

November 7, 2022

SUSTAINED BUSINESS IN THE FIRST HALF OF THE YEAR: +9%

TURNOVER (€M)	2022-2023	2021-2022	CHANGE	CHANGE AT CONSTANT EXCHANGE RATES
SECOND QUARTER	84.9	81.4	+4.3%	+2.7%
O/w Closures	51.8	52.3	-1.0%	-1.0%
O/w Winemaking	33.1	29.1	+13.8%	+9.5%
FIRST HALF	173.2	158.6	+9.2%	+8.2%
O/w Closures	118.9	111.8	+6.4%	+6.3%
O/w Winemaking	54.3	46.8	+16.1%	+12.6%

Oeneo Group posted a solid second-quarter 2022-2023 performance, with turnover up 4.3% at €84.9 million (up 2.7% at constant exchange rates). This performance was driven by the Winemaking business, which continued to benefit from the recovery in investments by winegrowers after the wait-and-see approach adopted in recent years, particularly in the United States. Meanwhile, the Closures business slowed down due to earlier harvests, lower bottling volumes with clients (owing to the weak 2021 harvests) and persistent supply chain difficulties.

This quarter-on-quarter increase saw turnover for the first half of 2022-2023 come in at €173.2 million, representing a significant increase of 9.2% compared to first-half 2021-2022 (up 8.2% at constant exchange rates). Both divisions contributed to growth in the first half of the year, each achieving the highest half-yearly sales in their history.

In a market environment marked by significant inflationary pressures on raw materials, production costs (including energy) and logistics, the Group is ensuring it maintains rigorous cost control measures and implements price increases that will mitigate the impact on recurring operating profit. Recurring operating profit is therefore expected to increase slightly over the half-year, with the margin stabilizing at above 16% of turnover.

BUSINESS REVIEW BY DIVISION

CLOSURES: HALF-YEARLY GROWTH OF 6.4%

In the first half, the Division posted turnover of €118.9 million, up 6.4% on the first half of 2021-2022. Notwithstanding the very high comparison basis, this performance represents a new half-year record, still driven by the worldwide success of Diam closures despite a less favorable backdrop.

Bottling has slowed down this year, especially in Europe, due to a low harvest volume in 2021 and the current glass bottle shortage directly linked to the Russia-Ukraine conflict.

The Division sold close to 1.3 billion cork-based closures across all ranges. The slight decline in volumes, centered on the entry-level segment, was largely offset by the price effect linked to the shift in the product mix towards the high-end segment and to the price increases introduced in 2022 in response to cost inflation.

While remaining mindful of economic disruptions weighing on margins, the Division will continue to pursue its premium strategy in the second half of the year with growth expected to continue in line with its first-half results.

WINEMAKING: STRONG 16.1% GROWTH IN THE FIRST HALF OF THE YEAR

The Winemaking division posted record turnover of €54.3 million for the first half of the year, a 16.1% increase (up 12.6% at constant exchange rates) compared to first-half 2021-2022.

This very good performance comes amid a more favorable environment with an upturn in investments, particularly in casks and oak products, following several years of a cautious approach outside Europe. The Division recorded strong growth in the United States and Asia, boosted by a favorable dollar effect. In Europe, business is also growing solidly despite a lower level of business in large containers at the beginning of the year. The Consulting and Services business is also performing well as it continues to develop synergies with the Group's other businesses.

Growth is expected to continue in the second half of the year, albeit at a slightly more moderate pace, and the Division is aiming to report record turnover of €100 million over the full year.

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OENEO GROUP WILL PUBLISH ITS 2022-2023 FIRST-HALF RESULTS
ON DECEMBER 1, 2022 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).

We are passionate about the art and culture of wine, conscious of the urgent environmental and societal challenges facing our world, and firmly believe that enlightened innovation must serve the common good. We want to use our strengths and expertise to serve the wine industry's sustainable development as we innovate to uphold the great history of wine.

WE CARE ABOUT YOUR WINE

INFORMATION AND PRESS RELATIONS

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