



June 13, 2024

2023-2024 ANNUAL RESULTS

RECURRING OPERATING MARGIN OF 14.0%, IN LINE WITH EXPECTATIONS

WELL-MANAGED CASH FLOW

CONSOLIDATED PROFIT & LOSS STATEMENT (€M)	2022-2023	2023-2024	CHANGE
TURNOVER	348.2	305.7	-12.2%
O/w Closures	244.5	211.6	-13.5%
O/w Winemaking	103.7	94.2	-9.2%
RECURRING OPERATING PROFIT	54.6	42.8	-21.7%
O/w Closures	45.2	36.1	-20.1%
O/w Winemaking	12.0	8.8	-27.1%
O/w Corporate	(2.6)	(2.1)	
NON-RECURRING OPERATING PROFIT/(LOSS)	(2.4)	(1.1)	
OPERATING PROFIT	52.2	41.8	-20.0%
Financial profit/(loss)	(0.9)	(4.2)	
Tax	(10.2)	(8.7)	
NET PROFIT	41.2	28.8	-29.8%
CONSOLIDATED NET PROFIT, GROUP SHARE	41.2	28.9	-29.9%
SHAREHOLDERS' EQUITY	343.0	315.0	
NET DEBT	29.8	64.2	

Oeneo's consolidated statements for financial year 2023-2024 ended March 31, 2024 were approved by its Board of Directors on June 13, 2024. The consolidated financial statements have been audited in full. The auditors' report will be published once the procedures required for the publication of the annual financial report have been completed.

Following strong post-pandemic growth, **Oeneo Group proved resilient throughout the 2023-2024 financial year**, a year marked by inventory adjustments by most distributors and a slowdown in investments made by clients who are themselves affected by the decline in wine consumption on a global scale, as well as unfavorable weather conditions in many countries.

Against this backdrop, Oeneo Group posted turnover of over €300 million, with a recurring operating margin of 14.0%, in line with expectations, a financial position that remains healthy and controlled debt.



2023-2024 turnover came to €305.7 million, down 12.2% compared to the record level achieved in the previous year. For the first nine months of the year, the Closures division was heavily impacted by the cyclical downturn in volumes, particularly in the entry-level and mid-range segments, before returning to business levels similar to the previous year in the fourth quarter. The Winemaking division was less impacted, although turnover was down by over €2 million due to the internalization of distribution in one country.

The Group posted recurring operating profit of €42.8 million, representing a recurring operating margin of 14.0%, down 1.6 points on 2022-2023, in line with expectations. This change is attributable to a slight fall in the gross margin, demonstrating the Group's ability to absorb increases in raw material prices, and the lower absorption of fixed costs, due to lower business levels.

Operating profit amounted to €41.8 million, or 13.7% of turnover, after taking into account €1.1 million in non-recurring items.

Financial loss came in at €4.2 million, including a €2.5 million increase in gross financial expenses linked to the rise in market rates and the change in average net debt, and foreign exchange losses of €0.8 million in South America.

After taking a tax expense of €8.7 million into account, **net profit, Group share came to €28.9 million, representing a net margin of 9.5%.**

Cash flow from operations came in at €48.7 million (compared with €41.0 million in 2022-2023). This strong performance was buoyed by a slight €4.0 million increase in WCR. It more than covered net investments for the year, which totaled €21.1 million, primarily directed towards improving the production facilities of both divisions.

Free cash flow therefore amounted to €27.6 million, up sharply on the previous year (€21.5 million), part of which was used to buy back its own shares (€9.9 million) and to pay interest on debt (€2.7 million).

Shareholders' equity amounted to €315.0 million, after taking into account the €45.3 million dividend payment (€0.70 including a special dividend of €0.35, per share) for 2022-2023. **Net debt** (including €4.6 million in debt linked to leases as a result of the application of IFRS 16 "Leases"), **amounted to €64.2 million at March 31, 2024, limiting the net gearing ratio to 20.3%. Available cash stood at €40.4 million.**

The Board of Directors will recommend **the payment of an ordinary dividend of €0.35 per share for 2023-2024 at its next Annual General Meeting.**

In 2024-2025, Oeneo Group will continue to deploy its strategy focused on high-end market segments and innovation, all while continuing to manage its operating expenses in order to maintain its recurring operating margin.

2023-2024 PERFORMANCE REVIEW BY DIVISION

CLOSURES: Recurring operating margin of 17.1%

The division sold almost 2 billion cork closures bringing turnover to €211.6 million, down 13.5% on the record levels recorded in 2022-2023, centered on the first nine months of the year. In the fourth quarter, business returned to the same level as the previous year, driven by a 7% increase in Diam range sales.

During the year, the Group focused on preserving the market share of its Diam closures in a less buoyant market, amplified by inventory reductions by distributors. The division also continued the divestment of other technological closures in highly competitive high-end market segments.

Recurring operating margin of 17.1%, down 1.4 points on 2022-2023, with a sharp upturn in the second half of the year (20.1% vs. 13.6% in the first half of the year), as the Group reaped the fruits of a favorable product mix and strict operating expense management.

Despite a prevailing wait-and-see approach in the market, the division expects to benefit from the end of inventory adjustments in the supply chain and subsequently improve on the trend that started in the last quarter of 2023-2024, confirming its return to growth in 2024-2025.

WINEMAKING: Recurring operating margin of 11.2% excluding non-recurring items

The division recorded turnover of €94.1 million (€96.3 million excluding the correction of over €2 million linked to the internalization of distribution in one country). Excluding the above non-recurring item and the phase-out of the "wood trading" business (€2.5 million compared with €6.2 million in 2022-2023), "strategic businesses" turnover was down 3.7% on the record level achieved in the previous year.

Recurring operating margin came in at 9.3%. Adjusted for non-recurring items (almost €2.0 million deducted from recurring operating profit), and despite the sharp increase in the price of raw materials (wood), it stood at 11.2%, which is close to the previous year's figure of 11.6%.

The division has made a cautious start to 2024-2025 based on the lack of visibility on the wine market, which is made worse by challenging weather conditions. It will be focusing, above all, on continuing to optimize productivity in order to improve its recurring operating margin.

OENEO GROUP WILL PUBLISH ITS TURNOVER FOR THE FIRST QUARTER OF 2024-2025

ON JULY 22, 2024, 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, MYTIK and SETOP ranges, and
- Winemaking, providing high-end solutions in winemaking and spirits for leading market players through its cooperage brands Seguin Moreau, Millet, Galileo and Boisé, and developing innovative solutions for the wine industry with Vivelys (R&D, consulting, and 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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APPENDICES

BALANCE SHEET

<i>ASSETS</i>	March 31, 2024	March 31, 2023
Goodwill	47,480	47,475
Intangible assets	8,150	8,398
Property, plant & equipment	144,267	143,584
Financial assets	3,330	3,743
Deferred taxes	2,476	2,643
Total non-current assets	205,703	205,844
Inventories and work in progress	163,013	164,723
Trade and other receivables	88,006	88,063
Tax receivables	2,629	1,019
Other current assets	2,020	2,061
Cash and cash equivalents	40,370	30,286
Total current assets	296,038	286,152
Assets related to operations held for sale	-	-
Total assets	501,741	491,996
<i>LIABILITIES</i>	March 31, 2024	March 31, 2023
Paid-in capital	65,052	65,052
Share premium	35,648	35,648
Reserves and retained earnings	185,338	201,108
Profit for the period	28,850	41,164
Total shareholders' equity (Group share)	314,889	342,973
Minority interests	72	58
Total shareholders' equity	314,961	343,031
Borrowings and debt	89,003	46,865
Employee benefits	2,378	2,400
Other provisions	27	0
Deferred taxes	4,500	4,202
Other non-current liabilities	9,133	9,811
Total non-current liabilities	105,041	63,279
Borrowings and short-term bank debt (portion due in less than 1 year)	15,605	13,253
Provisions (portion due in less than 1 year)	1,031	475
Trade and other payables	61,403	69,803
Other current liabilities	3,700	2,154
Total current liabilities	81,739	85,686
Liabilities related to operations held for sale	-	-
Total Liabilities and Shareholders' Equity	501,741	491,996

PROFIT AND LOSS STATEMENT

<i>In thousands of euros</i>	March 31, 2024	March 31, 2023
Turnover	305,728	348,239
Other operating income	219	1,800
Cost of goods purchased and change in inventories	(128,293)	(146,579)
External costs	(52,883)	(66,505)
Payroll costs	(59,473)	(63,518)
Tax	(2,097)	(1,895)
Depreciation and amortization	(18,895)	(17,839)
Provisions	(1,902)	(1,226)
Other recurring income and expenses	402	2,157
Recurring operating profit	42,806	54,636
Profit/(loss) on disposal of consolidated equity interests	-	-
Other non-recurring operating income and expenses	(1,052)	(2,446)
Operating profit	41,754	52,190
<i>Income from cash and cash equivalents</i>	224	15
<i>Cost of gross debt</i>	(4,451)	(1,765)
Cost of net debt	(4,226)	(1,750)
Other financial income and expenses	68	831
Profit before tax	37,597	51,271
Income tax	(8,749)	(10,190)
Profit after tax	28,848	41,081
Net profit of companies accounted for by the equity method	16	79
Net profit	28,864	41,159
Net income from continuing operations	28,864	41,159
Minority interests	(14)	5
Group net profit from continuing operations	28,850	41,164
Group net profit from discontinued operations	-	-
Net profit from consolidated operations	28,864	41,159
Group net profit	28,850	41,164
Consolidated earnings per share (in euros)	0.45	0.64
Earnings per share from continuing operations (in euros)	0.45	0.64
Diluted earnings per share from consolidated operations (in euros)	0.45	0.63
Diluted earnings per share from continuing operations (in euros)	0.45	0.63

CASH FLOW STATEMENT

<i>In thousands of euros</i>	March 31, 2024	March 31, 2023
CASH FLOW LINKED TO OPERATIONS		
<i>Consolidated net profit</i>	28,864	41,159
<i>Profit/(loss) from discontinued operations</i>	-	-
= Consolidated net profit from continuing operations	28,864	41,159
Elimination of the share in profit of companies accounted for by the equity method	(16)	(79)
Elimination of amortization and provisions	21,245	19,464
Elimination of disposal and dilution gains and losses	(221)	(56)
Elimination of dividend income	(170)	(170)
Expenses and income linked to share-based payments	(925)	2,292
Other income and expenses with no impact on cash flow	-	-
= Cash flow after cost of net debt and tax	48,777	62,610
Tax expense	8,749	10,190
Cost of net debt	4,226	1,750
= Cash flow before cost of net debt and tax	61,753	74,550
Tax paid	(9,036)	(10,316)
Change in WCR linked to operations	(3,997)	(23,216)
= Net cash flow linked to operations	48,720	41,019
CASH FLOW LINKED TO INVESTMENTS		
Impact of changes in scope	-	-
Acquisitions of property, plant & equipment and intangible assets	(21,536)	(19,282)
Acquisitions of financial assets	-	(1,350)
Disposals of property, plant & equipment and intangible assets	364	958
Disposals of financial assets	-	11
Dividends received	170	250
Change in loans and advances	(56)	(76)
= Net cash flow linked to investments	(21,058)	(19,489)
CASH FLOW LINKED TO FINANCING ACTIVITIES		
Transactions with minority interests	-	(315)
Acquisitions and disposals of treasury shares	(9,945)	(3)
Loans issued	51,974	154
Repayment of loans	(11,834)	(12,532)
Net interest paid	(2,686)	(1,384)
Parent company dividends	(45,283)	(38,887)
Minority interest dividends	-	-
= Net cash flow linked to financing activities	(17,774)	(52,966)
Impact of changes in foreign exchange rates	(345)	(195)
Change in cash from continuing operations	9,543	(31,631)
Opening cash position (net of bank debt)	28,687	60,318
Closing cash position (net of bank debt)	38,229	28,687