



December 1, 2022

2022-2023 FIRST HALF RESULTS
STRONG GROWTH IN TURNOVER AND RESULTS
RECURRING OPERATING MARGIN OF 16.8%

CONSOLIDATED PROFIT & LOSS STATEMENT (€M)	H1 2021-2022	H1 2022-2023	CHANGE
TURNOVER	158.6	173.2	+9.2%
O/w Closures	111.8	118.9	+6.4%
O/w Winemaking	46.8	54.3	+16.1%
RECURRING OPERATING PROFIT	28.0	29.1	+4.0%
O/w Closures	22.0	21.3	-3.2%
O/w Winemaking	7.0	8.5	+21.8%
O/w Corporate	(1.0)	(0.7)	
NON-RECURRING OPERATING PROFIT/(LOSS)	(3.0)	(0.4)	
OPERATING PROFIT	25.0	28.7	+14.9%
Financial profit/(loss)	(0.9)	(0.0)	
Tax	(6.0)	(6.9)	
NET PROFIT	18.1	21.9	+21.1%
NET PROFIT, GROUP SHARE	18.1	21.9	+21.2%
SHAREHOLDERS' EQUITY	319.1	325.1	+1.9%
NET DEBT	18.0	15.2	-15.4%

Oeneo's 2022-2023 half-yearly consolidated financial statements have been reviewed by the Group's Statutory Auditors and were approved by its Board of Directors on December 1, 2022. The half-yearly financial report will be available on the Group's website www.oeneo.com from December 2, 2022.

In a less favorable economic context, marked by inflationary pressures on raw materials and production costs, Oeneo Group achieved a strong half-year performance with dynamic growth in business, a resilient recurring operating margin and a significant increase in net profit. The Group also maintained a strong financial equilibrium with substantial shareholders' equity and low net debt.



Turnover was up 9.2% over the first half of the year, coming in at €173.2 million, setting a new six-month record for the Group. This performance was driven by the Winemaking division, which grew 16.1% to €54.3 million, benefiting from the recovery in investments in this area by winegrowers after the wait-and-see approach adopted in recent years, particularly in the United States. The Closures division posted strong turnover growth of 6.2% to reach €118.9 million, despite the impact of low harvest volumes in 2021 and supply chain disruptions, largely driven by its premium strategy and price increase.

Recurring operating profit for 2022-2023 rose 4.0% to €29.1 million, demonstrating the Group's resistance to the sharp increase in raw material prices, production costs (including energy) and logistics. **Price** increases and ongoing optimization measures have partially mitigated the impact of these inflationary factors resulting in a **high operating margin of 16.8%**. The cost of long-term incentive plans, which take the form of performance share awards, rose to €1.4 million, compared to €0.4 million in the first half 2021-2022.

Operating profit was up 14.9% to €28.7 million, growing faster than turnover, after a net non-recurring loss of €0.4 million in the first half.

Financial income broke even (compared with a loss of €0.9 million the previous year), with foreign exchange gains offsetting lower gross interest. **Net profit, Group share came in at €21.9 million, up 21.2%, representing a net margin of 12.6%**.

Shareholders' equity rose to €325.1 million from €319.1 million year on year, taking into account the €39.0 million dividend payment (€0.60 per share, of which €0.30 is a one-time payment). **Net debt** (including €5.8 million of debt linked to leases as a result of the application of IFRS 16 "Leases") **came to €15.2 million at September 30, 2022. The net gearing ratio remained very low at 4.7%**.

Cash flow from operations for the period amounted to €2.1 million, largely mitigated by the seasonal peak in working capital at September 30 (up €32.0 million compared to March 31, 2022). Working capital was particularly high at the end of the first half due to the €18 million increase in inventories, linked to a strategic reinforcement of hedging in an unsettled environment and to the rise in certain raw material costs. On the other hand, net investments for the period were lower than in first half 2021-2022 at €6.9 million and were mainly dedicated to the production base.

Oeneo's cash position remained largely positive at €64.4 million at September 30, 2022.

The resilient operating performance recorded in the first half of the year consolidated the Group's sound and relevant development model based on two world leading divisions. In the second half of the year, the Group will focus on pursuing its growth and maintaining its operating performance as the inflationary context continues to pose challenges.



PERFORMANCE REVIEW BY DIVISION

CLOSURES: Recurring operating margin of 17.9%

The Winemaking division posted turnover of €118.9 million, up 6.4%. The Group continues to leverage its global leadership to offset poor conditions, such as the impact of low harvest volumes on business in Europe and the United States in 2021. 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.

This premium strategy has enabled the Division to remain resilient and to limit the significant impact of inflation in material (cork, production (including energy) and logistics costs. Recurring operating margin for the period therefore remained at a high 17.9%, despite declining by two points from H1 2021-2022.

In the second half, the Division will pursue its premium growth strategy and continue to protect its recurring operating margin in this changing environment.

WINEMAKING: Recurring operating margin of 15.7%

The Winemaking division posted turnover of €53.4 million in the first half, a 16.1% increase (up 12.6% at constant exchange rates). This excellent sales performance, which set a new half-year record, was driven in particular by the recovery in investments by our clients in the United States and Asia, both in barrels and in Vivelys' business, and was amplified by the dollar effect. Business in Europe was once again robust.

Boosted by a favorable mix, this strong business performance enabled better absorption of fixed costs and mitigation of the inflationary effect on material costs, particularly wood. Recurring operating margin for the period rose to 15.7%, up 0.7 points from first half 2021-2022.

The Division expects continued growth in the second half, albeit at a slightly more moderate pace due to a less favorable base effect. The focus remains on cost control to ensure the improvement in recurring operating margin.





OENEO GROUP WILL PUBLISH ITS TURNOVER FOR THE THIRD QUARTER OF 2022-2023

ON JANUARY 23, 2023, AFTER 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

OENEO

Philippe Doray
Chief Administrative and Financial
Officer
+33 (0)5 45 82 99 93

ACTUS FINANCE

Guillaume Le Floch
Analysts – Investors
+33 (0)1 53 67 36 70

Fatou-Kiné N'Diaye/Nawel Naamane
Press – Media
+33 (0) 1 53 67 36 34



BALANCE SHEET

<i>In thousands of euros</i>	September 30, 2021	September 30, 2022
Goodwill	47,425	47,569
Intangible assets	9,386	10,359
Property, plant & equipment	136,708	139,206
Financial assets	1,931	1,966
Deferred tax assets and other long-term assets	2,166	1,345
Total non-current assets	197,617	200,445
Inventories and work in progress	132,943	154,955
Trade and other receivables	95,794	103,922
Tax receivables	1,152	285
Other current assets	3,459	4,889
Cash and cash equivalents	75,028	64,354
Total current assets	308,375	328,405
Assets related to operations held for sale	366	-
Total assets	506,358	528,850
<i>In thousands of euros</i>		
Paid-in capital	65,052	65,052
Share premium	35,648	35,648
Reserves and retained earnings	200,390	202,487
Profit for the period	18,058	21,895
Total shareholders' equity (Group share)	319,148	325,083
Minority interests	(60)	58
Total shareholders' equity	319,088	325,141
Borrowings and debt	63,480	54,950
Employee benefits	2,933	2,251
Other provisions	25	712
Deferred taxes	2,971	3,408
Other non-current liabilities	10,885	10,084
Total non-current liabilities	80,295	71,405
Borrowings and short-term bank debt (portion due in less than 1 year)	29,541	24,628
Provisions (portion due in less than 1 year)	348	508
Trade and other payables	71,974	103,865
Other current liabilities	5,112	3,303
Total current liabilities	106,976	132,304
Liabilities related to operations held for sale	-	-
Total liabilities	506,358	528,850

PROFIT & LOSS

<i>In thousands of euros</i>	9 months ended September 30, 2021	9 months ended September 30, 2022
Turnover	158,561	173,179
Other operating income	52	154
Cost of goods purchased	(66,000)	(68,188)
External costs	(27,286)	(35,498)
Payroll costs	(26,938)	(30,463)
Tax	(1,186)	(1,130)
Depreciation and amortization	(8,236)	(8,919)
Provisions	(752)	(533)
Other recurring income and expenses	(233)	510
Recurring operating profit	27,982	29,112
Other non-recurring operating income and expenses	(2,974)	(372)
Operating profit	25,008	28,739
<i>Income from cash and cash equivalents</i>	30	30
<i>Cost of gross debt</i>	(748)	(640)
Cost of net debt	(718)	(611)
Other financial income and expenses	(215)	602
Profit before tax	24,075	28,731
Income tax	(6,019)	(6,913)
Profit after tax	18,056	21,818
Net profit of companies accounted for by the equity method	23	73
Net income from continuing operations	18,079	21,891
Minority interests	(21)	4
Net profit from consolidated operations	18,079	21,891
Group net profit	18,058	21,895

CASH FLOW STATEMENT

<i>In thousands of euros</i>	9 months ended September 30, 2021	9 months ended September 30, 2022
CASH FLOW LINKED TO OPERATIONS		
Consolidated net profit	18,079	21,891
Profit/(loss) from discontinued operations	-	-
= Consolidated net profit from continuing operations	18,079	21,891
Elimination of the share in profit of companies accounted for by the equity method	(23)	(73)
Elimination of amortization and provisions	8,242	9,062
Elimination of disposal and dilution gains and losses	(58)	(405)
Elimination of dividend income	(139)	(170)
Expenses and income linked to share-based payments	339	1,142
Other income and expenses with no impact on cash flow	-	-
= Cash flow after cost of net debt and tax	26,440	31,447
Tax expense	6,019	6,913
Cost of net debt	718	611
= Cash flow before cost of net debt and tax	33,177	38,970
Tax paid	(5,858)	(4,864)
Change in WCR linked to operations	(19,640)	(31,892)
Net cash flow linked to continuing operations	7,679	2,124
Net cash flow linked to discontinued operations	-	-
= Net cash flow linked to operations	7,679	2,124
CASH FLOW LINKED TO INVESTMENTS		
Impact of changes in scope	-	-
Acquisitions of property, plant & equipment and intangible assets	(13,051)	(7,812)
Acquisitions of financial assets	-	-
Disposals of property, plant & equipment and intangible assets and financial assets	153	765
Disposals of financial assets	-	-
Dividends received	139	170
Change in loans and advances	(10)	(40)
Net cash flow linked to investment activities from continuing operations	(12,769)	(6,917)
Net cash flow linked to investment activities from discontinued operations	-	-
= Net cash flow linked to investments	(12,769)	(12,769)
CASH FLOW LINKED TO FINANCING ACTIVITIES		
Transactions with minority shareholders		(243)
Acquisitions and disposals of treasury shares	(5,532)	84
Loans issued	4	4,629
Repayment of loans	(6,029)	(3,251)
Net interest paid	(535)	(428)
Parent company dividends	-	-
Minority interest dividends	-	-
Net cash flow linked to financing activities from continuing operations	(12,092)	791
Net cash flow linked to financing activities from discontinued operations	-	-
= Net cash flow linked to financing activities	(12,092)	791
Impact of changes in foreign exchange rates	(253)	286
Change in cash from continuing operations	(17,435)	(3,716)