



Paris, 13th April 2018

## Information regarding the closing of FY 2017 accounts

### Poland: Audit finalized and announcement of a corrective action plan Close of FY 2017 accounts and release of annual financial report postponed FY 2017 EBITDA estimate revised

Marie Brizard Wine & Spirits (Euronext: MBWS) today announced the results of the internal and external audits carried out on its business in Poland, and communicated the latest available information regarding its FY 2017 results and the closing of FY 2017 accounts.

#### **Audit finalization and action plan for Poland**

The internal and external audits, which were begun in February 2018 in Poland, and which focused on the Group's commercial and accounting practices, resulted (as announced previously) in the reallocation of trade support expenditures published in Q4 2017 over the four quarters of 2017. Consequently, the quarterly net sales for 2017 in Poland have been restated.

In parallel to the audit, several structurally significant actions have been implemented. Firstly, the internal control processes have been strengthened, particularly for all commitments of expenditures. These processes have been extended across all of the Group's operating clusters, and will be included in the ERP system currently being designed and implemented across the Group.

Additionally, Ania Jakubowski, the new General Manager of MBWS' operations in Poland since early January 2018, presented a detailed action plan to the Group's Board of Directors, built around five large initiatives:

- **Distribution:** establishing a strengthened route-to-market plan to address the importance of the traditional trade, and strengthening partnerships with large retailers;
- **Organization:** strengthening the sales force structure, including implementation and strengthening of support functions;
- **Product positioning:** reconfirming the focus on vodka and whisky (Krupnik and William Peel); acceleration in the market's most profitable segments such as flavored vodka and additional formats; selective focus on the premium portfolio; and strengthening of in-store activation campaigns;
- **Operations:** production to begin at the Lancut distillery in the coming months;
- **Processes:** implementation of control tools and processes, particularly within the context of the ERP launch.

These initiatives should lead to a stabilized business in Poland. Thus, after a very difficult 2017, this action plan envisions the gradual improvement of the Group's operations in Poland, leading to a year of transition in 2018.



## Update on the audit of annual accounts and 2017 EBITDA estimate

The accounting and financial audit on the closing of FY 2017 accounts is still being carried out. Within the context of this audit and the control processes established, the options for closing of the accounts taken by some clients have led the Group to record a charge of €4.5m in 2017. This charge was originally supposed to be recorded in 2018. This charge is due primarily to Poland and, to a lesser degree, to the United States. These changes and the results of the audit of commercial processes in Poland, lead to the restatement of 2017 quarterly and annual net sales in these two clusters. The detailed net sales are attached to this press release. The updated estimate of FY 2017 EBITDA is in a range of €-11m to €-12m.

Within this context, the 2017 annual accounts cannot be approved by the Board of Directors before 30<sup>th</sup> April 2018. Consequently, the publication of FY 2017 annual accounts, the annual financial report, and Q1 2018 net sales report will be postponed. As regards the Annual General Meeting (AGM) to approve FY 2017 accounts, the Group has obtained the required authorization to hold its AGM after 30<sup>th</sup> June 2018.

In order to accomplish all of its responsibilities, the Group has appointed Philippe Rochet to support the Group's CFO. Philippe began his career as an auditor, and has gone on to become a successful Chief Financial Officer, primarily at the companies CMA-CGM and the holding company of the Bourbon Group.

The Group is committed to publish the annual accounts and hold the Annual General Meeting as soon as possible.

**Marie Brizard Wine & Spirits** produces and sells a range of wine and spirits across four geographic clusters: Western Europe, Middle East & Africa, Central and Eastern Europe, the Americas, and Asia-Pacific. MBWS has distinguished itself for its know-how, the range of its brands, and a long tradition and history of innovation. From the inception of Maison Marie Brizard in Bordeaux, France in 1755, to the launch of Fruits and Wine in 2010, MBWS has successfully developed and adapted its brands to make them contemporary while respecting their origins. MBWS is committed to providing value by offering its customers bold, trustworthy, flavorful and experiential brands. The company has a broad portfolio of leading brands in their respective market segments, most notably William Peel scotch whisky, Sobieski vodka, Krupnik vodka, Fruits and Wine flavored wine, Marie Brizard liqueurs and Cognac Gautier. MBWS is listed on the regulated market of Euronext Paris, Compartment B (ISIN code FR0000060873, ticker MBWS) and is included in the EnterNext® PEA-PME 150 index, among others.



### **Press:**

**Stéphane Pedrazzi**

stephane.pedrazzi@mbws.com

Tel: +33 1 76 28 40 71

### **Investors:**

**Raquel Lizarraga**

raquel.lizarraga@mbws.com

Tel: +33 1 43 91 50 18

**Simon Zaks, Image Sept**

szaks@image7.fr

Tel: +33 1 53 70 74 63



## ANNEXES

### Net Sales by Cluster – Q1 2017

In M€	2016	Cancelled Contracts	Perimeter Effect	2016 restated	Organic growth	Currency impact	2017	Org. Growth (excl. forex)	Org. Growth (incl. forex)
<b><u>BRA NDED BUSINESS</u></b>	<b>51.1</b>	<b>-0.8</b>	<b>0.0</b>	<b>50.3</b>	<b>-3.9</b>	<b>0.3</b>	<b>46.7</b>	<b>-7.8%</b>	<b>-7.2%</b>
<b>WEMEA</b>	<b>28.3</b>	<b>-0.6</b>	<b>0.0</b>	<b>27.7</b>	<b>-0.3</b>	<b>0.0</b>	<b>27.4</b>	<b>-1.2%</b>	<b>-1.2%</b>
France	23.9	-0.6	0.0	23.3	0.0		23.3	0.0%	0.0%
Rest of cluster	4.4	0.0	0.0	4.4	-0.3	0.0	4.1	-7.6%	-7.5%
<b>CEE</b>	<b>17.2</b>	<b>0.0</b>	<b>0.0</b>	<b>17.2</b>	<b>-2.6</b>	<b>0.1</b>	<b>14.7</b>	<b>-15.1%</b>	<b>-14.5%</b>
Poland	11.1	0.0	0.0	11.1	-3.6	0.1	7.6	-32.1%	-31.4%
Rest of cluster	6.2	0.0	0.0	6.2	1.0		7.2	15.4%	15.4%
<b>Americas</b>	<b>4.9</b>	<b>-0.2</b>	<b>0.0</b>	<b>4.8</b>	<b>-1.0</b>	<b>0.2</b>	<b>4.0</b>	<b>-21.8%</b>	<b>-17.1%</b>
<b>Asia Pacific</b>	<b>0.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.6</b>	<b>0.0</b>		<b>0.6</b>	<b>5.9%</b>	<b>5.9%</b>
<b><u>OTHER BUSINESSES</u></b>	<b>33.9</b>	<b>0.0</b>	<b>-0.3</b>	<b>33.6</b>	<b>2.6</b>	<b>0.2</b>	<b>36.4</b>	<b>7.6%</b>	<b>8.5%</b>
Sobieski Trade	17.7	0.0	-0.3	17.3	2.6	0.2	20.2	15.0%	16.2%
Private Label	16.2	0.0	0.0	16.2	-0.0		16.3	-0.3%	-0.3%
<b><u>SOLD ASSETS</u></b>	<b>0.2</b>	<b>0.0</b>	<b>-0.2</b>						
<b>TOTAL MBWS</b>	<b>85.2</b>	<b>-0.8</b>	<b>-0.5</b>	<b>83.9</b>	<b>-1.4</b>	<b>0.5</b>	<b>83.2</b>	<b>-1.6%</b>	<b>-0.9%</b>



## Net Sales by Cluster – Q2 2017

In M€	2016	Cancelled contracts	Perimeter effect	2016 restated	Organic growth	Currency impact	2017	Org. Growth (excl. forex)	Org. Growth (incl. forex)
<b><u>BRANDED BUSINESS</u></b>	<b>73.1</b>	<b>-1.3</b>		<b>71.9</b>	<b>-1.3</b>	<b>0.8</b>	<b>71.4</b>	<b>-1.8%</b>	<b>-0.6%</b>
<b>WEMEA</b>	<b>40.8</b>	<b>-0.9</b>		<b>40.0</b>	<b>-1.1</b>	<b>0.0</b>	<b>39.0</b>	<b>-2.7%</b>	<b>-2.5%</b>
France	33.8	-0.7		33.1	-1.0		32.1	-2.9%	-2.9%
Rest of cluster	7.1	-0.2		6.9	-0.1	0.0	6.9	-1.8%	-1.8%
<b>CEE</b>	<b>24.3</b>	<b>-0.4</b>		<b>23.9</b>	<b>-0.2</b>	<b>0.5</b>	<b>24.2</b>	<b>-1.0%</b>	<b>0.9%</b>
Poland	16.6			16.6	-1.2	0.5	15.8	-7.5%	-4.8%
Rest of cluster	7.7	-0.4		7.3	1.0		8.3	13.8%	13.8%
<b>Americas</b>	<b>7.3</b>	<b>-0.0</b>		<b>7.3</b>	<b>-0.4</b>	<b>0.3</b>	<b>7.2</b>	<b>-5.8%</b>	<b>-1.1%</b>
<b>Asia Pacific</b>	<b>0.6</b>			<b>0.6</b>	<b>0.4</b>		<b>1.0</b>	<b>68.9%</b>	<b>63.1%</b>
<b><u>OTHER BUSINESSES</u></b>	<b>46.6</b>	<b>0.6</b>	<b>-0.6</b>	<b>46.5</b>	<b>5.3</b>	<b>0.9</b>	<b>52.8</b>	<b>11.5%</b>	<b>13.4%</b>
Sobieski Trade	24.4		-0.6	23.8	3.2	0.9	27.9	13.4%	17.2%
Private Label	22.2	0.6		22.7	2.2		24.9	9.5%	9.5%
<b><u>SOLD ASSETS</u></b>	<b>0.1</b>		<b>-0.1</b>						
<b>TOTAL MBWS</b>	<b>119.8</b>	<b>-0.7</b>	<b>-0.7</b>	<b>118.4</b>	<b>4.0</b>	<b>1.7</b>	<b>124.2</b>	<b>3.4%</b>	<b>4.9%</b>



## Net Sales by Cluster – Q3 2017

In M€	2016	Cancelled contracts	Perimeter effect	2016 restated	Organic growth	Currency impact	2017	Org. Growth (excl. forex)	Org. Growth (incl. forex)
<b><u>BRANDED BUSINESS</u></b>	<b>61.9</b>	<b>-1.0</b>		<b>60.9</b>	<b>-8.5</b>	<b>-0.1</b>	<b>52.3</b>	<b>-13.9%</b>	<b>-14.1%</b>
<b><u>WEMEA</u></b>	<b>34.2</b>	<b>-0.5</b>		<b>33.6</b>	<b>-2.5</b>	<b>0.0</b>	<b>31.1</b>	<b>-7.5%</b>	<b>-7.5%</b>
France	27.7	-0.5		27.1	-1.7		25.5	-6.1%	-6.2%
Rest of cluster	6.5	-0.0		6.5	-0.9	0.0	5.6	-13.4%	-13.2%
<b><u>CEE</u></b>	<b>21.2</b>	<b>-0.5</b>		<b>20.7</b>	<b>-4.9</b>	<b>0.1</b>	<b>15.9</b>	<b>-23.8%</b>	<b>-23.2%</b>
Poland	13.5			13.5	-5.8	0.1	7.8	-43.2%	-42.2%
Rest of cluster	7.7	-0.5		7.2	0.9		8.1	12.4%	12.4%
<b>Americas</b>	<b>5.7</b>	<b>-0.0</b>		<b>5.7</b>	<b>-1.1</b>	<b>-0.3</b>	<b>4.3</b>	<b>-19.0%</b>	<b>-23.8%</b>
<b>Asia Pacific</b>	<b>0.8</b>			<b>0.8</b>	<b>0.1</b>		<b>0.9</b>	<b>10.3%</b>	<b>10.6%</b>
<b><u>OTHER BUSINESSES</u></b>	<b>42.3</b>	<b>0.5</b>	<b>-0.5</b>	<b>42.3</b>	<b>10.5</b>	<b>0.5</b>	<b>53.3</b>	<b>24.8%</b>	<b>26.0%</b>
Sobieski Trade	20.6		-0.5	20.1	6.1	0.5	26.8	30.4%	33.0%
Private Label	21.7	0.5		22.2	4.4		26.6	19.7%	19.7%
<b><u>SOLD ASSETS</u></b>	<b>0.0</b>		<b>-0.0</b>						
<b>TOTAL MBWS</b>	<b>104.3</b>	<b>-0.6</b>	<b>-0.5</b>	<b>103.2</b>	<b>2.0</b>	<b>0.4</b>	<b>105.6</b>	<b>2.0%</b>	<b>2.3%</b>



## Net Sales by Cluster – Q4 2017

In M€	2016	Cancelled contracts	Perimeter effect	2016 restated	Organic growth	Currency impact	2017	Org. Growth (excl. forex)	Org. Growth (incl. forex)
<b>BRANDED BUSINESS</b>	<b>78.3</b>	<b>1.4</b>		<b>79.7</b>	<b>-10.8</b>	<b>-0.1</b>	<b>68.8</b>	<b>-13.5%</b>	<b>-13.6%</b>
<b>WEMEA</b>	<b>36.2</b>	<b>-0.1</b>		<b>36.1</b>	<b>-0.3</b>	<b>-0.0</b>	<b>35.8</b>	<b>-0.9%</b>	<b>-0.9%</b>
France	28.7	-0.1		28.5	-0.0		28.5	-0.1%	-0.1%
Rest of cluster	7.6			7.6	-0.3	-0.0	7.3	-3.9%	-3.9%
<b>CEE</b>	<b>30.1</b>	<b>1.5</b>		<b>31.6</b>	<b>-10.8</b>	<b>0.4</b>	<b>21.2</b>	<b>-34.1%</b>	<b>-32.9%</b>
Poland	22.9			22.9	-11.1	0.4	12.2	-48.3%	-46.6%
Rest of cluster	7.2	1.5		8.8	0.3		9.0	3.0%	3.0%
<b>Americas</b>	<b>10.3</b>			<b>10.3</b>	<b>0.2</b>	<b>-0.5</b>	<b>10.0</b>	<b>2.0%</b>	<b>-2.5%</b>
<b>Asia Pacific</b>	<b>1.7</b>			<b>1.7</b>	<b>0.1</b>	<b>-0.0</b>	<b>1.8</b>	<b>7.4%</b>	<b>6.5%</b>
<b>OTHER BUSINESSES</b>	<b>43.6</b>	<b>-1.5</b>	<b>-0.2</b>	<b>41.9</b>	<b>-1.1</b>	<b>0.8</b>	<b>41.6</b>	<b>-2.7%</b>	<b>-0.7%</b>
Sobieski Trade	25.3		-0.2	25.1	-0.5	0.8	25.4	-1.9%	1.4%
Private Label	18.4	-1.5		16.9	-0.6		16.2	-3.8%	-3.8%
<b>SOLD ASSETS</b>	<b>0.0</b>		<b>-0.0</b>						
<b>TOTAL MBWS</b>	<b>122.0</b>	<b>-0.1</b>	<b>-0.2</b>	<b>121.6</b>	<b>-11.9</b>	<b>0.8</b>	<b>110.5</b>	<b>-9.8%</b>	<b>-9.2%</b>





## Net Sales by Cluster – FY 2017

In M€	2016	Cancelled contracts	Perimeter effect	2016 restated	Organic growth	Currency impact	2017	Org. Growth (excl. forex)	Org. Growth (incl. forex)
<b><u>OTHER BUSINESSES</u></b>	<b>265.1</b>	<b>-2.3</b>	<b>0.0</b>	<b>262.8</b>	<b>-24.5</b>	<b>0.9</b>	<b>239.2</b>	<b>-9.3%</b>	<b>-9.0%</b>
<b>WEMEA</b>	<b>139.6</b>	<b>-2.1</b>	<b>0.0</b>	<b>137.4</b>	<b>-4.2</b>	<b>0.0</b>	<b>133.3</b>	<b>-3.0%</b>	<b>-3.0%</b>
France	114.0	-2.0	0.0	112.0	-2.7	0.0	109.4	-2.4%	-2.4%
Rest of cluster	25.6	-0.2	0.0	25.4	-1.5	0.0	23.9	-6.0%	-6.0%
<b>CEE</b>	<b>93.5</b>	<b>0.0</b>	<b>0.0</b>	<b>93.5</b>	<b>-18.6</b>	<b>1.1</b>	<b>76.0</b>	<b>-19.8%</b>	<b>-18.7%</b>
Poland	64.0	0.0	0.0	64.0	-21.7	1.1	43.4	-33.9%	-32.2%
Rest of cluster	29.5	0.0	0.0	29.5	3.1	0.0	32.6	10.6%	10.6%
<b>Americas</b>	<b>28.3</b>	<b>-0.2</b>	<b>0.0</b>	<b>28.1</b>	<b>-2.3</b>	<b>-0.2</b>	<b>25.6</b>	<b>-8.3%</b>	<b>-8.9%</b>
<b>Asia Pacific</b>	<b>3.8</b>	<b>0.0</b>	<b>0.0</b>	<b>3.8</b>	<b>0.6</b>	<b>-0.0</b>	<b>4.4</b>	<b>16.9%</b>	<b>16.5%</b>
<b><u>OTHER BUSINESSES</u></b>	<b>165.8</b>	<b>0.2</b>	<b>-1.6</b>	<b>164.3</b>	<b>17.3</b>	<b>2.5</b>	<b>184.0</b>	<b>10.5%</b>	<b>12.0%</b>
Sobieski Trade	87.9	0.0	-1.6	86.3	11.4	2.5	100.2	13.2%	16.1%
Private Label	77.8	0.2	0.0	78.0	5.8	0.0	83.8	7.5%	7.5%
<b><u>SOLD ASSETS</u></b>	<b>0.4</b>	<b>0.0</b>	<b>-0.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>TOTAL MBWS</b>	<b>431.3</b>	<b>-2.2</b>	<b>-2.0</b>	<b>427.1</b>	<b>-7.2</b>	<b>3.4</b>	<b>423.3</b>	<b>-1.7%</b>	<b>-0.9%</b>