

13_07_20

FINANCIAL
NEWS

Time is on our side

TFF
GROUP2019/2020
ANNUAL
RESULTSGROWTH OF ACTIVITY
RESULTS IMPACTED
BY CONTINUED INVESTMENTS
IN THE BOURBON MARKET
AND BY THE PANDEMICMonday July 13th 2020, 17h45

The Management Board, meeting on July 13th under the chairmanship of Jérôme François, examined and approved the accounts that closed on April 30th, 2020, which will be submitted for approval to the next General Meeting on October 30th, 2020, during which a dividend of € 0.35 per share will be suggested:

Consolidated accounts in M€ IFRS	2019/2020 as published	2019/2020 Adjusted for IFRS 16	2018/2019 as published	As published variation
Turnover	279.7	279.7	271.7	+ 3.0%
EBITDA*	53.4	51.3	54.1	- 1.3%
Current Operating Income	43.7	43.6	47.6	- 8.3%
Operating Income	35.6	35.5	42.1	- 15.3%
ROP after adjustment	36.4	36.4	42.6	- 14.5%
Net Result	26.9	26.9	31.0	- 13.5%
Net Result Group Share	26.8	26.8	30.8	- 13.4%

* EBITDA definition: earnings before interest, taxes, depreciation and amortization. The audit procedures on the consolidated financial statements have been carried out. The certification report will be issued after the procedures required for the publication of the annual financial report have been finalized.

BUSINESS: BOTH DIVISIONS UP

Annual revenue stood at € 279.7 million, up + 3% (- 1.3% once organically adjusted for the + 1.3% currency effect and the +3% DARNAJOU scope effect)

Wine division: + 2.3%, € 168.0 million in turnover :

Wine division: + 2.3%, € 168.0 million in turnover : (- 3% organically, adjusted for the +0.3% currency effect and for the +5% scope effect, that represent ten months of DARNAJOU turnover)

The wine division has grown through the integration of the contribution of Tonnerie DARNAJOU, which was consolidated in March 2019 and which has lived up to all of its promises.

Like-for-like, the year was characterized by:

- a contraction in barrel volumes, particularly in France and in Europe with unfavorable weather conditions for the 2019 vintage,

- a mixed activity in our wood for oenology businesses linked to a poor harvest,
- a strong activity for large containers, where performance tends not to be correlated with harvest levels,
- an impact on the turnover of stainless steel containers, affected by lockdown measures in France with the interruption of activity from mid-March until the end of the financial year.

Alcohol division : +3,9 %, 111,6 M€ in turnover

(+ 1.2% organically adjusted for the 2.7% currency effect)

- **The whisky division** is down, due to the cessation of activities at our Scottish sites in April and the delayed start-up of the 8th site located near Edinburgh,
- **The bourbon Division:** up and meeting objectives with a volume of barrels produced and sold that is now greater than 400,000 units and 7 sites that are now operational.

RESULTS IMPACTED SHORT-TERM BY PRODUCTIVE INVESTMENTS IN BOURBON AND THE PANDEMIC :

- Current operating income (ROC), which stands at € 43.7 million, down 8.3%, reflects a drop in activity in terms of volume and our development of the bourbon division, where profitability ratios have not still not reached their target levels.
- The results of other incomes and non-recurring expenses was - € 8.1 million. This includes non-recurring charges for the Bourbon division incurred to the height of the - € 8.6 million needed to anticipate and support strong market growth.
- The financial result of + € 1.1 million benefited from the positive impact of foreign exchange effects to the tune of € 2.3 million
- After tax and adjusted profits from subsidiaries, net profit fell less sharply than operating profit to € 26.9 million, close to 10% of turnover.

A STRONG AND HEALTHY BALANCE SHEET:

- Net debt, up € 64 million as a result of the investments for the second cooerage and the latest stave-mills on the bourbon markets, came to € 161 million adjusted as a result of the application of IFRS 16 (€ 168.7 million in balance sheet value) .
- The financial structure of the Group remains solid with € 365 million in equity and € 82 million in available cash.

NEXT RENDEZ-VOUS

1st quarter results 2020 : Septembre 9th 2020

CAUTIOUS PERSPECTIVES GIVEN THE CONSEQUENCES OF COVID-19

«The 2020/2021 financial year opened much as the 2019/2020 financial year closed: in the context of a health crisis affecting all the areas in which the Group operates.

All production sites and sales offices are now operational once again with priority given to preserving the health of our employees. Uncertainties in the global pandemic continue to leave forecasts difficult to make.

Given this context, the Group cannot set precise targets at the moment. But we reacted quickly by adopting exceptional measures to limit the impact of the health crisis on our structure and result levels. “

Jérôme FRANCOIS

CEO

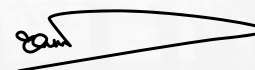
LAGREZE

«Pursuant to a decision dated June 24th, 2020, the company TONNELLERIE FRANCOIS FRERES -TFF Group, in its capacity as sole partner of the company TONNELLERIE LAGREZE, decided on the early dissolution without liquidation of said subsidiary, resulting in the total transmission of its assets, in accordance with article 1844-5, paragraph 3 of the Civil Code. This operation, which has no impact on the share capita or on the number of shares issued by TFF Group, is part of a logic of intra-group simplification and rationalization insofar as the company TONNELLERIE LAGREZE is no longer operational.»

ABOUT TFF GROUP

As the global leader in the wine and whisky aging market, serving the leading luxury sector of wines and spirits, TFF Group is present in more than 80 countries and is experiencing strong development on the bourbon market.

«As a privileged partner of the biggest names in wine and alcohols, we help ensure that they get the best from their harvests thanks to high-end innovative and environmentally friendly aging containers, made in the noblest tradition of French know-how. With our 1,313 employees and 279.7 million euros in turnover in 2019-2020, we work to promote excellence in know-how and in the “made in France” art of living.»



Jérôme FRANCOIS
CEO

TFF GROUP IN 2019:

TURNOVER: 279.7 M€
ROC: 43.7 M€

1,313 employees
which 834 internationally

80 countries served

www.tff-group.com

EURONEXT PARIS - Compartiment B - FR0013295789 - Bloomberg TFF.FP - Reuters TFF.PA

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