



PRESS RELEASE

2020 FIRST-HALF EARNINGS

Reims, Thursday September 10, 2020 - 5:45 pm

The LANSON-BCC Group is releasing its earnings for the first half of 2020, with net income of -€2.57m, while the first half-year period accounts for only around one third of sales, but half of costs. Despite the contraction in volumes linked to the global lockdowns in the context of the Covid-19 pandemic, the LANSON-BCC family Group is moving forward with its value strategy with determination.

Key developments

In terms of volumes, for the overall Champagne sector, shipments for the first half of 2020 are down 29.4%. The first half of 2019 came in at -3.1%. The French market (45.4% of volumes shipped) recorded a 29.2% drop, compared with -6% for the first half of 2019. Other European Union countries (-31.1%; 24.6% of volumes shipped) and non-EU countries (-28.2%; 30% of volumes shipped) have been affected in the same way by the health crisis and its major economic consequences (source: CIVC).

In this context, sales for our Maisons have been very affected, both in France and for export, from the hotel sector to restaurants, travel retail and events. However, the good performance by mail-order sales (B to C) and the high level of shipments to European mass retail operators, corresponding to a potential anticipation of their needs, made it possible to limit the contraction in our Group's business.

Consolidated income statement

| <i>IFRS (€m)</i> | H1 2020 | H1 2019 |
|--------------------------------------|----------------|----------------|
| Revenues | 74.13 | 79.47 |
| EBIT | -1.57 | 0.13 |
| Financial income and expenses | -1.81 | -1.93 |
| Net income | -2.57 | -1.18 |

Consolidated revenues for the first half of 2020 came to **€74.13m**, compared with €79.47m, down 6.7%, after contracting by 9.9% in the first half of 2019. Excluding the brokerage subsidiary, whose activity is traditionally subject to fluctuations, consolidated revenues totaled **€73.45m** for the first half of 2020, compared with €77.94m for the first half of 2019 (-5.8%). **Exports** generated 50.2% of revenues at June 30, 2020, compared with 47.6% at June 30, 2019.

EBIT came to **-€1.57m**, compared with €0.13m for the first half of 2019. This reflects an adverse volume effect and a globally unfavorable price-mix effect, combined with an increase in the cost price of bottles sold during the period, linked primarily to higher grape prices.

Financial income and expenses came to **-€1.81m**, versus -€1.93m, following a 6.2% improvement.

Net income represents **-€2.57m**, compared with -€1.18m for the first half of 2019.

Consolidated balance sheet

Shareholders' equity is up to **€281.80m**, compared with €277.20m at June 30, 2019.

Net financial debt came to **€545.21m**, compared with €547.18m at June 30, 2019. 88% of this debt is allocated for ageing a stock of wines over 4.5 years on average, an integral part of the process for creating high-quality Champagne wines. Although the decrease in yields for the 2020 harvest by almost 22% (8,000kg / ha versus 10,200kg / ha in 2019) will affect the profitability of our own vineyards, it will enable our Group to gradually adapt its stock levels in line with future needs. **Gearing** represents **1.93**, compared with 1.97 at June 30, 2019.

Outlook

Considering the traditional seasonality of Champagne sales and the uncertainties linked to the health context, these results cannot be extrapolated over the full year. Due to the lack of visibility concerning the end of the year, our Group is not releasing any forecasts for the full year, but it is important to note that the last quarter of the calendar year historically accounts for nearly 50% of sales.

Additional information

The consolidated half-year financial statements have been subject to a limited review by the statutory auditors (Grant Thornton and KPMG). The half-year financial report was approved by the Board of Directors on September 10, 2020 and is available on the Group website: www.lanson-bcc.com.

2020 full-year revenues will be released on **Thursday January 28, 2021** (after close of trading).

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| <p>LANSON-BCC is a group built around eight Maisons producing Champagne wines, created and led by Champagne families. It unites together outstanding Maisons, renowned for their unique wines and benefiting from the effective fit between their customer segments. The combination of ancestral know-how and modern technical capabilities, creative independence and rational synergies enables each one of its Maisons to develop its performances, ensuring the LANSON-BCC Group's sustainability.</p> <ul style="list-style-type: none"> • Champagne Lanson, prestigious Maison founded 1760, Reims, holder of a Royal Warrant since the time of Queen Victoria, 80% of Champagne sold on international markets. • Champagne Chanoine Frères, Maison founded 1730, Reims, Champagne sold primarily for the European mass retail market, reputed above all for its attractive Tsarine cuvee. • Champagne Boizel, Maison founded 1834, Epernay, Champagne distributed through mail order in France (BtoC) and in traditional sectors for international markets. • Champagne De Venoge, Maison founded 1837, Epernay, Champagne sold on selective retail markets, notably with its Cordon Bleu and Princes ranges and its Louis XV grande cuvee. • Champagne Besserat de Bellefon, Maison founded 1843, Epernay, Champagne distributed through traditional networks (restaurants, wine stores), producer of the renowned Cuvée des Moines. • Champagne Philipponnat, Maison founded 1910, Mareuil sur Aÿ, owner of Clos des Goisses, Champagne sold on selective retail markets and in the world's leading restaurants. • Maison Burtin, Epernay, private-label supplier for the European mass retail market and also producer of Champagne Alfred Rothschild. • Champagne Alexandre Bonnet, Les Riceys, owner of a vast vineyard, with wine sold in traditional sectors, also producer of Rosé des Riceys. <p>www.lanson-bcc.com</p> | <p>Euronext Growth ISIN: FR0004027068 Ticker: ALLAN Reuters: ALLAN.PA Bloomberg: ALLAN:FP Indices: EN Growth Allshare, EnterNext PEA-PME 150</p> <hr/> <p>Eligible for SME share-based savings schemes (implementing order of March 5, 2014)</p> <hr/> <p>LANSON-BCC Nicolas Roulleaux Dugage Tel: +33 (0)3 26 78 50 00 investisseurs@lansonbcc.com actionnaires@lansonbcc.com</p> <hr/> <p>CALYPTUS Cyril Combe Tel: +33 (0)1 53 65 68 68 cyril.combe@calyptus.net</p> |
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