OENEO

WE CARE ABOUT YOUR WINE

EXTRACTS OF REGISTRATION DOCUMENT 2018/2019

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MESSAGE FROM THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER

Hervé CLAQUIN
Chairman of the Board of Directors

Nicolas HÉRIARD DUBREUIL
Chief Executive Officer

In 2018-2019, the OENEO Group reached a new level of achievement and ramped up our strategic decision making. Annual revenue reached €268.2 million, a new record level.

Overall for the year, the high inflation of the cost of cork weighed heavily on our consolidated financial statements, to the tune of €20 million, the equivalent of half of the Group's current operating profit of €40.5 million. Despite the circumstances, the Group was remarkably resilient, ending the year with net profit attributable to equity holders of the parent relatively stable at €25.3 million.

Most importantly, a growing number of premium and super-premium clients joined the Closures division, resulting in a notable improvement in the product mix. In parallel, the Closures division updated several potential means of improving productivity (Opticork project).

The Winemaking division successfully integrated three new companies – Millet, Cenci, and Galileo – to reinforce our historic activities and expand our high value-added product range.

This year, we are presenting our Non-Financial Performance Statement, which describes all our projects, policies, and action plans related to the group's environmental, social, and governance issues.

In this regard, Origine by Diam®, an innovative bio-sourced cork technology available for the upmarket Diam 5, 10, and 30 products, has experienced solid growth since it was launched at the end of 2016. It is the perfect illustration of how our CSR ambitions fit into the group's development strategy.

Also this year, Seguin Moreau was awarded the "Entreprise du Patrimoine Vivant" label by the French State, in recognition for the high added value of our top-notch artisanal and industrial savoir-faire.

Backed by these achievements, driven by its committed teams, and aware of the issues it faces, the OENEO Group can pursue its ambition of producing the best, for wine and the people who make it.

Hervé CLAQUIN
Chairman of the Board of Directors

Nicolas HÉRIARD DUBREUIL
Chief Executive Officer

MANAGEMENT REPORT

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1.1 KEY FIGURES FROM THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2019

The financial year ended on 31 March 2019 lasted 12 months, covering the period from 1st April 2018 to 31 March 2019. The previous financial year, which ended on 31 March 2018, also had a duration of 12 months.

1.1.1 KEY FIGURES FROM THE INCOME STATEMENT

In thousands of euros	31/03/2019 12 months	31/03/2018 12 months	Variation 12 months
Revenue	268,166	248,618	7.9%
Current operating profit/(loss)	**40,455**	**46,454**	**-12.9%**
% current operating margin	*15.1%*	*18.7%*	*-3.6%*
Operating profit/(loss)	38,652	43,627	-11.4%
Profit/(loss) from financing activities	(1,009)	(1,987)	-49.2%
Net profit/(loss) before tax	**37,642**	**41,641**	**-9.6%**
Tax	(10,397)	(11,074)	-6.1%
Net profit/(loss) from continuing operations	**27,274**	**30,584**	**-10.8%**
Net profit/(loss) from abandoned operations	**(2,000)**	**(3,933)**	**-49.1%**
Net profit/(loss) from consolidated entities	**25,274**	**26,651**	**-5.2%**
Net profit/(loss) attributable to equity holders of the parent	**25,349**	**26,603**	**-4.7%**

Given the decision to withdraw from the Piedade group's agglomerated and natural cork / disc operations, the related income and expenses are reclassified under abandoned operations, in accordance with IFRS 5. These non-strategic closure operations concern the ranges associated with traditional, non-technological cork, and two production sites in Portugal dedicated to closure preparation and tubing.

1.1.2 KEY FIGURES FROM THE BALANCE SHEET

In thousands of euros	31/03/2019	31/03/2018
Assets		
Non-current assets	175,682	172,421
Inventories	127,829	105,656
Trade receivables and other current assets	128,572	128,338
Assets held for sale	5,856	15,657
TOTAL ASSETS	**437,939**	**422,072**
Liabilities		
Equity	256,396	229,738
Loans and other borrowings	100,218	101,662
Trade and other payables	81,325	86,500
Liabilities held for sale	0	4,172
TOTAL LIABILITIES	**437,939**	**422,072**

1.1.3 PERFORMANCE AND BUSINESS ANALYSIS

Presentation of results from continued activities

The OENEO Group showed solid growth over the 2018-2019 financial year, with a 7.9% increase in revenue (+5.5% organic growth). Current operating profit was down by -12.9%, primarily due to the price of cork remaining high over the financial year, and the dilutive contribution of Winemaking acquisitions. The operating profit was €38.7 million, down by 11.4%, benefiting from a decrease in non-recurring expenses.

Net debt increased from €48.5 million to €60.2 million at 31 March 2019, a consequence of the reinforced WCR linked to the policy on securing raw material supply, the external growth operations during the financial year, and the expiration of the management incentive plan.

1.1.3.1 REVENUE BY BUSINESS

Annual consolidated revenue for continued operations came to €268.2 million at 31 March 2019, up by 7.9% compared with the previous year. This growth breaks down as follows:

- it was a good year for Closures (+7.8%), combining both the positive price effect and volume growth marked by a renewed focus on mid-/high-market products. The Diam brand continued to boost this growth, with an increase of around 9% in revenue, following a year of 20% revenue growth in 2017-2018;
- the Winemaking business showed 7.9% revenue growth, including recently-acquired companies (Cenci, Millet, Galileo) that made a €6.3m contribution to annual sales. In organic growth, the division benefited from its global reach and its resiliency to end the year at +1% growth at a constant exchange rate.

BREAKDOWN OF REVENUE BY DIVISION

In thousands of euros	31/03/2019 12 months	31/03/2018 12 months	Variation 12 months
Closures	175,887	163,100	7.8%
Winemaking	92,279	85,518	7.9%
TOTAL REVENUE	**268,166**	**248,618**	**7.9%**

BREAKDOWN IN REVENUE BY GEOGRAPHIC REGION

In thousands of euros	31/03/2019 12 months	31/03/2018 12 months	Variation 12 months
France	79,052	71,027	11.3%
Europe	108,398	100,540	7.8%
Americas	61,654	58,500	5.4%
Oceania	5,650	7,603	-25.7%
Rest of the world	13,412	10,948	22.5%
TOTAL REVENUE	**268,166**	**248,618**	**7.9%**

Change in net profit/loss

BREAKDOWN OF CURRENT OPERATING PROFIT BY DIVISION

In thousands of euros	31/03/2019 12 months	31/03/2018 12 months	Variation 12 months
Closures	28,872	33,764	-14.5%
Winemaking	14,415	16,505	-12.7%
Holding	(2,832)	(3,815)	-25.8%
TOTAL CURRENT OPERATING PROFIT	**40,455**	**46,454**	**-12.9%**

Current operating profit by sector

The OENEO Group posted a current operating profit of €40.5 million and a current operating margin of 15.1%, down by €6m (-12.9%) compared with the previous period.

The Closures division posted a current operating profit of €28.9 million, for a current operating margin of 16.4% of the division's revenue. The price of cork remained high until the end of the financial year and continued to weigh heavily on the division's gross margin. Its negative impact of €20 million gross was partially offset by the increase in rates, the improvement in the product mix, and the roll-out of the "Opticork" cost optimisation plan, which started to show its benefits starting in the second half. These short- and medium-term structuring actions, combined with the expected decrease in the price of cork, should ensure a gradual return to historic margin levels in this division.

The Winemaking division's current operating profit was €14.4 million, for a current operating margin of 15.6% in revenue. The dilutive contribution from the newly integrated companies came as no surprise and was amplified by the continued increase in the price of oak. This phenomenon also affected the cask business, which was disrupted by the low level of activity in the first half, bringing down productivity and annual profitability. With a better impact of material costs on sale prices, the division set the medium-term objective of profit levels in line with the Division's upmarket positioning.

Holding costs stood at €2.8 million for the financial year, with a sharp drop reflecting good control over structuring costs.

Non-recurring operating profit/(loss)

At 31 March 2019, the OENEO Group posted a non-recurring loss of -€1.8m, an improvement of nearly 35%. It breaks down primarily as follows:

- -€0.5 million in fraud and third-party lawsuits;
- -€0.2 million in the cost of restructuring the divisions;
- -€0.3 million industrial incident costs;
- -€0.4 million in acquisition-related costs.

Profit/(loss) from financing activities

The Group posted a loss of -€1.0m from financing activities at 31 March 2019, primarily breaking down as follows:

- €1.0m in financial expenses, a decrease of €0.1m compared with the previous financial year;
- and a translation balance, compared with -€0.9m the previous financial year, thanks to changes in the Euro/US Dollar and Euro/Chilean Peso exchange rates.

Net profit/(loss) from continuing operations

The OENEO Group posted a 10.8% drop in in net profit attributable to equity holders of the parent, at €27.3 million, compared with €30.6 million at 31 March 2018. Diluted earnings per share amounted to €0.43, down by 12.2% compared with 31 March 2018, given the capital increase linked to the payment of the dividend in shares.

Net profit attributable to equity holders of the parent

In the context of continuing decline in their non-strategic ranges, the operations being held for sale posted a -€2.0 million loss, compared with -€3.9 million in 2018.

Net profit attributable to equity holders of the parent amounted to €25.3 million, down by 4.7% compared with 31 March 2018.

1.1.3.2 CONSOLIDATED BALANCE SHEET

The balance sheet totalled €437.9 million, an increase of €15.8 million compared to 31 March 2018.

Non-current assets

The Group's non-current assets totalled €175.7 million, representing 40.1% of the total balance sheet at 31 March 2019.

Deferred taxes

Deferred taxes were comparable to those at 31 March 2018, totalling €1.1 million.

Current assets

By reinforcing its inventory to limit exposure to market uncertainties, both for cork and stave oak, and integrating WCR for its Winemaking acquisitions, the OENEO Group increased its Working Capital Requirement to nearly €152 million at 31 March 2019 compared with €132 million at 31 March 2018.

Equity

Equity increased from €229.7 million to €256.4 million, primarily thanks to a net profit of €25.3 million for the financial year.

Provisions for liabilities and charges

Provisions for liabilities and charges were stable overall, at €1.6 million, and mainly consisted of provisions for tax risks, third-party litigation, restructuring and other risks in both divisions.

Net financial debt

The Group's debt was €60.2 million compared with €48.5 million at 31 March 2018.

It is primarily composed of:

- medium-term credit lines and debt: €91.7 million (bilateral loans, leases, etc.);
- short-term credit lines: €8.5 million (factoring, etc.);
- cash and cash equivalents of €40.0 million.

Given the Group's financial performance and exchanges with its banks, the Group is confident that short-term credit lines will be extended.

1.2 ELEMENTS RELATED TO THE PARENT COMPANY FINANCIAL STATEMENTS

1.2.1 KEY FIGURES FROM THE INCOME STATEMENT

In thousands of euros	31/03/2019 12 months	31/03/2018 12 months	Variation 12 months
Revenue	4,364	3,559	23%
Operating Profit/(Loss)	(2,670)	(2,883)	-7%
Profit/(loss) from financing activities	24,317	36,984	-34%
Profit/(loss) from extraordinary activities	(55)	(8,426)	NA
Tax	1,245	3,849	-68%
NET PROFIT	**22,838**	**29,523**	**-23%**

1.2.2 KEY FIGURES FROM THE BALANCE SHEET

In thousands of euros	31/03/2019	31/03/2018
Assets		
Intangible assets and property, plant and equipment	348	297
Non-current financial assets	224,700	219,150
Trade receivables and other current assets	127,993	120,673
TOTAL ASSETS	**353,042**	**340,121**
Liabilities		
Equity	302,917	281,140
Other equity	995	1,275
Trade and other payables	49,130	57,706
TOTAL LIABILITIES	**353,042**	**340,121**

1.2.3 ANALYSIS OVER 12 MONTHS AT 31 MARCH 2019, VERSUS 12 MONTHS AT 31 MARCH 2018

The OENEO SA holding company carries out the functions of strategy, coordination and consulting for the Group's financing and insurance management. In return for the services resulting from the contractual provisions in accordance with the established service contracts, the Group's subsidiaries paid the holding company an annual remuneration calculated based on the expenses committed in the subsidiaries' common interest. The holding company's structure was unchanged compared to the previous year.

1.2.3.1 SERVICES INVOICED

The holding company's revenue primarily corresponds to the invoicing of services carried out on behalf of OENEO Group companies. It was €4.4 million for the twelve-month financial year, for the first time including €1 million in reinvoicing the subsidiaries for their share of insurance premiums, now centralised by the holding company.

1.2.3.2 HEAD OFFICE COSTS

Operating costs corresponded mainly to fees, external services and employee costs. These costs amounted to €7.9 million at 31 March 2019, an increase of €0.4 million compared with 31 March 2018.

1.2.3.3 PROFIT/(LOSS) FROM FINANCING ACTIVITIES

The holding company's net profit of €24.3 million from financing activities breaks down as follows:

- €24.6 million in dividends received from the subsidiaries;
- -€0.7 million in financial expenses;
- +€1.2 million in net remuneration on current accounts;
- +€0.2 million in positive exchange differences;
- +€0.3 million in income from investment securities;
- a -€1.2 million provision for OENEO Australia shares.

The Company uses financial instruments, under the terms of art. L. 225-100 § 6, whose function is described in the notes to the consolidated financial statements.

1.2.3.4 PROFIT/(LOSS) FROM EXTRAORDINARY ACTIVITIES

The holding company's profit/(loss) from extraordinary activities amounted to a loss of €0.1 million, reflecting miscellaneous non-recurring and restructuring expenses.

1.2.3.5 NET PROFIT/(LOSS)

The holding company had a net profit of €22.8 million, including a €1.2 million tax profit due to the fiscal integration of French companies.

1.2.3.6 BALANCE SHEET

Total assets amounted to €353.0 million at 31 March 2019, an increase of €12.9 million compared to the previous financial year.

Equity at year-end increased from €281.1 million to €302.9 million.

1.2.3.7 INFORMATION ON PAYMENT TIMES

INFORMATION RELATED TO PAYMENT TIMES FOR SUPPLIERS AND CLIENTS

	Article D. 441 I.-1°: invoices received and not paid at year end, which are due						Article D. 441 I.-1°: invoices issued and not paid at year end, which are due					
	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	TOTAL	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	TOTAL
(A) Late payment tiers												
Number of invoices concerned						178						70
Total invoices concerned (incl. tax)	643,180	45,508	19,945	46,119	-	754,752	614,273	-	29,554	98,233	-	742,060
Percentage of total purchases for the year (excl. tax)	21.32%	1.51%	0.66%	1.53%	0.00%	25.02%						
Percentage of total revenue for the year (excl. tax)								0.00%	0.68%	2.25%	0.00%	17.01%
(B) Invoices excluded from (A) related to unpaid or un-posted debts and claims												
Number of invoices concerned	NA						NA					
Total for the invoices concerned	NA						NA					
(C) Reference payment times used												
Payment deadlines used to calculate late payments	Legal deadlines: 30 days end of month						Legal deadlines: 60 days end of month					

1.2.3.8 NON-DEDUCTIBLE EXPENSES (ARTICLE 39-4 AND 223 QUATER OF THE FRENCH GENERAL TAX CODE)

Non-deductible expenses, under Articles 39-4 and 223 quater of the French General Tax Code were €25 thousand.

1.3 NON-FINANCIAL PERFORMANCE STATEMENT

The non-financial performance statement is included in Appendix 1 to this management report, and it will be included in the 2018-2019 Registration Document published on the Company's website http://oeneo.com.

1.3.1 POST-CLOSING ELEMENTS

On 4 June 2019, as an extension of last year's decision to withdraw from the natural and agglomerated cork/disk business, the OENEO Group announced that it would close the traditional cork production workshops operated by the Piedade group.

1.3.2 OUTLOOK

In 2018-2019, the Closures division once again demonstrated its resiliency and its operational response to the increase in raw material prices, while the Winemaking division demonstrated its good capacity for integration. The Group was able to move into the 2019-2020 financial year with confidence, thanks to growth potential in both divisions, and reinforced by its teams' commitment and efforts, both in Closures and in Winemaking, which will contribute to the increase in current operating margin, against the backdrop of gradual decreases in cork prices.

The Group will remain attentive to external growth opportunities, which will enable it to reinforce or round out its high-value added range. It will ensure that, over the coming months, it will finalise the closure of Piedade's traditional cork-making operations, with respect and support for the concerned teams.

1.3.3 RESEARCH AND DEVELOPMENT POLICY

All throughout the year, the OENEO Group continued its wine research and development efforts.

1.3.3.1 CLOSURES DIVISION

In 2018-2019, the Closures division continued its work expanding the bio-sourced Diam range (Origine by Diam®) for still, sparkling, and fortified wines. In January 2019, Origine by Diam 5 was offered to winemakers, and the laboratory work continued, with the aim of roll-out to sparkling and fortified wines.

During this financial year, the Closures division published two scientific articles based on oenological work on the role of different Diam solutions in the transfer of gas (oxygen) to bottled wine. There is a better understanding of how white, red, and rosé wines age in the bottle depending on the desired porosity of Diam closures, and this work helps winemakers choose the appropriate closure. This research work will be covered in new publications during the next financial year.

There were also more scientific collaborations with international laboratories in the field of oenology in France, California, Germany, Italy, and Spain.

During the financial year, the Closures Division undertook €2.2 million in spending that did not meet the activation criteria.

1.3.3.2 WINEMAKING DIVISION

In 2018-2019, Seguin Moreau added to its range of alternative products with "Exception" chips. The "Exception" stave is under development, with a launch planned for the 2019-2020 campaign. Both products are based on the principle of analytical selection of the oak wood (a similar process to the Icône process used for barrels). Both products are in line with the current trend of more fruit-forward wines without woody/toasted notes.

Following the work done by the ISVV (Institut des Sciences de la Vigne et du Vin) in Bordeaux, Seguin Moreau started production of its first staves made using the process of analysing quercotriterpenosides, the natural sweet compounds found in oak wood). These staves will be used to make barrels for a limited series starting from the 2020 vintage (Southern hemisphere).

Seguin Moreau is working on three fundamental projects with the ISVV:

- study on the impact of oxygen on barrel-ageing of wines;
- study on the aromas and compounds of wood flavour;
- study of the aromatic characterisation of the Chardonnay varietal.

The key findings include:

- the illustration of certain factors, which make it possible to assess a wine's sensitivity to oxygen and thereby adapt its barrel ageing;
- the illustration of the salting out of oxidation products of used barrels.

Other studies primarily focused on the processes for cleaning and disinfecting barrels and large containers. The effectiveness of cask processing was assessed.

During the financial year, the Winemaking Division undertook €1.7 million in spending that did not meet the activation criteria.

1.3.4 TABLE OF RESULTS OVER THE PAST FIVE FINANCIAL YEARS

Financial years	31/03/2019 12 months	31/03/2018 12 months	31/03/2017 12 months	31/03/2016 12 months	31/03/2015 12 months
I. SHARE CAPITAL AT THE END OF THE FINANCIAL YEAR					
Share capital *(in thousands of euros)*	64,103	63,181	62,904	61,615	60,297
Number of ordinary shares	64,103,519	63,180,843	62,904,186	61,614,555	60,296,942
Number of existing priority dividend shares (without voting rights)	0	0	0	0	0
Maximum number of future shares to be created	0	0	0	186,000	241,770
– by conversion of bonds (OC, OCEANE, ORA (convertible bond), and FCPE)	0	0	0	186,000	241,770
– by allocation of free shares					
– by exercise of stock options					
– by exercise of share purchase warrants					
II. OPERATIONS AND EARNINGS FOR THE FINANCIAL YEAR *(in thousands of euros)*					
Pre-tax revenue	4,364	3,559	3,044	2,994	2,496
Earnings before tax, employee profit-sharing, depreciation, amortisation and provisions	22,658	3,957	5,004	22,365	13,976
Income tax	(1,245)	(3,849)	(3,771)	(4,053)	(2,952)
Employee profit-sharing due in respect of the financial year	0	0	0	0	0
Earnings after tax, employee profit-sharing, depreciation, amortisation and provisions	22,838	29,523	8,283	56,316	26,770
Distributed earnings	9,415	8,779	7,967	7,190	6,010
III. EARNINGS PER SHARE *(in euros)*					
Earnings after tax, employee profit-sharing but before depreciation, amortisation and provisions	0.37	0.12	0.14	0.44	0.28
Earnings after tax, employee profit-sharing, depreciation, amortisation and provisions	0.36	0.47	0.13	0.91	0.44
Dividend per share	0.15	0.14	0.13	0.12	0.10
IV. EMPLOYEES					
Average employee headcount during the financial year	8.5	8.4	7.7	5	0
Payroll costs for the financial year	2,426	2,657	2,586	1,713	955
Amount paid in relation to social benefits for the financial year (social security, community projects, etc.)	971	874	810	529	214

1.4 HEADCOUNT

The Group's end-of-month headcount at 31 March 2019 was 1,102 people, compared with 1,092 people the previous year.

1.5 RISK MANAGEMENT

Risk is the possibility that an event will occur and whose consequences would be likely to affect the Company's employees, assets, environment, objectives, or reputation. This definition from the Registration Document goes beyond the financial aspects and extends to brand reputation and the Company's longevity. It is therefore important for all personnel, in particular the management teams, to be fully aware of risk management, with the following objectives:

- creating and preserving the Group's value, assets, and reputation;
- making decision-making and the operational processes secure to encourage meeting goals;
- encouraging that these actions are consistent with the Group's values;
- getting the Group's employees on board with a shared vision of the main risks to their activities.

The risks are managed at the appropriate level of the organisation. They are reported on in the "Risk factors" section of the management report, along with the systems for prevention.

The Company performed its first risk mapping in 2011 and updated it in the second half of 2017-2018. It was reviewed by the Audit Committee and the Board of Directors, and it is reviewed by the Company every two years.

The mapping makes it possible to identify major current risks, to present them to the Audit Committee, to add to the annual internal audit programmes, and to ensure the relevance of the insurance policies and that they are appropriate to the risks identified.

The mapping covers operations at head office as well as in the Closures and Winemaking divisions.

To date, there have been no critical observations that would result in rapid action plans due to impending deadlines. Most of the observations made are the result of weaknesses related to operating barriers between departments, multi-site organisations, and to the absence or insufficiency of documentation/formalisation of procedures.

All of the areas for improvement identified are covered in short- or medium-term action plans within each of the divisions.

Risk management is described in Note 5.A § 18) to the consolidated financial statements and in chapter 2.6 of our Registration Document.

1.6 ACQUISITION OF COMPANIES WITH THEIR HEAD OFFICE IN FRANCE DURING THE FINANCIAL YEAR

On 04 April 2018, the Group acquired a majority stake of 51% of the family-owned cooperage Millet, located in the Gironde near Saint-Émilion, and on 29 May 2018, its Winemaking division concluded the acquisition of 100% of the capital of Établissements Cenci, which since 1960 has been specialised in forestry and value-added processing of beech and oak wood (boards, staves, flooring).

1.7 BUSINESS AND PROFIT/(LOSS) FOR ALL THE COMPANY'S SUBSIDIARIES

Revenue and net profit/(loss) for each of the Group's main subsidiaries, for the financial year ended 31 March 2019, are presented in the table below:

In thousands of euros	Sector	% stake	Revenue	Net profit/ (loss)	Length of the financial year (in months)
Diam France	Closures	100	122,173	3,909	12
Seguin Moreau France	Winemaking	100	61,372	7,522	12

1.8 COMPANY'S SHAREHOLDING

1.8.1 EMPLOYEES' PARTICIPATION IN THE CAPITAL

In accordance with the provisions of article L. 225-102 of the French Commercial Code, we will indicate below the state of employee participation in the Company's capital on the last day of the financial year, i.e. 31 March 2019.

There were no shares held by employees on 31 March 2019 under the terms of article L. 225-102.

1.8.2 BREAKDOWN OF CAPITAL AND VOTING RIGHTS

At 31 March 2019, the share capital stood at €64,103,519, divided into 64,103,519 entirely paid-up shares worth €1 in par value each.

There were no shares owned by employees at 31 March 2019 under the terms of article L. 225-102 of the French Commercial Code.

These shares may benefit from double rights under the conditions stipulated in Article 27 of the by-laws.

At 31 March 2019, Andromède SAS, which is controlled by the HÉRIARD DUBREUIL family, owned (62.49)% of OENEO's capital and (71.04)% of its voting rights.

In accordance with the TPI (identifiable bearer security) dated 30 April 2019, the capital and voting rights broke down as follows:

	Number of shares	% of capital	% voting rights
Andromède	40,061,428	62.49%	71.04%
Kempen & Co	3,550,000	5.54%	4.28%
State Street Bank and Trust Company	2,316,734	3.61%	2.79%
DNCA	1,705,138	2.66%	2.05%
Moneta Asset Management	1,580,479	2.47%	1.90%
BNYM (The Bank of New York Mellon)	1,482,011	2.31%	1.79%
Lazard Small Caps France	854,720	1.33%	1.03%
Amplegest	712,163	1.11%	0.86%
Kirao Multicaps	674,973	1.05%	0.81%
Oddo BHF Avenir	449,688	0.70%	0.54%

1.8.3 SIGNIFICANT DEVELOPMENTS OVER THE FINANCIAL YEAR

During the 2018-2019 financial year, and in accordance with OENEO's statutory provisions on threshold declarations, the Company has received the following information:

- in a letter dated 24 May 2018, Lazard Frères Gestion declared that the funds they manage had exceeded 1% of capital, bringing the number of OENEO shares it owns to 1,032,099;
- in a letter dated 30 July 2018, Invesco Ltd. stated that all the investment companies and clients it manages had exceeded 2% of voting rights, bringing the number of OENEO shares owned by these companies and clients to 1,261,697;
- in a letter dated 10 September 2018, Invesco Ltd. stated that all the investment companies and clients it manages had fallen below 2% of voting rights, bringing the number of OENEO shares owned by these companies and clients to 1,052,821;
- in a letter dated 21 September 2018, Allianz Global Investors GmbH stated that all the investment companies and clients it manages had fallen below 1% of capital, bringing the number of OENEO shares owned by these companies and clients to 639,677;
- in a letter dated 11 October 2018, Allianz Global Investors GmbH stated that all the investment companies and clients it manages had exceeded 1% of capital, bringing the number of OENEO shares owned by these companies and clients to 684,092.

Except for Andromède, no director of the Company is also a representative of a shareholder in the Company holding more than 5% of capital and voting rights.

In accordance with European regulation no. 809/2004 of 29 April 2004, in application of the Prospectus Directive, OENEO ensures that the Company is not and will never be controlled abusively, by adopting corporate governance measures.

On the date this Registration Document was written, the Company was not aware of any shareholders' agreements or concerted action under the terms of articles L. 233-10 and L. 233-11 of the French Commercial Code.

1.8.4 ALLOCATION OF FREE SHARES

Plan 15 – 26 July 2018

Free shares were awarded to senior executives and employees (81,178 shares). The share awards will vest after one or two years, namely on 26 July 2019 or 26 July 2020.

The fair value of the free shares awarded in 2018 is €792 thousand. Vested shares are recognised in the income statement (employee benefits expense) with a corresponding entry to equity of €523 thousand.

Plan 16 – 26 July 2018

Free shares were awarded to a senior executive (26,420 shares). The share awards will vest after a year, namely on 26 July 2019.

The fair value of the free shares awarded in 2018 is €242 thousand. Vested shares are recognised in the income statement (employee benefits expense) with a corresponding entry to equity of €164 thousand.

	Free shares *(unit)*
AT 31 MARCH 2017	**269,597**
Granted	143,166
	(256,397)
Distributed	
Void	
AT 31 MARCH 2018	**156,366**
Granted	107,598
Distributed	(136,335)
Void	(9,089)
AT 31 MARCH 2019	**118,540**

1.8.5 TREASURY SHARES, ACQUISITIONS, AND DISPOSALS BY THE COMPANY OF ITS OWN SHARES, SHARE BUY-BACK PROGRAMME

In the Combined General Meeting on 26 July 2018, the shareholders authorised a buy-back programme that would allow the acquisition, disposal, or transfer of shares at any time, under the legal and regulatory conditions, including during a takeover bid, subject to the abstention periods provided for in Article 631-6 of the AMF's general regulation or other legal or regulatory provisions.

The shareholders set the maximum number of shares to be acquired at 10% of the total number of shares in the share capital, or 5% in the case of shares acquired by the Company with a view to keeping them or disposing of them in a merger, spin-off, or transfer.

The maximum purchase price is set at €14 (excluding acquisition costs) per share. The maximum theoretical purchase price is set at €87,677,856.

In application of the authorisation given by the Shareholders' Meeting, a share buy-back programme, conducted by an investment services provider, was set up on 3 January 2019. This concerned a maximum volume of 3,500,000 shares over a maximum period of 12 months. Within the context of this contract, 1,400 shares were bought back on 31 March 2019.

Breakdown of shares owned by the Company by objective

On 31 March 2019, the Company owned 423,738 shares, including 118,540 shares set aside in order to grant free shares to the employees and company officers, and 24,873 shares granted to the Company as part of its liquidity contract.

Period of the buy-back programme

The buy-back programme has been approved for a period of 18 months starting from the date of the General Meeting, and it will come to an end after the General Meeting called to vote on the financial statements for the financial year ending 31 March 2019.

Position at 31 March 2019

On 31 March 2019, the Company owned 423,738 of its own shares.

Percentage of treasury capital owned directly or indirectly	0.88%
Number of shares cancelled in the last 24 months	0
Net book value of the portfolio *(in euros)* at 31 March 2019	4,019,113
Market value of the portfolio at 31 March 2019 (9.41)	3,987,375

Review of programme execution between 1st April 2018 and 31 March 2019

NUMBER OF SHARES BOUGHT AND SOLD DURING THE FINANCIAL YEAR (ARTICLES L. 225-208/209-1)

	2018-2019
OWNED AT OPENING	**553,799**
Share purchases	378,872
Share sales	372,598
Transfers	136,335
HOLDINGS AT YEAR-END	**423,738**

	Cumulative gross flows		
	Purchases	Sales	Transfers
Number of securities	377,472	372,598	136,335
Average transaction price *(in euros)*	9.8337407	9.8229984	10.14
Totals *(in euros)*	3,711,962	3,660,030	1,382,437

The total negotiation fees on these share purchases/sales amounted to €1 thousand during the 2018-2019 financial year.

TRANSACTIONS ON COMPANY SHARES BY EXECUTIVES AND PEOPLE CLOSELY RELATED TO THEM

Not applicable.

CHANGE IN THE SHARE PRICE

The OENEO share price opened on 3 April 2018 at €10.12 and closed on 29 March 2019 at €9.41. The maximum price during the financial year was €11.42 on 3 October 2018, and the minimum price was €8.06 on 6 November 2018.

1.8.6 STATUTORY AUDITORS' FEES

Years covered [1]: 31 March 2019 and 31 March 2018

	Deloitte & Associés				Grant Thornton			
	Total		%		Total		%	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Audit								
Certification of the individual and consolidated financial statements and limited interim examination [2]								
– Issuer*	82,850	81,000	32%	32%	82,850	81,000	37%	37%
– Fully integrated subsidiaries	137,849	125,670	53%	50%	143,200	140,000	63%	63%
Services other than the certification of financial statements as required by the legal and regulatory texts								
– Issuer	20,000	23,500	8%	9%	-	-	0%	0%
– Fully integrated subsidiaries			0%	0%			0%	0%
SUB-TOTAL	**240,699**	**230,170**	**92%**	**92%**	**226,050**	**221,000**	**100%**	**100%**
Services other than the certification of financial statements provided upon the entity's request [3]	20,995	20,000	8%	8%				
Legal, tax, and corporate								
Other [4]								
SUB-TOTAL	**20,995**	**20,000**						
TOTAL	**261,694**	**250,170**	**100%**	**100%**	**226,050**	**221,000**	**100%**	**100%**

(1) For the period to be considered, these are services performed for a financial year and included in the profit and loss statement.
(2) Including services performed by independent experts or from the network upon the Statutory Auditors' request, within the framework of the certification of the financial statements.
(3) These are non-Audit services, with respect for the provisions of Article 24 of the code of ethics, performed by a member of the network for the issuer's subsidiaries where the financial statements are certified.
(4) Specify if >10% of audit fees.
* *Excluding fees linked to the complementary report, to the Audit Committee, and to the diligences related to a public interest entity.*

1.9 TAX INFORMATION

The dividends distributed during the three previous financial years were as follows:

Financial year	Dividends distributed	Real income	Dividend per share
2017/2018	€9,414,510.00	€9,414,510.00	€0.15
2016/2017	€8,779,165.22	€8,779,165.22	€0.14
2015/2016	€7,967,365.25	€7,967,365.25	€0.13

* *If there is not an option for the fixed levy discussed in Article 117 Quarter nouveau of the French general tax code, this dividend is entitled to the reduction mentioned in Article 158-3-2° of the French general tax code, only for shareholders who are physical persons with their tax residence in France.*

In light of the earnings for the financial year, at the next Annual Meeting, the distribution of an ordinary dividend of €0.15 per share will be proposed, with the possibility of opting for full payment in cash or in shares.

PROPOSED ALLOCATION OF EARNINGS

2018/2019

Profit for the year	€22,837,712.17
Retained earnings	€133,858,539.16
TOTAL CASH	**€156,696,251.33**
Allocation to statutory reserve	€92,267.60
Ordinary dividend of €0.15/share	€9,615,527.85
TOTAL DIVIDENDS	**€9,615,527.85**
Retained earnings balance	€146,988,455.88
	€156,696,251.33

1.10 LIST OF POSITIONS AND OFFICES

OENEO's directors are appointed for a 3-year term. All offices are renewed on a rolling basis.

Hervé CLAQUIN

CHAIRMAN OF THE BOARD OF DIRECTORS SINCE 26 JULY 2017

PROFESSIONAL ADDRESS:
Abénex Capital, 9 avenue Matignon, 75008 Paris

Year of the first appointment as director: 2007

Date of last renewal: 26 July 2018

Next expiration or renewal date: at the annual meeting that will vote on the financial statements for the year ending on 31 March 2021

OTHER CURRENT POSITIONS OR OFFICES

- Member of the Board of Directors of Abénex Capital
- Chief Executive Officer of CVM Investissement
- Board Observer on the Board of Directors of Premista
- Chairman of the Strategic Committee of Dolski
- Chairman of Stefreba
- Member of the Supervisory Board of Rubis
- Director of Holding des Centres Point Vision
- Chief Executive Officer of GDF Immo Holding
- Representative of Abénex, Chairman of Fresh Invest Real Estate OPPCI

POSITIONS OR OFFICES OUTSIDE THE GROUP THAT HAVE EXPIRED IN THE PAST FIVE YEARS

- Member of the Supervisory Board of Rubis
- Member of the Executive Committee and Chairman of Financière OFIC
- Member of the Supervisory Board and of the Strategic Committee of Rossini Holding
- Member of the Supervisory Board of Buffalo Grill
- Member of the Supervisory Board of RG Holding
- Member of the Supervisory Board of Surys
- Member of the Supervisory Board of Ibénex OPCI

Marie-Amélie JACQUET

VICE-CHAIRWOMAN OF THE BOARD OF DIRECTORS SINCE 25 JULY 2016

PROFESSIONAL ADDRESS:
Andromède SAS, 21 boulevard Haussmann, 75009 Paris

Year of the first appointment as director: 2013

Date of last renewal: 25 July 2016

Next expiration or renewal date: at the annual meeting that will vote on the financial statements for the year ending on 31 March 2019

OTHER CURRENT POSITIONS OR OFFICES
- Chief Executive Officer of Aleteia 2
- Deputy General Manager of Andromède SAS
- Director and Chairwoman of Mount Gay Distilleries Ltd

POSITIONS OR OFFICES OUTSIDE THE GROUP THAT HAVE EXPIRED IN THE PAST FIVE YEARS
- Chief Executive Officer of Aleteia
- Member of the Supervisory Board of Andromède SAS

Marc HÉRIARD DUBREUIL

DIRECTOR

PROFESSIONAL ADDRESS:
Andromède SAS, 21 boulevard Haussmann, 75009 Paris

Year of the first appointment as director: 2002

Date of last renewal: 26 July 2018

Next expiration or renewal date: at the annual meeting that will vote on the financial statements for the year ending on 31 March 2021

OTHER CURRENT POSITIONS OR OFFICES
- Chief Executive Officer of Andromède SAS
- Vice-Chairman, Deputy General Manager, and director of Orpar SA
- Chairman of Rémy Cointreau
- Member of the Récopart SAS Executive Committee
- Chairman of LVLF 2 SAS
- Chairman of Mantatech
- Chairman of the Board of Directors of Webster USA Inc.
- Non-executive Chairman of Rémy Cointreau Amérique Inc.
- Chairman of Rémy Cointreau Services SAS
- Representative of Rémy Cointreau Services SAS, Chairman of Rémy Cointreau Libra SAS
- Representative of Rémy Cointreau Services SAS, Chairman of Rémy Cointreau International Marketing Services SAS
- Representative of Rémy Cointreau Services SAS, Chairman of Storeco SAS
- Representative of Rémy Cointreau Services SAS, director of Financière Rémy Cointreau SA/NV

POSITIONS OR OFFICES OUTSIDE THE GROUP THAT HAVE EXPIRED IN THE PAST FIVE YEARS
- Representative of Rémy Cointreau Services SAS, Chairman of Joint Marketing Services SAS
- Member of the AUXI-A steering committee
- Member of the Récopart SA Executive Board
- Director of TC International Ltd
- Chairman of LVLF SAS
- Director and member of the Audit Committee of Bull SA
- Chief Executive Officer of OENEO
- Chairman of the Supervisory Board of Crescendo Industries SAS
- Chairman of the OENEO SA Board of Directors
- Member of the Andromède SAS Executive Board

François HÉRIARD DUBREUIL

DIRECTOR

PROFESSIONAL ADDRESS:
Andromède SAS, 21 boulevard Haussmann, 75009 Paris

Year of the first appointment as director: 2002

Date of last renewal: 25 July 2016

Next expiration or renewal date: at the annual meeting that will vote on the financial statements for the year ending on 31 March 2019

OTHER CURRENT POSITIONS OR OFFICES

- Chairman of the Andromède SAS Board of Directors
- Director and Vice-Chairman of the Rémy Cointreau Board of Directors – Member of the Rémy Cointreau Audit Committee
- Chairman and Chief Executive Officer of Orpar SA
- Representative of Orpar, Chairman of Récopart SAS
- Director of OENEO SA
- Chairman of Financière de Nonac 2 SAS
- Chairman of the INSEAD Foundation
- Non-executive Chairman of Rémy Cointreau Amérique, Inc.
- Director of Rémy Concord Limited
- Director of Rémy Pacifique Limited
- Director of Dynasty Fine Wines Group Limited

POSITIONS OR OFFICES OUTSIDE THE GROUP THAT HAVE EXPIRED IN THE PAST FIVE YEARS

- Chairman of Rémy Cointreau Services SAS
- Representative of Rémy Cointreau Services SAS, Chairman of Joint Marketing Services SAS
- Representative of Rémy Cointreau Services SAS, Chairman of Rémy Cointreau Libra SAS
- Representative of Rémy Cointreau Services SAS, Chairman of Rémy Cointreau International Marketing Services SAS
- Representative of Rémy Cointreau Services SAS, Chairman of Storeco SAS
- Representative of Rémy Cointreau Services SAS, director of Financière Rémy Cointreau SA/NV
- Director of Rémy Cointreau South Africa PTY Limited
- Legal representative of Rémy Cointreau Shanghai Limited
- Director of E. Remy Rentouma Trading Limited
- Director of Bruichladdich Distillery Company Limited
- Director of Lochindaal Distillery Limited
- Director of Port Charlotte Limited
- Director of The Botanist Limited
- Director of Rémy Cointreau UK Limited
- Chairman of Mount Gay Distilleries Limited
- Director of Rémy Cointreau International Pte Limited
- Member of the Supervisory Board of Rémy Cointreau Nederland Holding NV
- Non-executive Chairman of Rémy Cointreau USA Inc.
- Non-executive Chairman of S&E&A Metaxa ABE
- Chairman of Rémy Cointreau USA
- Chairman of the Rémy Cointreau SA Board of Directors
- Chairman of the Récopart Executive Board
- Director of Shanghai Shenma Winery Co Ltd
- Permanent representative of Grande Champagne Patrimoine, Chairman of MMI
- Chairman of Grande Champagne Patrimoine SAS
- Chairman of Financière de Nonac SAS
- Representative of Rémy Cointreau Services, director of Rémy Cointreau Aries
- Deputy General Manager of OENEO
- Vice-Chairman of OENEO

Vivien HÉRIARD DUBREUIL
DIRECTOR

PROFESSIONAL ADDRESS:
Pro Drones Investments LLC, 115 East 57th street, 5 floor New York, NY 10022

Year of the first appointment as director: 2015 (as permanent representative of Mantatech, where he was Chairman)

Date of last renewal: 26 July 2017

Next expiration or renewal date: at the annual meeting that will vote on the financial statements for the year ending on 31 March 2020

OTHER POSITIONS OR OFFICES
- Vice-Chairman of the Supervisory Board of Andromède SAS
- Chairman and founder of Pro Drones
- Chairman of Microdrones
- Member of Delair's Strategic Committee

POSITIONS OR OFFICES OUTSIDE THE GROUP THAT HAVE EXPIRED IN THE PAST FIVE YEARS
- Chairman of the investment company Mantatech
- Vice-Chairman of the UAS Centre of Excellence in Québec

Gisèle DURAND
DIRECTOR

PROFESSIONAL ADDRESS:
Andromède SAS, 21 boulevard Haussmann, 75009 Paris

Year of the first appointment as director: 2012

Date of last renewal: 26 July 2018

Next expiration or renewal date: at the annual meeting that will vote on the financial statements for the year ending on 31 March 2021

OTHER CURRENT POSITIONS OR OFFICES
- Assistant General Manager of Andromède SAS
- Permanent Representative of Orpar, director of Rémy Cointreau
- Member of the Rémy Cointreau Nominations-Compensation Committee

POSITIONS OR OFFICES OUTSIDE THE GROUP THAT HAVE EXPIRED IN THE PAST FIVE YEARS
- Not applicable

Catherine CLÉMENT CHABAS
INDEPENDENT DIRECTOR

PROFESSIONAL ADDRESS:
11 rue Laugier, 75017 Paris

Year of first appointment: 2016

Next expiration or renewal date: at the annual meeting that will vote on the financial statements for the year ending on 31 March 2019

POSITIONS HELD WITHIN THE COMPANY
- Not applicable

OTHER POSITIONS OR OFFICES
- Chartered accountant

POSITIONS OR OFFICES OUTSIDE THE GROUP THAT HAVE EXPIRED IN THE PAST FIVE YEARS
- Not applicable

Jacques HÉRAIL
INDEPENDENT DIRECTOR

PROFESSIONAL ADDRESS:
HÉRAIL et Associés SAS 2 rue Decamps, 75116 Paris

Year of first appointment: 2009

Date of last renewal: 26 July 2017

Next expiration or renewal date: at the annual meeting that will vote on the financial statements for the year ending on 31 March 2020

OTHER CURRENT POSITIONS OR OFFICES
- SIS Group Chairman's Board
- Chairman of the Crèches de France European network
- Chairman of HÉRAIL et Associés SAS

POSITIONS OR OFFICES OUTSIDE THE GROUP THAT HAVE EXPIRED IN THE PAST FIVE YEARS
- General Manager of the AOS/Colliers Group
- President of the association Enfant Présent
- Manager of SARL Jacques HÉRAIL Conseils

PATERNOT Conseil et Investissement SAS, represented by Thierry PATERNOT

INDEPENDENT DIRECTOR

PROFESSIONAL ADDRESS:
Paternot Conseil et Investissement,
62 rue François Ier, 75008 Paris

Year of first appointment: 2010

Date of last renewal: 26 July 2018

Next expiration or renewal date: at the annual meeting that will vote on the financial statements for the year ending on 31 March 2021

OTHER CURRENT POSITIONS OR OFFICES

- Operating Partner of Duke Street investment fund
- Director of the Franco-German Chamber of Commerce and Industry
- Manager of Paternot Conseil et Investissement SAS
- Director of Eckes Granini AG
- Director of Walter Group in Montréal

POSITIONS OR OFFICES OUTSIDE THE GROUP THAT HAVE EXPIRED IN THE PAST FIVE YEARS

- Director of Bio-DS SAS (Biomnis)
- Director of Freedom SAS (Fullsix)
- Director of Henkel AG
- Chairman of the Supervisory Board of PT Investissement sas (Cérélia)
- Director of QCNS Cruises SAM

Véronique SANDERS

INDEPENDENT DIRECTOR

PROFESSIONAL ADDRESS:
Château Haut-Bailly, 33850 Léognan

Year of first appointment: 2013

Date of last renewal: 25 July 2016

Next expiration or renewal date: at the annual meeting that will vote on the financial statements for the year ending on 31 March 2019

OTHER CURRENT POSITIONS OR OFFICES

- Chairwoman and CEO of Château Haut-Bailly
- Director of the Union des Grands Crus de Bordeaux
- Director of the Commanderie du Bontemps de Médoc, Graves, Barsac et Sauternes
- Director of the Office du Tourisme de Bordeaux
- Director of the Chaire Denis Dubourdieu (Institut scientifique de la vigne et du vin)
- Member of the Académie du Vin de Bordeaux
- Member of the Académie Internationale du Vin

POSITIONS OR OFFICES OUTSIDE THE GROUP THAT HAVE EXPIRED IN THE PAST FIVE YEARS

- Director of the ISVV (Institut scientifique de la vigne et du vin)
- Director of Arpeggio (Association pour le rayonnement de l'Opéra national de Bordeaux)

Olivier HUBIN
INDEPENDENT DIRECTOR

PROFESSIONAL ADDRESS:
L'ORÉAL, 62 quai Charles Pasqua,
92688 Levallois

Year of first appointment: 2014

Date of last renewal: 26 July 2017

Next expiration or renewal date: at the annual meeting that will vote on the financial statements for the year ending on 31 March 2020

OTHER CURRENT POSITIONS OR OFFICES
- Chief Financial Officer Direct-to-Consumer - L'Oréal

POSITIONS OR OFFICES OUTSIDE THE GROUP THAT HAVE EXPIRED IN THE PAST FIVE YEARS
- Director Global Internal Audit and Anti-Fraud – Procter & Gamble
- Senior Advisor, EMEIA Advisory for Consumer Products Strategy - EY
- VP Finance, Strategy, and Business Operations EMEA – Estée Lauder Companies

Alessia ANTINORI
INDEPENDENT DIRECTOR

PROFESSIONAL ADDRESS:
Marchesi Antinori Spa – Piazza degli Antinori 3 – 50123 Firenze – Italie

Year of first appointment: 2016

Next expiration or renewal date: at the annual meeting that will vote on the financial statements for the year ending on 31 March 2019

OTHER CURRENT POSITIONS OR OFFICES
- Vice-Chairwoman of Marchesi Antinori Spa

POSITIONS OR OFFICES OUTSIDE THE GROUP THAT HAVE EXPIRED IN THE PAST FIVE YEARS
- Not applicable

Armand WIEDEMANN-GOIRAN

INDEPENDENT DIRECTOR

PROFESSIONAL ADDRESS:
Z.A La Cigalière 130 Allée Mistral
84250 Le Thor

Year of first appointment: 2017

Next expiration or renewal date: at the annual meeting that will vote on the financial statements for the year ending on 31 March 2020

OTHER CURRENT POSITIONS OR OFFICES

- Manager of SCI AB Bâtiment Breton
- Manager of SCI AB Cabane Catalane
- Manager of SCI AB Phytopatrimoine
- Manager of SCI AB Remise Rennaise
- Manager of SCI AB Siège social
- Manager of SCI AB Habitation Huizate
- Manager of SCI AB Investissements immobiliers
- Manager of SCI AB Dépôt Dordognot
- Manager of SCI AB Local Laudanien
- Manager of SCI AB Garage Gapencais
- Manager of SCI AB Villégiature Varoise
- Chairman of SERPE
- Chairman of SEM Espaces Verts

POSITIONS OR OFFICES OUTSIDE THE GROUP THAT HAVE EXPIRED IN THE PAST FIVE YEARS

- Manager of Entreprise Luc Rat

Élie HÉRIARD DUBREUIL

NON-VOTING BOARD MEMBER

PROFESSIONAL ADDRESS:
Andromède, 21 boulevard Haussmann,
75009 Paris

Year of first appointment: 2018

Next expiration or renewal date: Board of Directors meeting in December 2019

OTHER CURRENT POSITIONS OR OFFICES

- Deputy General Manager of Andromède SAS
- Non-voting member of Rémy Cointreau's Board of Directors
- Director of Pro Drones Investments
- Chief Executive Officer of Beyond Ratings SAS
- President of the association Irini
- Professor at CIFE

POSITIONS OR OFFICES OUTSIDE THE GROUP THAT HAVE EXPIRED IN THE PAST FIVE YEARS

- Senior director at S&P Global
- Treasurer and member of the board of All Saints Blackheath Primary School
- Vice-President and Trustee of the association LP4Y England
- Professor at Sciences Po Executive Education

Caroline BOIS
NON-VOTING BOARD MEMBER

PROFESSIONAL ADDRESS:
Andromède, 21 boulevard Haussmann, 75009 Paris

Year of first appointment: 2019

Next term expiration or renewal date: Board of Directors meeting in March 2020

OTHER CURRENT POSITIONS OR OFFICES
- Deputy General Manager of Andromède SAS
- Chairwoman of the "Famille Partage Espérance" fund

POSITIONS OR OFFICES OUTSIDE THE GROUP THAT HAVE EXPIRED IN THE PAST FIVE YEARS
- Director of Management Control and Group Planning - Rémy Cointreau 2014-2019
- Director of Rémy Cointreau 2011-2014

1.11 CORPORATE OFFICER COMPENSATION

1.11.1 PRESENTATION OF THE DRAFT RESOLUTIONS RELATED TO THE PRINCIPLES AND CRITERIA FOR DETERMINING, DISTRIBUTING, AND GRANTING THE FIXED, VARIABLE, AND EXCEPTIONAL COMPONENTS OF TOTAL COMPENSATION AND THE BENEFITS IN KIND ATTRIBUTABLE TO THE CHAIRMAN, CHIEF EXECUTIVE OFFICER, AND DEPUTY GENERAL MANAGERS FOR THEIR SERVICE

The shareholders are asked to approve, under resolutions twelve, thirteen, and fourteen, the components of total compensation and benefits in kind paid, for the financial year ended 31 March 2019, to the following corporate officers:

- Hervé CLAQUIN, as Chairman of the Board of Directors for the period from 1 April 2018 to 31 March 2019;
- Nicolas HÉRIARD DUBREUIL, as Chief Executive Officer, for the period from 1 April 2018 to 31 March 2019.

The elements of compensation concerned involve (i) the fixed portion, (ii) the annual variable portion if there is one, the variable multi-annual portion with the objectives that contribute to determining the variable portion, (iii) exceptional compensation, (iv) stock options, performance shares, and any other element of long-term compensation, (v) compensation related to arrival or departure, (vi) the supplementary pension scheme, and (vii) benefits in kind.

The elements presented are also found in chapters 2.4 and 2.5 of the Company's 2018-2019 Registration Document.

The shareholders' vote on these elements is a result of the change in article L. 225-100 of the French Commercial Code, taken from law no. 2016-1691 dated 9 December 2016 on transparency, anti-corruption measures, and the modernisation of economic life (known as the "Sapin 2" law), and replacing the consultative opinion that had be requested up until now in application of the AFEP-MEDEF code.

The elements presented are also found in chapters 2.4 and 2.5 of the Company's 2018-2019 Registration Document.

In accordance with the terms of article L. 225-37-2 of the French Commercial Code, it is specified that the payment of the variable and exceptional elements of compensation granted for the 2017-2018 financial year is contingent on the prior approval by this ordinary General Meeting of the elements of compensation for the people concerned.

DESCRIPTION OF THE FIXED, VARIABLE, AND EXCEPTIONAL COMPONENTS OF THIS COMPENSATION AND BENEFITS

The OENEO group's compensation policy for corporate officers aims to support its long-term growth strategy by paying close attention to investment decisions and to its competitiveness on different markets. This policy thereby establishes a close relationship between its executives' performance and their short-, medium-, and long-term compensation, with the aim of aligning their interests with shareholders' interests.

To this end, this policy applies elements of short-term compensation made up of a fixed and variable portion, long-term incentives with performance shares, and connected elements, such as defined benefit and contribution pension schemes, providence schemes, and severance packages.

Total compensation for executive and non-executive corporate officers is set by the Board of Directors, which makes its decisions based on the recommendations of the Human Resources and Nominations Committee. The committee ensures that each element of total compensation meets a clear objective that is perfectly in line with the Company's strategy and interests.

On proposal by the Human Resources and Nominations Committee, the Board of Directors, in its 12 June 2019 meeting, set the principles for corporate officers' compensation for the 2019-2020 financial year.

EXECUTIVE CORPORATE OFFICER – NICOLAS HÉRIARD DUBREUIL

Executive Director		"Say on pay" ex-ante (2019/2020 compensation)
1	**Annual fixed compensation (€230,000)**	The fixed component of compensation is based on the nature of the responsibilities held and the individual's performance, in line with market trends. It needs to be high enough to attract talent from within the Company or from outside the Group to top management positions and should help secure their commitment and loyalty to a long-term project. Changes in fixed compensation levels are subject to assessment every year. The criteria applied in deciding whether to increase the amount are: changes in scope of responsibility, the individual's performance and development while holding the position, the economic and social backdrop in the main countries in which the Group operates, and the individual's positioning with respect to the market in terms of equivalent roles in similar-sized companies.
2	**Annual variable compensation**	The executive director does not receive any annual variable compensation.
3	**Exceptional variable compensation**	The executive director does not receive any exceptional variable compensation.
5	**Directors' fees**	The executive director does not receive any directors' fees given that he does not sit on the Board of Directors.
6	**Compensation or benefits due or likely to be due upon assumption of duties**	The Board of Directors, acting on the recommendations of the Human Resources and Nominations Committee, chose not to pay compensation to the executive director upon assumption of duty where the individual is recruited from a company outside the Group.
7	**Benefits in kind**	The executive director may be assigned the following benefits: – a company car, subject to internal Company rules (i.e. with responsibility for the costs of maintaining, insuring and running the vehicle); – a social security regime for corporate managers and executives paid for the by the Company.
8	**Performance shares**	The Board of Directors, acting on the recommendations of the Human Resources and Nominations Committee, decided to implement two performance share plans. **Plan n°1**: a three-year incentive plan rewarding attendance and performance aimed at engaging the executive director and key Group managers in fulfilling its medium and long-term targets. The plan is entirely subject to attendance and performance conditions. **Plan n°2**: a joint investment programme (LTIP) to which the Company contributes free OENEO shares in proportion to the initial investment made by the executive director (and 5 key managers), subject to the attainment of attendance and performance targets. The attendance and performance targets in plans (1) and (2) are based on the sum of EBITDA and Free Cash Flow. A total of 1,610,000 performance shares may be granted in respect of these two plans, of which 280,000 for the executive director. The number of shares so allocated may reach up to 2.5% of the Company's equity capital, or 0.8% p.a. To preserve shareholders' interests, the executive director must retain one third of the shares definitively vested for the duration of their mandate. In accordance with the AFEP-MEDEF code, the executive director formally commits to refrain from taking any steps to hedge the risks of the shares allocated under these long-term investment plans until such time as their mandate expires.

Executive Director		"Say on pay" ex-ante (2019/2020 compensation)
9	**Severance pay**	In the event of forced departure, resulting in the termination of Nicolas HÉRIARD DUBREUIL's mandate, severance pay would be due, except where there are serious grounds, or in the case of gross misconduct or failure of the Company The amount of this severance pay would be calculated on the basis of one year of compensation, including the basic monthly gross salary (with the Company vehicle benefit included in the last pay statement), and excluding bonuses, indemnities or any other benefit of any kind. It is subject to the following performance conditions: – if the quantitative results verified by the Board are less than 75% of the budgetary targets, no compensation will be payable; – if the quantitative results verified by the Board are greater than or equal to 75%, the compensation paid shall be in proportion to this percentage, and limited to 100%. No severance pay would be due in the event of voluntary departure of executive directors.
10	**Non-compete indemnity**	Executive directors are subject to a non-compete clause whereby he undertakes, from the end of their corporate mandates, for a period of one year, not to exercise an activity that directly or indirectly competes with the Company, either on its own behalf or on behalf of another company. In return for this non-compete obligation, executive directors shall receive gross financial compensation corresponding to one year of fixed compensation, payable in 12 monthly instalments. On the departure of an executive director, the Board of Directors of the Company shall decide whether or not to apply the non-compete clause and may waive the application of this clause unilaterally. If this clause is implemented once upon the termination of the executive director's mandate, the cumulative severance pay (departure and non-compete) will be capped at 24 months of his basic gross fixed compensation.
11	**Supplementary pension scheme**	This scheme provides for a contribution of 8% of compensation for eligible beneficiaries, subject to a ceiling equal to 8x the annual social security limit, and is fully funded by OENEO. The scheme is managed by an external insurance company.
12	**Other compensation components in respect of corporate mandates**	There are no other components of compensation paid to executive directors in respect of their corporate mandates, aside those mentioned hereabove.

NON-EXECUTIVE CORPORATE OFFICER – HERVÉ CLAQUIN

Non-executive Director	"Say on pay" ex-ante (2019/2020 compensation)
Directors' fees	The non-executive director receives directors fees in his capacity as member of the Board of Directors.

11.1.2 SUMMARY OF COMPENSATION AND BENEFITS PAID TO CORPORATE OFFICERS (GROSS)

11.1.2.1 SUMMARY OF COMPENSATION AND OPTIONS AND SHARES GRANTED TO EACH EXECUTIVE DIRECTOR

TABLE 1: AMF NOMENCLATURE

Summary of compensation paid and options and shares granted to the Chief Executive and the Chairman

In euros	Financial year 2018-2019	Financial year 2017-2018
Hervé CLAQUIN – Chairman of the Board of Directors		
Compensation due for the financial year (as detailed in table 2)	79,904	15,300
Value of multi-year variable compensation granted during the financial year		
Value of options granted during the financial year (as detailed in table 4)		
Value of bonus shares granted (as detailed in table 6)		
TOTAL	**79,904**	**15,300**

In euros	Financial year 2018-2019	Financial year 2017-2018
Nicolas HÉRIARD DUBREUIL – Chief Executive Officer		
Compensation due for the financial year (as detailed in table 2)	367,942	400,437
Value of multi-year variable compensation granted during the financial year		
Value of options granted during the financial year (details in table 4)		
Value of bonus shares granted (as detailed in table 6)	133,949	228,570
TOTAL	**501,891**	**629,007**

1.11.2.2 SUMMARY OF COMPENSATION FOR EACH EXECUTIVE DIRECTOR

TABLE 2: AMF NOMENCLATURE

Summary of compensation awarded to the Chief Executive Officer and the Chairman

In euros **Hervé CLAQUIN (Non-executive director)**	Financial year 2018-2019 Amounts due for the financial year	Financial year 2018-2019 Amounts paid* during the 2017-2018 financial year	Financial year 2017-2018 Amounts due for the financial year	Financial year 2017-2018 Amounts paid* during the 2016-2017 financial year
Fixed compensation				
Annual variable compensation				
Multi-year variable compensation				
Exceptional compensation				
Directors' fees	110,000	79,904	79,904	15,300
Benefits in kind				
Severance pay				
Non-compete indemnities				
Supplementary pension scheme				
TOTAL	**110,000**	**79,904**	**79,904**	**15,300**

In euros **Nicolas HÉRIARD DUBREUIL (Executive director)**	Financial year 2018-2019 Amounts due for the financial year	Financial year 2018-2019 Amounts paid* during the 2017-2018 financial year	Financial year 2017-2018 Amounts due for the financial year	Financial year 2017-2018 Amounts paid* during the 2016-2017 financial year
Fixed compensation	230,000	249,124	230,000	249,590
Annual variable compensation	72,000	78,300	78,300	114,000
Multi-year variable compensation				
Exceptional compensation (1)	79,840			
Directors' fees				
Benefits in kind	15,002	15,002	11,550	11,550
Severance pay				
Non-compete indemnities				
Supplementary pension scheme	25,516	25,516	25,297	25,297
TOTAL	**422,358**	**367,942**	**345,147**	**400,437**

* *The amounts paid include amounts exceeding social payment allowances.*

(1) Paid in 8,000 free shares valued at €79,840 (fair value of €9.98 at 12 June 2019).

Supplementary pension scheme

Nicolas HÉRIARD DUBREUIL, Chief Executive Officer, benefits from this scheme, which is managed by an external insurance company. This scheme provides for a contribution of 8% of compensation for eligible beneficiaries, subject to a ceiling equal to 8x the annual social security limit, fully funded by OENEO.

TABLE 11: AMF NOMENCLATURE

Work contracts – Retirement commitment – Indemnities paid to executive directors

	Employment contract		Supplementary pension scheme		Indemnities or benefits due or likely to be due following termination or change of duties		Indemnities with regard to a non-complete clause	
Executive directors	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
Nicolas HÉRIARD DUBREUIL Chief Executive Officer		×	×		×		×	
Hervé CLAQUIN Chairman of the Board of Directors		×		×		×		×

Compensation paid by Andromède SAS

Nicolas HÉRIARD DUBREUIL received €5,000 in directors' fees in the 2018-2019 financial year, for his service as a member of the Andromède SAS Supervisory Board.

1.11.3 DIRECTORS' FEES AND OTHER COMPENSATION RECEIVED BY MEMBERS OF THE BOARD OF DIRECTORS

The members of the Board of Directors listed below do not receive any other compensation from the Company or its subsidiaries other than the directors' fees listed below.

TABLE 3: AMF NOMENCLATURE

Directors fees and other compensation paid to non-executive directors

Non-executive directors	Amounts paid in 2018-2019	Amounts paid in 2017-2018
Marie-Amélie JACQUET		
Directors' fees	18,160	18,160
Other compensation		
Marc HÉRIARD DUBREUIL		
Directors' fees	15,300	15,300
Other compensation		
François HÉRIARD DUBREUIL		
Directors' fees	15,300	15,300
Other compensation		
Gisèle DURAND		
Directors' fees	18,160	18,160
Other compensation (2)	57,027	70,756
Vivien HÉRIARD DUBREUIL		
Directors' fees	15,300	15,300
Other compensation		
Véronique SANDERS (1)		
Directors' fees	15,300	15,300
Other compensation		

Non-executive directors	Amounts paid in 2018-2019	Amounts paid in 2017-2018
Catherine CLÉMENT-CHABAS (1)		
Directors' fees	29,355	12,438
Other compensation		
Alessia ANTINORI (1)		
Directors' fees	15,300	10,479
Other compensation		
Armand WIEDEMANN-GOIRAN (1)		
Directors' fees	10,438	0
Other compensation		
Jacques HÉRAIL (1)		
Directors' fees	23,375	34,570
Other compensation		
PATERNOT CONSEIL (1)		
Directors' fees	34,570	34,570
Other compensation		
Olivier HUBIN (1)		
Directors' fees	18,160	18,160
Other compensation		
François MORINIÈRE (3)		
Directors' fees	4,862	7,650
Other compensation		
Henri VALLAT (4)		
Directors' fees	8,210	8,210
Other compensation		
François GLÉMET (5)		
Directors' fees	11,070	14,615
Other compensation		
Angéla MUIR (6)		
Directors' fees	0	4,821
Other compensation		
André CHARLES (7)		
Directors' fees	0	4,105
Other compensation		
TOTAL	**309,887**	**317,894**

(1) Independent Directors having received directors' fees at 31 March 2019.
(2) These amounts pertain to the value of the performance shares granted to Gisèle DURAND.
(3) François MORINIÈRE was Chairman of the Board of Directors until 26 July 2017.
(4) Henri VALLAT was a non-voting Board observer until 26 July 2018.
(5) François GLÉMET was a non-voting Board observer until 31 March 2018.
(6) Angéla MUIR was a Board director until 25 July 2016.
(7) André CHARLES was a non-voting Board observer until 10 October 2016.

Other compensation paid by Andromède SAS, the company that controls OENEO SA

- Vivien HÉRIARD DUBREUIL received €5,000 in directors' fees during the 2018-2019 financial year for his service as a director of Andromède SAS.
- Marc HÉRIARD DUBREUIL received €220,833 in compensation for the 2018-2019 financial year. This compensation was €321,336 for the 2017-2018 financial year. This was fixed compensation, including amounts exceeding social payment allowances. There was no variable compensation or directors' fees.
- François HÉRIARD DUBREUIL received compensation of €471,924 for the 2018-2019 financial year. This compensation was €286,008 for the 2017-2018 financial year. This was fixed compensation, including amounts exceeding social payment allowances. There was no variable compensation or directors' fees.
- Marie-Amélie JACQUET received €289,429 in compensation for the 2018-2019 financial year. This compensation amounted to €289,623 for the 2017-2018 financial year, plus €3,750 in directors' fees. This was fixed compensation, including amounts exceeding social payment allowances. There was no variable portion.
- Gisèle DURAND received €396,765 in compensation for the 2018-2019 financial year. This compensation was €374,447 for the 2017-2018 financial year. This was fixed compensation, including amounts exceeding social payment allowances, and a variable portion.

It should be noted that the activity of Andromède SAS does not exclusively comprise the control of OENEO SA, but extends to other activities.

Miscellaneous

In accordance with the share buy-back commitment related to the investment programme set up during the 2013-2014 financial year and which associated the Group's management (which included Gisèle DURAND at the time) with value creation, in the second half of 2017-2018, OENEO bought back 21,075 preference shares from Seguin Moreau & Cie and 9,289 preference shares from Diam Bouchage that Gisèle DURAND had subscribed to.

1.11.4 PERFORMANCE SHARES GRANTED TO EACH CORPORATE OFFICER

TABLE 6: AMF NOMENCLATURE

Free shares granted to each executive and non-executive director

Free shares allocated to each corporate officer by the issuer and any Group company during the financial year, as approved at the AGM	Plan no. and date	Number of shares granted during the financial year 2018/2019	Value of shares (10.14)*	Vesting date	Availability date	Performance conditions
Nicolas HÉRIARD DUBREUIL	Plan 16 Board meeting of 26/07/2018	5,284	53,580	26/07/2019	26/07/2020	Rate of growth in the theoretical value of capital (increase in value of capital equal to 15 times the variation in EBITDA plus Free Cash Flow before dividends)
Gisèle DURAND	Plan 15 Board meeting of 26/07/2018	5,624	57,027	26/07/2019	26/07/2020	

* *Closing share price at 26 July 2018.*

1.11.5 PERFORMANCE SHARES THAT BECAME AVAILABLE DURING THE FINANCIAL YEAR

TABLE 7: AMF NOMENCLATURE

Free shares granted that became available to each executive or non-executive director

Free shares vesting to each corporate officer	Plan no. and date	Number of shares becoming available during the financial year	Vesting conditions
Nicolas HÉRIARD DUBREUIL	NA	NA	
Gisèle DURAND	Plan 11 Board meeting of 25 July 2016	7,600	Presence in the Company on the vesting date

1.11.6 INFORMATION ON THE STOCK OR SHARE PURCHASE OPTIONS GRANTED TO THE FIRST TEN EMPLOYEES THAT ARE NOT CORPORATE OFFICERS AND OPTIONS EXERCISED BY THEM

Allocation of Free Shares

Grant date for the free share plan	Maximum quantity	Closing share price at 26 July 2018
Plan 15 – 26 July 2018	81,178	€10.14
Plan 16 – 26 July 2018	5,284	€10.14

1.11.7 CORPORATE GOVERNANCE CODE

Our Company continuously analyses the best practices in corporate governance, which are consolidated in the AFEP-MEDEF code on corporate governance for listed companies which the Company refers to, in particular for writing the corporate governance report.

The AFEP-MEDEF code is available at our Company's head office.

1.12 COMPOSITION AND CONDITIONS FOR PREPARING AND ORGANISING THE BOARD'S WORK

1.12.1 NOTICE OF BOARD OF DIRECTORS MEETINGS TO MEMBERS

A projected calendar for Board of Directors and specialised committee meetings is provided to Board members. Notice is sent at least 8 days before the meeting through a secure platform.

Subject to confidentiality constraints, a file with the points on the agenda that require prior analysis is always sent along with the notice.

1.12.2 BOARD OF DIRECTORS MEETINGS

The Board deals with all matters concerning the efficient running of the Company and settles all matters through its deliberations.

The Board of Directors meetings are held at the head office or in any other location specified in the notice. Board of Directors meetings are organised to encourage a maximum number of members to be present. The internal regulations authorise video conference meetings.

1.12.3 INFORMATION ON MEMBERS OF THE BOARD OF DIRECTORS

Each Board member must receive the information necessary for accomplishing his or her work and can, at any time, freely request from the Company any information deemed necessary for making a decision. To this end, Board members must request the information that would be useful for making an informed deliberation on the agenda items from the Chairman of the Board of Directors within an appropriate timeframe, if the information already available is not sufficient.

The Chief Executive Officer presents a business report at each Board of Directors meeting on the operational divisions, the main projects under way, and a summary of the financial results and end-of-year estimates. He also proposes a detailed presentation of disposals and acquisitions.

The Board of Directors also regularly invites the Operational Directors to meetings, in order to have a free debate on the issues their divisions are facing. Hypotheses for budgets and business plans, prepared by the operational and functional teams, are discussed by the Board of Directors.

If desired, each Board member may meet, either individually or as a group, any functional or operational manager.

Outside of the Board meetings, the Board members regularly receive all the important information concerning the Company and the Group, in particular monthly business reports compared with the budget, and they are alerted of any event or development that may have a major impact on the transactions or information previously communicated to the Board. In particular, they receive the press releases issued by the Company, along with the main press articles and financial analysis reports.

1.12.4 MISSIONS

The Board is in charge of setting, following the Chief Executive Officer's proposals, the strategic, economic, and financial orientations for the Company and Group's business and ensuring that they are implemented. The Board may handle any issues that impact the proper running of the Company and the Group and ask the general management for a report and/or proposals on these issues. With regard to this, the Board retains all decision-making powers.

In general, all significant decisions for the Company and the Group, in particular those related to operations that may affect their strategy or modify their financial structure or their scope, is subject to the Board's prior approval.

Any significant operation that falls outside the strategy announced by the Group must have the prior approval of the Board of Directors.

Finally, the Board monitors the content of the information received by investors, which must be relevant, balanced, and instructive as regards the Group's long-term outlook, strategy, and development model.

Some topics that require more in-depth work, such as reviewing the human resources policy (key managers, long-term compensation elements) or the half-year or annual financial statements, are first examined in committee meetings with the participation of some members of the Executive Committee and outside experts, so that they can best advise the Board prior to its decision.

The Board members are aware of their responsibilities, and they carry out their missions in complete independence, with honesty towards the shareholders, and with respect for the professional secrecy inherent to their prerogatives as well as the legal provisions and those covered by the internal regulations. They spend a large amount of time on the Company and are actively involved in Board of Directors meetings, through the Audit Committee and the Human Resources and Nominations Committee as well as General Meetings. They also visit Group sites. Their presence on the different committees is a reflection of each one's respective skills and their desire to share their expertise with the Company.

1.12.5 MEETING MINUTES

The minutes for each Board of Directors meeting are established at the end of each session, and a draft is sent to each member in the notice of the following meeting, during which the minutes are approved. The minutes must contain the essential elements and all resolutions as proposed and supported. A Board member may request that the minutes include his or her statements and that they identify him or her. The notes, once approved by the Board and signed by the Chairman and at least one Board member, are considered to be authentic. The same applies to documents and copies or extracts certified by the Chairman.

1.12.6 APPLICATION OF THE PRINCIPLE OF GENDER BALANCE ON THE BOARD

The Board places high priority on ensuring a gender balance and diversity of skills. All members of the Board must have in-depth, diversified experience with business and the international markets. They must spend the necessary amount of time and attention on their roles. They must act in the Group's interest under all circumstances.

At 31 March 2019, the Company's Board of Directors was made up of thirteen members appointed for a 3-year term each, and two non-voting members appointed for a 1-year term each. According to the statutory provisions, the number of directors on the Board must be between a minimum of six and a maximum of eighteen. All offices are renewed on a rolling basis.

The Board of Directors counts among its members the representatives of the main shareholders. Marie-Amélie JACQUET, Vice-Chairwoman, Marc HÉRIARD DUBREUIL, François HÉRIARD DUBREUIL, and Vivien HÉRIARD DUBREUIL, directors representing Andromède SAS. The Board of Directors is made up of renowned public figures and business people.

There are five women on the Board of Directors, 40% of members (excluding non-voting members).

In accordance with the provisions of the AFEP-MEDEF code, at least one-third of Board of Directors members must be independent.

The Board of Directors examines the independence of each member with regard for the independence criteria set out in the Code, upon the proposal of the Human Resources and Nominations Committee. In particular, any member of the Board

of Directors is considered to be independent when he or she has no relations of any kind with the Company, the Group, or their management that could compromise his or her freedom of judgement.

The Board of Directors has seven independent members, 54% of its total members (excluding non-voting members): Alessia ANTINORI, Véronique SANDERS, Catherine CLÉMENT-CHABAS, Jacques HÉRAIL, Olivier HUBIN, Thierry PATERNOT, and Armand WIEDEMANN-GOIRAN.

There are representatives for the individual shareholders who own more or less than 5% of shares (other than Andromède SAS) on the Board of Directors.

1.12.7 LIMITATIONS TO THE CHIEF EXECUTIVE OFFICER'S POWERS

For internal purposes, not opposable by third parties, before engaging the Company, the Chief Executive Officer must ensure the consent of the Board of Directors for operations that fall outside of the framework of everyday management, in particular for:

- providing security or guarantees of more than €10,000,000;
- making acquisitions, disposals, or exchanges of real estate, securities, or related rights and undertaking investments for a total of more than €2,000,000 per transaction;
- concluding joint operation or participation treaties with other French or foreign companies;
- making contributions of more than €2,000,000 per transaction, in cash or in kind, in property, or in use, to any existing company;
- including the Company in an economic interest grouping or other grouping, business, association, or personal or capital company, in France or abroad, by creating it or helping create it, by subscribing or transferring, in cash or in kind, through the purchase of shares, rights, or securities, and generally in any form whatsoever and for a total of more than €2,000,000 per transaction;
- disposing of investments for a total of more than €2,000,000 per transaction;
- granting loans, credits, and advances to legal entities outside the OENEO Group for a total of more than €2,000,000 per borrower;
- contracting any loans or obtaining overdraft facilities, with or without mortgages or other asset-based securities, for a total of more than €10,000,000 during the same financial year.

The Board of Directors may also authorise the Chief Executive Officer to provide security or guarantees within a certain total, on the Company's behalf.

1.12.8 TERMS OF SHAREHOLDER PARTICIPATION IN THE GENERAL MEETING

NOTICE OF GENERAL MEETINGS

In accordance with the provisions of Article 23 of the by-laws, notice of General Meetings is given by the Board of Directors or by the people designated in article L. 225-103 of the French Commercial Code, in particular by the Statutory Auditors, by an authorised representative designated by the Magistrate presiding over the French Commercial Court, acting in summary proceedings upon a petition from shareholders representing at least 5% of share capital, or, in the event of notice of an extraordinary General Meeting, at least 1/10th of shares in the given category or upon the request of a shareholders' association meeting the conditions set out by article L. 225-120 of the French Commercial Code, and by the liquidators after dissolution of the Company. General Meetings are held at the head office or in any other place specified in the meeting notice.

Except for cases where the law has determined otherwise, notice must be given at least fifteen clear days before the date stipulated for the meeting, reduced to six clear days for General Meetings which are being called a second time and for extended meetings. The meetings are held on the date and at the time and place indicated on the meeting notice.

PARTICIPATION IN GENERAL MEETINGS

In accordance with Article 25 of the by-laws, a shareholder may participate in General Meetings if their shares are registered in the books, under the name of the shareholder or the intermediary, on the second business day preceding the meeting at midnight Paris time.

The recording of the shares within the time period mentioned in the preceding section must be done either in registered share accounts held by the Company, or in bearer share accounts held by the authorised intermediary. The General Meeting is open to members upon simple justification of their qualities and their identity. The Board of Directors may, if it deems useful, give the shareholders personal admission cards and require these cards for entry.

Each participant in the meeting has one vote for every share owned or represented, as long as they have not been stripped of voting rights.

All shareholders may give their proxy to a spouse or to another shareholder to ensure representation at a General Meeting.

Voting may be done by absentee ballot or by proxy according to the terms and conditions set by the legal and regulatory provisions. The Company must receive the ballot no later than 3 pm (Paris time) the day before the General Meeting.

Proxies and absentee ballots, along with certificates of participation, may be established in electronic format duly signed under the conditions provided for in the applicable legal and regulatory provisions. Shareholders voting by absentee ballot or by proxy, within the timeframe set out in this article, using the form provided by the Company to the shareholders, are counted as if they were present or represented at the meeting.

If the Board of Directors decides to do so at the time the meeting notice is sent, the ballot may be completed and signed electronically on a site set up by the Company using a process that includes the use of a login code and a password, in accordance with the conditions defined in the first sentence of the second paragraph of Article 1316-4 of the French civil code or any other process that meets the conditions defined in the first sentence of the second paragraph of Article 1316-4 of the French civil code.

This proxy or vote expressed electronically before the meeting, along with the acknowledgement of receipt, are considered, subject to what is indicated below, as irrevocable written instructions enforceable on all parties. Exceptionally, in the event of a disposal of shares before the second business day before the meeting, at midnight Paris time, the Company will consequently invalidate or modify, depending on the circumstances, the proxy or the vote sent electronically before the meeting using the site set up by the Board of Directors.

The General Meeting may be held by video conference or by any other means of telecommunications, such as over the internet, that allows the shareholders to be identified under the conditions stipulated in the current legal and regulatory texts.

MODIFICATION OF SHAREHOLDERS' RIGHTS

The Extraordinary General Meeting is competent to modify shareholders' rights, under the conditions set by the law.

1.13 ELEMENTS LIKELY TO HAVE AN IMPACT IN THE EVENT OF A TAKEOVER BID

In accordance with article L. 225-100-3 of the French Commercial Code, the elements likely to have an impact in the event of a takeover bid are described below.

1.13.1 THE COMPANY'S CAPITAL STRUCTURE

OENEO's capital structure is indicated in the table above established in point 12 "breakdown of capital and voting rights".

1.13.2 STATUTORY RESTRICTIONS FOR EXERCISING VOTING RIGHTS AND TRANSFERRING SHARES

The Company's by-laws do not provide for a cap on voting rights. Article 27 of the Company's by-laws stipulates that each share gives the shareholder the right to one vote; however, double voting rights, with respect to the issued capital they represent, are conferred as follows: for all fully paid shares for which proof is provided of nominative registration for at least two (2) years in the same shareholder's name; for nominative shares granted freely to a shareholder, in the event of a capital increase by incorporation of reserves, profits, or issue premiums, as a result of old shares for which he or she benefits from this right. In the event of old shares held for less than two years, the new shares will be admitted for double voting rights at the same date as the old shares.

In addition, notwithstanding any provision relating to legal disclosure obligations, Article 30 of the by-laws provides that any shareholder acting alone or in concert, who holds at least 1% of the share capital or a multiple of this percentage, is required to inform the Company, within five (5) trading days from the date of the crossing of each of these thresholds, by registered letter with acknowledgement of receipt.

Failure to respect this obligation may be sanctioned by stripping the shareholder of voting rights for shares exceeding the undeclared fraction for any Shareholders' Meeting held up until the end of a period of two years following the notification regularisation date.

This sanction can only be exercised upon the request, with a record made in the minutes of the General Meeting, of one or more shareholders who own at least 1% of the Company's capital.

All shareholders are also required, according to the same terms, to inform the Company, with a five-day period, when their participation in the capital falls below each of the thresholds mentioned above.

1.13.3 RULES APPLICABLE TO THE APPOINTMENT AND REPLACEMENT OF MEMBERS OF THE BOARD OF DIRECTORS AND TO THE MODIFICATION OF THE COMPANY'S BY-LAWS

In accordance with the provisions of Article 14 of the Company's by-laws, members of the Board of Directors are appointed by the Ordinary General Meeting; they may be removed from office by the Ordinary General Meeting.

In accordance with the terms of article L. 225-96, only the Extraordinary General Meeting is authorised to modify the by-laws, and in certain cases, it may delegate its authority to the Board of Directors, in particular in the context of financial authorisations solicited annually.

1.13.4 POWERS OF THE BOARD OF DIRECTORS, IN PARTICULAR FOR SHARE BUY-BACKS AND SHARE CANCELLATIONS

The General Meeting of 26 July 2018, in its 16th resolution, authorised the Board of Directors to have the Company buy back its own shares. These shares may be acquired, sold, or transferred by any means: on the market, off the market, or by mutual agreement, in particular through block sales, takeover bids, or the use or exercise of any financial instruments or derivatives, including through optional operations.

1.13.5 AGREEMENTS SIGNED BY THE COMPANY THAT ARE MODIFIED OR COME TO AN END IN THE EVENT OF A CHANGE IN CONTROL OF THE COMPANY

The Company and/or its subsidiaries have signed a certain number of commercial contracts that include, when applicable, clauses that give the client or the partner the possibility to terminate the contract in the event of a change of control.

1.13.6 SUMMARY TABLE OF CURRENTLY VALID DELEGATIONS GRANTED BY THE SHAREHOLDERS MEETING TO THE BOARD OF DIRECTORS IN THE AREA OF CAPITAL INCREASES, IN APPLICATION OF ARTICLE L. 225-129 OF THE FRENCH COMMERCIAL CODE

AUTHORISED UNISSUED SHARE CAPITAL

Date of AGM that granted authorisation	Contents of authorisation	Expiry date	Effective use of these authorisations	Maximum amount authorised
26/07/2018 (18th resolution)	Authorisation to allocate free shares	26/09/2021	Allocation of 107,598 shares on 26/07/2018	Ceiling: 500,000 shares
26/07/2017 (21st resolution)	Issue of securities providing access to the capital with preferential subscription rights maintained for shareholders	26/09/2019	0	Nominal ceiling on capital increase: €22,000,000
26/07/2017 (22nd resolution)	Issue of securities providing access to the capital without preferential subscription rights for shareholders	26/09/2019	0	Nominal ceiling on capital increase: €22,000,000
26/07/2017 (23rd resolution)	Capital increase by issue of securities, with no preferential subscription rights, under the framework of an offer referred to under II of Article L. 411-2 of the Finance and Monetary Code	26/09/2019	0	Ceiling on capital increase: 20% of capital a year
26/07/2017 (24th resolution)	Authorisation for case of issue without preferential subscription rights, where the price can be set according to the terms set by the AGM	26/09/2019	0	10% of the capital
26/07/2017 (25th resolution)	Increase in number of shares to issue in the event of a capital increase with or without preferential subscription rights	26/09/2019	0	15% of initial issue
26/07/2017 (26th resolution)	Issue of ordinary shares, marketable securities providing access to capital, with no preferential subscription rights for shareholders, as remuneration for contribution in kind in the form of shares or marketable securities providing access to capital	26/09/2019	0	10% of the capital
26/07/2017 (27th resolution)	Increase in share capital by incorporation of premiums, reserves, profits or other	26/09/2019	0	Nominal ceiling on capital increase: €22,000,000
26/07/2017 (28th resolution)	Capital increase reserved for subscribers to a company or group savings plan, with cancellation of preferential subscription rights	26/09/2019	0	Ceiling: €400,000

1.14 CONVENTIONS AND COMMITMENTS SUBJECT TO THE APPROVAL OF THE SHAREHOLDERS MEETING

Conventions and commitments authorised during the past financial year

We inform you that there are no current conventions or commitments for the past financial year to be submitted for the approval of the shareholders meeting in application of the provisions of article L. 225-38 of the French Commercial Code.

1.14.1 CONVENTION AND COMMITMENTS ALREADY APPROVED BY THE SHAREHOLDERS MEETING

CONVENTIONS AND COMMITMENTS APPROVED DURING PREVIOUS FINANCIAL YEARS WHOSE EXECUTION CONTINUED IN THE PAST FINANCIAL YEAR

In application of article R. 225-30 of the French Commercial Code, we inform you that the execution of the following conventions and commitments, already approved by the shareholders meeting during previous financial years, continued during the past financial year.

In the meeting on 12 June 2019, the Board of Directors reexamined the conventions listed below and determined that they were in accordance with the criteria used to authorise them.

Rider no. 7 to the service convention signed on 30 March 2007 with Andromède (Board of Directors meeting of 31 May 2013)

PEOPLE CONCERNED:

- Marie-Amélie JACQUET, Vice-Chairwoman and member of the OENEO Board of Directors and member of the Andromède SAS Executive Board;
- Marc HÉRIARD DUBREUIL, director of OENEO, Chief Executive Officer of Andromède SAS and member of its Executive Board;
- François HÉRIARD DUBREUIL, director of OENEO and Chairman of the Andromède SAS Executive Board;
- Vivien HÉRIARD DUBREUIL, director of OENEO and Vice-Chairman of the Andromède SAS Supervisory Board;
- Nicolas HÉRIARD DUBREUIL, Chief Executive Officer of OENEO and member of the Andromède SAS Supervisory Board;
- Andromède SAS, direct shareholder of more than 10% of Oeneo's capital.

NATURE AND PURPOSE:

On 31 May 2013, the Board of Directors authorised rider no. 7to the service convention, signed on 30 March 2007 with Andromède (and modified by riders no. 1 to 6 dated 6 May 2008, 16 December 2008, December 2009, 11 March 2011, 14 March 2012, and 6 June 2012), relative to the assistance and consulting services provided by Andromède to OENEO in the areas of accountancy, finance, administration, legal, sales, human resources, and research and development.

This convention governs the payment for services to be done by Andromède for OENEO, which correspond to the direct and indirect costs borne by Andromède for the services carried out within the framework of the contract, plus a 5% margin, excluding tax.

This rider was signed on 4 July 2013 and modifies the duration of the convention which is now open-ended and may be terminated at any time following a one-month notice period.

TERMS:

For the financial year ended on 31 March 2019, the total cost of these services was €349,800 excluding tax.

Commitment to a defined contribution pension scheme for Nicolas HÉRIARD DUBREUIL

PERSON CONCERNED:

Nicolas HÉRIARD DUBREUIL, Chief Executive Officer of OENEO as of 1 October 2016.

NATURE AND PURPOSE:

On 27 September 2016, the Board of Directors gave prior authorisation for Nicolas HÉRIARD DUBREUIL to benefit from the Group defined contribution pension scheme.

TERMS:

Our Company paid €25,516 in contributions for the financial year ended 31 March 2019.

CONVENTIONS AND COMMITMENTS APPROVED DURING PREVIOUS FINANCIAL YEARS, WITHOUT EXECUTION DURING THE PAST FINANCIAL YEAR

Severance pay

PERSON CONCERNED:

Nicolas HÉRIARD DUBREUIL, Chief Executive Officer of OENEO as of 1 October 2016.

NATURE AND PURPOSE:

On 27 September 2016, the Board of Directors gave prior authorisation for the payment of severance pay in the event of the termination of Nicolas HÉRIARD DUBREUIL's term of office in case of forced departure, unless there was a serious reason or gross misconduct or in the event of the failure of the Company.

TERMS:

The amount of this allowance would be calculated on the basis of 12 months of his last basic monthly gross fixed salary (with the Company vehicle benefit mentioned in the last pay statement), excluding premiums, indemnities, or any other benefits in kind.

Payment of this allowance is subject to performance conditions, evaluated as follows:

- if the quantitative results verified by the Board are less than 75% of the budgetary targets, no compensation will be payable;
- if the quantitative results verified by the Board are greater than or equal to 75%, the compensation paid shall be in proportion to this percentage, and limited to 100%.

Non-compete indemnity

PERSON CONCERNED:

Nicolas HÉRIARD DUBREUIL, Chief Executive Officer of OENEO as of 1 October 2016.

NATURE AND PURPOSE:

On 27 September 2016, the Board of Directors gave its prior authorisation for the payment of non-compete compensation with respect for the non-compete clause, equal to one year of fixed compensation, payable in twelve monthly instalments.

On the departure of Nicolas HÉRIARD DUBREUIL, the Board of Directors of the Company shall decide whether or not to apply the non-compete clause and may waive the application of this clause unilaterally.

TERMS:

If this clause is implemented once Nicolas HÉRIARD DUBREUIL ceases to hold office, the cumulative severance pay (departure and non-compete) will be capped at 24 months of his basic gross fixed compensation.

Senior executive insurance policy

PERSON CONCERNED:

Nicolas HÉRIARD DUBREUIL, Chief Executive Officer of OENEO as of 1 October 2016.

NATURE AND PURPOSE:

On 27 September 2016, the Board of Directors gave prior authorisation for Nicolas HÉRIARD DUBREUIL to benefit from the senior executive insurance policy.

1.14.2 CORPORATE SOCIAL RESPONSIBILITY REPORT

This report is included in the 2018-2019 Registration Document published on the Company's website http://oeneo.com/

Paris, 26 June 2019

Nicolas HÉRIARD DUBREUIL

Chief Executive Officer

2

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2.1 KEY FIGURES AND ANALYSIS

The financial year ended on 31 March 2019 lasted 12 months, covering the period from 1 April 2018 to 31 March 2019. The previous financial year, which ended on 31 March 2018, also had a duration of 12 months.

2.1.1 CONSOLIDATED INCOME STATEMENT

In thousands of euros	31/03/2019 12 months	31/03/2018 12 months	Variation 12 months
Revenue	268,166	248,618	7.9%
Current operating profit/(loss)	**40,455**	**46,454**	**-12.9%**
% current operating margin	*15.1%*	*18.7%*	-3.6%
Operating profit/(loss)	38,652	43,627	-11.4%
Profit/(loss) from financing activities	(1,009)	(1,987)	-49.2%
Net profit/(loss) before tax	**37,642**	**41,641**	**-9.6%**
Tax	(10,397)	(11,074)	-6.1%
Net profit/(loss) from continuing operations	**27,274**	**30,584**	**-10.8%**
Net profit/(loss) from abandoned operations	**(2,000)**	**(3,933)**	**-49.1%**
Net profit/(loss) from consolidated entities	**25,274**	**26,651**	**-5.2%**
Net profit attributable to equity holders of the parent	**25,349**	**26,603**	**-4.7%**

* *Given the decision to withdraw from the Piedade group's agglomerated and natural cork / disc operations, the related income and expenses are reclassified under discontinued operations, in accordance with IFRS 5. These non-strategic closure operations concern the ranges associated with traditional, non-technological cork, and two production sites in Portugal dedicated to closure preparation and tubing.*

2.1.2 BALANCE SHEET

In thousands of euros	31/03/2019	31/03/2018
Assets		
Non-current assets	175,682	172,421
Inventories	127,829	105,656
Trade receivables and other current assets	128,572	128,338
Assets held for sale	5,856	15,657
TOTAL ASSETS	**437,939**	**422,072**
Liabilities		
Equity	256,396	229,738
Loans and other borrowings	100,218	101,662
Trade and other payables	81,325	86,500
Liabilities held for sale	0	4,172
TOTAL LIABILITIES	**437,939**	**422,072**

2.1.3 PERFORMANCE AND BUSINESS ANALYSIS

Presentation of results from continued activities

The OENEO Group showed solid growth over the 2018-2019 financial year, with a 7.9% increase in revenue (5.5% organic growth). Current operating profit was down by 12.9%, primarily due to the price of cork remaining high over the financial year, and the dilutive contribution of Winemaking acquisitions. The operating profit was €38.7 million, down by 11.4%, benefiting from a decrease in non-recurring expenses.

Net debt increased from €48.5 million to €60.2 million at 31 March 2019, a consequence of the reinforced WCR linked to the policy on securing raw material supply, the external growth operations during the financial year, and the expiration of the management incentive plan.

2.1.3.1 REVENUE BY BUSINESS

Annual consolidated revenue for continued operations came to €268.2 million at 31 March 2019, up by 7.9% compared with the previous year. This growth breaks down as follows:

- the Closures business had a good year (+7.8%), combining both a positive price effect and volume growth marked by a renewed focus on mid-/high-market products. The Diam brand continued to boost this growth, with an increase of around 9% in revenue, following a year of 20% revenue growth in 2017-2018;
- the Winemaking business showed 7.9% revenue growth, including recently-acquired companies (Cenci, Millet, Galileo) that made a €6.3m contribution to annual sales. In organic terms, the division benefited from its global reach and its resiliency to end the year at 1% growth at a constant exchange rate.

BREAKDOWN OF REVENUE BY DIVISION

In thousands of euros	31/03/2019 12 months	31/03/2018 12 months	Variation 12 months
Closures	175,887	163,100	7.8%
Winemaking	92,279	85,518	7.9%
TOTAL REVENUE	**268,166**	**248,618**	**7.9%**

BREAKDOWN OF REVENUE BY GEOGRAPHIC REGION

In thousands of euros	31/03/2019 12 months	31/03/2018 12 months	Variation 12 months
France	79,052	71,027	11.3%
Europe	108,398	100,540	7.8%
Americas	61,654	58,500	5.4%
Oceania	5,650	7,603	-25.7%
Rest of the world	13,412	10,948	22.5%
TOTAL REVENUE	**268,166**	**248,618**	**7.9%**

Change in net profit/loss

BREAKDOWN OF CURRENT OPERATING PROFIT BY DIVISION

In thousands of euros	31/03/2019 12 months	31/03/2018 12 months	Variation 12 months
Closures	28,872	33,764	-14.5%
Winemaking	14,415	16,505	-12.7%
Holding	(2,832)	(3,815)	-25.8%
TOTAL CURRENT OPERATING PROFIT	**40,455**	**46,454**	**-12.9%**

Current operating profit by activity sector

The OENEO Group posted a current operating profit of €40.5 million and a current operating margin of 15.1%, down by €6 million (-12.9%) compared with the previous period.

The Closures division posted a current operating profit of €28.9 million, for a current operating margin of 16.4% of the division's revenue. The price of cork remained high until the end of the financial year and continued to weigh heavily on the division's gross margin. Its negative impact of €20 million gross was partially offset by the increase in rates, the improvement in the product mix, and the roll-out of the "Opticork" cost optimisation plan, which started to show its benefits starting in the second half. These short- and medium-term structuring actions, combined with the expected decrease in the price of cork, should ensure a gradual return to historic margin levels in this division.

The Winemaking division's current operating profit was €14.4 million, for a current operating margin of 15.6% in revenue. The dilutive contribution from the newly integrated companies came as no surprise and was amplified by the continued increase in the price of wood raw materials. This phenomenon also affected the cask business, which was disrupted by the low level of activity in the first half, bringing down productivity and annual profitability. With a better impact of material costs on sale prices, the division set the medium-term objective of profit levels in line with the division's upmarket positioning.

Holding costs stood at €2.8 million for the financial year, with a sharp drop reflecting good control over structuring costs.

Non-recurring operating profit/(loss)

At 31 March 2019, the OENEO Group showed a non-recurring loss of €1.8m, an improvement of nearly 35%. It breaks down primarily as follows:

- -€0.5 million for fraud and third-party lawsuits;
- -€0.2 million in division restructuring costs;
- -€0.3 million for industrial incident costs:
- -€0.4 million for acquisition-related costs.

Profit/(loss) from financing activities

The Group's financial expense amounting to €1.0 million at 31 March 2019 mainly included:

- €1.0m in financial expenses, a decrease of €0.1m compared with the previous financial year;
- and a translation balance, compared with -€0.9m the previous financial year, thanks to changes in the Euro/US Dollar and Euro/Chilean Peso exchange rates.

Net profit/(loss) from continuing operations

The OENEO Group showed a 10.8% drop in in net profit attributable to equity holders of the parent, at €27.3 million, compared with €30.6 million at 31 March 2018. Diluted earnings per share amounted to €0.43, down by 12.2% compared with 31 March 2018, given the capital increase linked to the payment of the dividend in shares.

Net profit attributable to equity holders of the parent

In a backdrop of further decline in their non-strategic ranges, operations being held for sale showed a €2.0 million loss, compared with -€3.9 million in 2018.

Net profit attributable to equity holders of the parent amounted to €25.3 million, down by 4.7% compared with 31 March 2018.

2.1.3.2 CONSOLIDATED BALANCE SHEET

The balance sheet totalled €437.9 million, an increase of €15.8 million compared to 31 March 2018.

Non-current assets

The Group's non-current assets totalled €175.7 million, representing 40.1% of the total balance sheet at 31 March 2019.

Deferred taxes

Deferred taxes were comparable to those at 31 March 2018, totalling €1.1 million.

Current assets

By reinforcing its inventory to limit exposure to market uncertainties, both for cork and stave oak, and integrating WCR for its Winemaking acquisitions, the OENEO Group increased its Working Capital Requirement to nearly €152 million at 31 March 2019 compared with €132 million at 31 March 2018.

Equity

Equity increased from €229.7 million to €256.4 million, primarily thanks to a net profit of €25.3 million for the financial year.

Provisions for liabilities and charges

Provisions for liabilities and charges were stable overall, at €1.6 million, and mainly consisted of provisions for tax risks, third-party litigation, restructuring and other risks in both divisions.

Net financial debt

The Group's debt was €60.2 million compared with €48.5 million at 31 March 2018.

It is primarily composed of:

- medium-term credit lines and debt: €91.7 million (bilateral loans, leases, etc.);
- short-term credit lines: €8.5 million (factoring, etc.);
- cash and cash equivalents of €40.0 million.

Given the Group's financial performance and exchanges with its banks, the Group is confident that short-term credit lines will be extended.

2.2 CONSOLIDATED FINANCIAL STATEMENTS

2.2.1 CONSOLIDATED INCOME STATEMENT

In thousands of euros	Notes	31/03/2019	31/03/2018
Revenue	15	268,166	248,618
Other revenue from operating activities		870	997
Consumed purchases and change in inventories		(118,239)	(99,748)
External expenses		(43,415)	(40,266)
Employee benefits expense	16	(49,066)	(48,423)
Taxes		(2,308)	(2,538)
Depreciation and amortisation		(11,583)	(10,093)
Net increase in provisions		(2,178)	(944)
Other current income/(expenses)		(1,793)	(1,149)
CURRENT OPERATING PROFIT/(LOSS)		**40,455**	**46,454**
Other non-current operating income and expenses	17	(1,803)	(2,827)
OPERATING PROFIT/(LOSS)		**38,652**	**43,627**
Income from cash and cash equivalents		*293*	*226*
Cost of gross financial debt		*(1,291)*	*(1,301)*
Cost of net financial debt		(997)	(1,076)
Other financial income/expenses	18	(12)	(911)
PROFIT/(LOSS) BEFORE TAX		**37,642**	**41,641**
Income tax	19	(10,397)	(11,074)
PROFIT/(LOSS) AFTER TAX		**27,245**	**30,567**
Profit/(loss) of associates		**29**	**17**
NET PROFIT/(LOSS) FROM CONTINUING OPERATIONS		**27,274**	**30,584**
Non-controlling interests		75	(48)
NET PROFIT FROM CONTINUING OPERATIONS (GROUP SHARE)		**27,349**	**30,536**
NET PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS (GROUP SHARE)		**(2,000)**	**(3,933)**
NET PROFIT/(LOSS) FROM CONSOLIDATED ENTITIES		**25,274**	**26,651**
NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		**25,349**	**26,603**
Earnings per share from consolidated entities*(in euros)*	20	0.40	0.42
Earnings per share from continuing operations *(in euros)*	20	0.43	0.49
Diluted earnings per share from consolidated entities *(in euros)*	20	0.40	0.42
Diluted earnings per share from continuing operations *(in euros)*	20	0.43	0.49

Other comprehensive income (loss):

	31/03/2019	31/03/2018
NET PROFIT/(LOSS)	**25,274**	**26,651**
Foreign currency translation reserve	1,572	(2,792)
Other financial instruments	10	31
Of which tax	*(5)*	*(15)*
Subtotal for items that may be reclassified subsequently to profit or loss	1,582	(2,761)
Actuarial gains and losses, net of deferred taxes	(73)	(231)
Sub-total for items that may not be reclassified subsequently to profit or loss	(73)	(231)
OTHER COMPREHENSIVE INCOME (LOSS)	**1,509**	**(2,992)**
COMPREHENSIVE INCOME	**26,783**	**23,659**
Of which:		
– attributable to equity holders of the parent	26,858	23,611
– attributable to non-controlling interests	(75)	48

2.2.2 CONSOLIDATED BALANCE SHEET

2.2.2.1 ASSETS

In thousands of euros	Note	31/03/2019	31/03/2018
Goodwill	1	46,417	46,140
Intangible assets	2	4,837	4,672
Property, plant and equipment	2	122,318	119,760
Non-current financial assets	2	973	842
Deferred taxes	4	1,137	1,007
TOTAL NON-CURRENT ASSETS		**175,682**	**172,421**
Inventories and work in progress	5	127,829	105,656
Trade and other receivables	6	86,187	70,494
Tax receivables		345	2,772
Other current assets	3	2,043	1,879
Cash and cash equivalents	7	39,997	53,193
TOTAL CURRENT ASSETS		**256,401**	**233,994**
Assets held for sale	8	5,856	15,657
TOTAL ASSETS		**437,939**	**422,072**

2.2.2.2 LIABILITIES

In thousands of euros	Note	31/03/2019	31/03/2018
Contributed capital	9	64,104	63,181
Additional paid-in capital	9	28,000	20,664
Reserves and retained earnings	10	138,815	119,159
Net profit/(loss) for the period		25,349	26,603
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		**256,267**	**229,606**
Non-controlling interests		129	132
TOTAL EQUITY		**256,396**	**229,738**
Loans and other borrowings	11	46,469	67,492
Employee benefit obligations	12	3,419	3,431
Other provisions	13	1,056	960
Deferred taxes	4	2,864	2,617
Other non-current liabilities	14	8,648	8,639
TOTAL NON-CURRENT LIABILITIES		**62,456**	**83,138**
Bank loans and other borrowings (portion < 1 year)	11	53,749	34,170
Provisions (portion < 1 year)	13	606	586
Trade and other payables		60,921	57,613
Other current liabilities	14	3,812	12,654
TOTAL CURRENT LIABILITIES		**119,087**	**105,024**
Liabilities held for sale	8	-	4,172
TOTAL LIABILITIES AND EQUITY		**437,939**	**422,072**

2.2.3 CONSOLIDATED EQUITY

In thousands of euros	Contributed capital Note 9	Additional paid-in capital	Consolidated reserves Note 10	Net profit/ (loss) for the period	Total attributable to equity holders of the parent	Minority interests	Total equity
POSITION AT 01/04/2017	**62,905**	**18,642**	**107,186**	**26,412**	**215,145**	**149**	**215,294**
Foreign currency translation reserve	-	-	(2,792)	-	(2,792)	-	(2,792)
Actuarial gains and losses [1]	-	-	(231)	-	(231)	-	(231)
Deferred taxes on convertible bond (ORA) subscription fees (equity)	-	-	-	-	-	-	-
Other financial instruments [1]	-	-	31	-	31	-	31
INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	**-**	**-**	**(2,992)**	**-**	**(2,992)**	**-**	**(2,992)**
Net profit/(loss)	-	-	-	26,603	26,603	48	26,651
INCOME AND EXPENSE RECOGNISED FOR THE PERIOD	**-**	**-**	**(2,992)**	**26,603**	**23,611**	**48**	**23,659**
Allocation of earnings	-		26,412	(26,412)	-	-	-
Dividends [2]	-	-	(8,843)	-	(8,843)	(90)	(8,933)
Convertible bonds (ORA) (conversion)	-	-	-	-	-	-	-
Capital increase	277	2,022	-	-	2,299	-	2,299
Treasury shares	-	-	(3,865)	-	(3,865)	-	(3,865)
Share-based payments [3]	-	-	1,260	-	1,260	-	1,260
Other changes	-	-	-	-	-	25	25
POSITION AT 31/03/2018	**63,181**	**20,664**	**119,159**	**26,603**	**229,606**	**132**	**229,738**

(1) Net of deferred taxes.

(2) Corresponding to €8,779 thousand in dividends paid by OENEO (of which €2,314 thousand relating to the share of OENEO dividends paid in new shares created on 18 September 2017) and distributions by the companies Seguin Moreau and Diam Bouchage to participants in the investment scheme set up by the Group, amounting to €64 thousand held in current accounts until the plan matures in March 2018.

(3) See Note 9.2 on allocation of free shares.

In thousands of euros	Contributed capital Note 9	Additional paid-in capital	Consolidated reserves Note 10	Net profit/ (loss) for the period	Total attributable to equity holders of the parent	Minority interests	Total equity
POSITION AT 01/04/2018	**63,181**	**20,664**	**119,159**	**26,603**	**229,606**	**132**	**229,738**
Foreign currency translation reserve	-	-	1,572	-	1,572	-	1,572
Actuarial gains and losses [1]	-	-	(73)	-	(73)	-	(73)
Other financial instruments [1]	-	-	10	-	10	-	10
INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	**-**	**-**	**1,509**	**-**	**1,509**	**-**	**1,509**
Net profit/(loss)	-	-	-	25,349	25,349	(75)	25,274
INCOME AND EXPENSE RECOGNISED FOR THE PERIOD	**-**	**-**	**1,509**	**25,349**	**26,858**	**(75)**	**26,783**
Allocation of earnings	-		26,603	(26,603)	-	-	-
Dividends [2]	-	-	(9,500)	-	(9,500)	-	(9,500)
Capital increase	922	7,336	-	-	8,258	-	8,258
Treasury shares	-	-	(18)	-	(18)	-	(18)
Share-based payments [3]	-	-	1,069	-	1,069	-	1,069
Other changes	-	-	(7)	-	(7)	72	65
POSITION AT 31/03/2019	**64,104**	**28,000**	**138,815**	**25,349**	**256,267**	**129**	**256,396**

(1) Net of deferred taxes.

(2) Corresponding to €9,414 thousand in dividends paid by OENEO (see Note 25 – Distribution; of which €8,258 thousand relates to the share of OENEO dividends paid in new shares to create) and distributions by the companies Seguin Moreau and Diam Bouchage to participants in the investment scheme set up by the Group, amounting to €86 thousand.

(3) See Note 9.2 on allocation of free shares.

2.2.4 CONSOLIDATED CASH FLOW STATEMENT

In thousands of euros	Note	31/03/2019	31/03/2018
CASH FLOWS FROM OPERATING ACTIVITIES			
Consolidated net profit/(loss)		*25,274*	*26,651*
Net profit/(loss) from abandoned operations		*(2,000)*	*(3,933)*
Net profit/(loss) from continuing operations		27,274	30,584
Elimination of the share of income of associates		(29)	(17)
Elimination of amortisation, depreciation and provisions		11,471	9,375
Elimination of net profit on disposal and dilution gains and losses		124	(72)
Dividends received from equity associates		-	40
Income and expenses calculated on share-based payments		1,069	1,260
Other non-cash income and expenses		(37)	1,666
= CASH FLOW AFTER COST OF NET FINANCIAL DEBT AND TAX		**39,872**	**42,836**
Income tax expense	19	10,397	11,074
Cost of net financial debt		997	1,076
= CASH FLOW BEFORE COST OF NET FINANCIAL DEBT AND TAX EXPENSE		**51,267**	**54,986**
Taxes paid		(8,085)	(11,821)
Change in working capital requirement related to operating activities [2]	29	(36,234)	(13,310)
Net operating cash flow from continuing operations		*6,948*	*29,855*
Net operating cash flow from discontinued operations		*119*	*(212)*
= NET CASH FROM OPERATING ACTIVITIES		**7,067**	**29,643**
CASH FLOWS FROM INVESTING ACTIVITIES			
Impact of changes in scope [1]	29	(4,179)	(118)
Acquisitions of property, plant and equipment and intangible assets	29	(11,295)	(16,313)
Acquisition of financial assets	29	(72)	(176)
Disposal of property, plant and equipment and intangible assets		149	77
Change in loans and advances outstanding		(34)	35
Net cash flow from investing activities of continuing operations		*(15,431)*	*(16,495)*
Net cash flow from investing activities of discontinued operations			
= NET CASH FLOW FROM INVESTMENT ACTIVITIES		**(15,431)**	**(16,495)**
CASH FLOWS FROM FINANCING OPERATIONS			
Transactions with non-controlling interests			
Acquisition and disposal of treasury shares		(18)	(3,865)
Debt issuance		34,910	15,469
Debt repayment		(42,064)	(32,692)
Net interest paid		(998)	(1,076)
Dividends paid by the parent company	25	(1,158)	(6,480)
Dividends paid to non-controlling interests		-	(90)
Cash flow from financing activities of continuing operations		*(9,328)*	*(28,734)*
Cash flow from financing activities of discontinued operations		*(119)*	*(200)*

In thousands of euros	Note	31/03/2019	31/03/2018
= NET CASH FLOW FROM FINANCING ACTIVITIES		**(9,447)**	**(28,934)**
Impact of exchange rate movements		280	(885)
Change in cash flow from continuing operations		*(17,531)*	*(16,259)*
Cash and cash equivalents at beginning of year	21	49,031	65,290
Cash and cash equivalents at end of year	21	31,500	49,031
Change in cash and cash equivalents		*(17,531)*	*(16,259)*
Net debt	21	60,221	48,469
Change in net debt		11,752	(1,548)

(1) On 31/03/2019, corresponding to acquisitions of Cenci and Millet.

(2) Corresponds to:

In thousands of euros	31/03/2019	31/03/2018
Impact of the change in net inventory and work in progress	(15,207)	(3,172)
Impact of the change in trade receivables and other net debtors	(9,087)	(11,125)
Impact of the change in trade payables and other creditors	(11,940)	987
IMPACT OF CHANGE IN WCR RELATING TO OPERATING ACTIVITIES	**(36,234)**	**(13,310)**

Change in suppliers & other creditors includes the payment of €9.5 million for the manager incentive programme mentioned in Note 14.

For information, balance sheet flows relative to the IFRS reclassification were impacted by €5 million with no cash effect.

2.2.5 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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GENERAL INFORMATION

The 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, with the manufacture and marketing of cork closures, technologies with high added value with the Diam range and the Pietec range;
- 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).

COMPANY NAME AND REGISTERED OFFICE

OENEO – 16 quai Louis XVIII – 33000 Bordeaux.

LEGAL FORM

Public limited company (société anonyme) with a Board of Directors.

COMPANY REGISTRATION

OENEO is registered with the Paris Trade and Companies Register under the Company registration number 322,828,260 RCS PARIS.

The consolidated financial statements of the OENEO Group (hereinafter the "Group") to 31 March 2019 were approved by the Board of Directors at its meeting on 12 June 2019. Figures are in thousands of euros unless otherwise stated.

A. ACCOUNTING POLICIES AND MEASUREMENT BASES

The annual consolidated financial statements of the OENEO Group are prepared in accordance with International Financial Reporting Standards (IFRS) issued by the IASB (International Accounting Standards Board), as adopted by the European Union at 31 March 2019.

The separate financial statements of the consolidated companies, which are prepared according to generally accepted accounting principles in their respective countries, are restated to comply with the accounting policies of the Group.

Preparing the financial statements in accordance with IFRS requires certain critical accounting estimates to be made. Management is also required to exercise its discretion when applying the Group's accounting methods. The most critical areas in terms of judgement or complexity, or those for which the assumptions and estimates are material with respect to the consolidated financial statements, are set out in Notes 1 "Goodwill", 2 "Activities held for sale and discontinued operations", 4 "Deferred taxes", 12 "Provisions for liabilities and charges" and 13 "Other current and non-current liabilities".

The following standards apply as of 1 April 2018 to the financial information presented:

- IFRS 9 "Financial Instruments" will apply for annual periods beginning on or after 1 January 2018;
- IFRS 15 "Revenue from contracts with customers" was adopted on 22 September 2016 by the European Union and is applicable from 1 January 2018.

Application of the new standards has no significant impact on the accounts.

The following new standards, amendments to existing standards and interpretations have been published but were not applicable at 31 March 2019, and have not been adopted early:

- improvements to the IFRS 2015-2017 cycles, applicable as of 1 January 2019;
- IFRIC 23 "Uncertainty over income tax treatments", applicable as of 1 January 2019;
- limited amendments to IAS 19 entitled "Plan amendment curtailment or settlement", applicable prospectively for the years open as of 1 January 2019;
- amendments to IAS 28 entitled "Long-term interests in associates and joint ventures" applicable as of 1 January 2019;
- amendments to IAS 1 and IAS 8 entitled "Change in the definition of Material";
- IFRS 16 "Leases" will apply from 1 January 2019.

Application of IFRS 15 – Revenue from contracts with customers

IFRS 15 is the new reference system in place since 1 January 2018 concerning recognition of revenue, replacing IAS 18 "Revenue from ordinary activities", IAS 11 "Construction contracts" and their interpretations. It imposes a five-step analysis based on the transfer of control of performance obligations identified in contracts with customers.

In 2018, the Group undertook an analysis destined at identifying the potential impacts of IFRS 15 through a review of the major contracts or those representing each of its activities. Following these works, the Group concluded that the application of the IFRS accounting rule had no material impact on the consolidated financial statements as of 31 March 2019.

Application of IFRS 9 – Financial instruments

On 24 July 2014, the IASB published a new standard concerning financial instruments that replaces the majority of existing IFRS measures and especially IAS 39. The new standard, adopted by the European Union on 22 November 2016 is applicable and obligatory as of 1 January 2018. The Group did not apply this standard early.

Analysis of losses on client receivables by region showed a very low non-recovery rate.

Application of this standard from 1 April 2018 has no significant impact on the accounts.

Previous data has not been adjusted.

Estimated impact of IFRS 16 – Leases

IFRS 16 applies to the Group as of 1 January 2019, according to the simplified retroactive method.

The Group has identified its lease contracts and their main measures. The impacts expected primarily concern property leases. The balance sheet, income statement and cash flow statements will be impacted as follows:

- operating lease expenses are to be replaced by a depreciation expense and interest expenses;
- operating lease flows are to be replaced by debt and interest reimbursement flows.

On the basis of the contracts identified, the Group estimates that the future lease liability, established according to IFRS 16 should stand at between €4 and 6 million (of which €3-4 million for property leases). The amount of the asset in terms of utilisation rights should be equal to that of the future lease liability. The impacts on 2019/2020 net profit/(loss) should be fairly limited.

1. CONSOLIDATION METHODS

Subsidiaries are entities (including any special purpose entities) whose financial and operating policies can be governed by the Group, usually because it holds more than half of the voting rights. Potential voting rights are taken into account when evaluating the control exercised by the Group over another entity, if these result from instruments likely to be exercised or converted at the time of that evaluation.

Subsidiaries are fully consolidated once effective control is transferred to the Group. They are deconsolidated once control ceases to be exercised.

Internal gains on transactions between the Group and its associates are eliminated in proportion to the Group's interest in those associates. Internal losses are also eliminated, unless the transaction indicates that the asset sold is impaired. The accounting policies of associates have been modified where necessary so that they are in line with those adopted by the Group.

Associates are entities over which the Group does not have control but exercises significant influence, usually because it holds between 20% and 50% of the voting rights. Investments in associates are consolidated using the equity method. The Group's interest in associates includes goodwill (net of any accumulated impairment losses) identified at acquisition.

The accounts of joint ventures are also consolidated using the equity method.

2. GOODWILL

Upon initial consolidation of Group subsidiaries and holdings, a valuation is undertaken of all the identifiable elements acquired (assets and liabilities) in the currency of the company acquired.

In subsequent years, fair value adjustments receive the same accounting treatment as the items to which they relate.

Positive goodwill

Any residual difference corresponding to the surplus acquisition cost on the Group's share of the fair value of the identifiable assets and liabilities of the company acquired at the acquisition date is entered on the assets side of the balance sheet under "Goodwill".

Positive goodwill is not amortised, in accordance with the revised IFRS 3 "Business Combinations". It is tested for impairment whenever there is objective evidence of a loss of value and at least once a year in the manner set out below in the section entitled "4 Recoverable amount of assets". The calculation is made separately at the two operating sector levels (CGU groups) Closures and Winemaking.

The net carrying amount of the assets and liabilities of each division is reconciled with value in use, estimated by discounting future cash flows. In the event of impairment, the impairment loss recognised under impairment of assets is irreversible.

Where an operation within a CGU within an operating sector is disposed of, the goodwill associated with the discontinued operation:

- is included in the carrying amount of the operation when determining the gain or loss on disposal; and
- is measured on the basis of the relative values of the discontinued operation and the part of the cash-generating unit retained.

Negative goodwill

Negative goodwill represents the surplus relative to the acquisition cost of the Group's share of the fair value of the identifiable assets and liabilities of the acquiree at the acquisition date.

Negative goodwill is recognised immediately in the income statement during the acquisition period.

3. TRANSLATION OF FINANCIAL STATEMENTS IN FOREIGN CURRENCY

Functional currency and reporting currency of the financial statements

The items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in euros, which is the Company's functional and reporting currency.

Transactions and balances

Transactions denominated in foreign currency are translated into the functional currency using the exchange rates applicable at the transaction dates. Foreign exchange gains and losses resulting from the settlement of such transactions and those resulting from the conversion, at the rates in effect at the reporting date, of foreign currency monetary assets and liabilities are recognised in pro fit or loss, except when they are recognised directly in equity, either as an eligible cash flow hedge, or a hedge of a net investment in a foreign operation.

Group companies

The financial statements of all the Group's entities whose functional currency is different from the reporting currency are translated into the reporting currency, as follows: (i) assets and liabilities are translated at the closing rate on each reporting date; (ii) income and expenses of each income statement are translated at average exchange rates; and (iii) all resulting translation differences are recognised as a separate component of equity.

When a foreign operation is sold, the translation differences initially recognised in equity are taken to profit or loss under gains and losses on disposal.

4. NON-CURRENT ASSETS

Contractual customer relationships

In the context of business combinations, in accordance with IFRS 3 revised, contractual customer relationships are recognised separately from goodwill if the company acquired has a regular volume of business with identified customers. Contractual customer relationships are measured according to the excess earnings method, which takes into account discounted future cash flows generated by customers.

Contractual customer relationships are amortised over their useful life (if determinable), which may be between 6 and 16 years. They are tested for impairment if there is evidence that they might be impaired.

Intangible assets

In accordance with IAS 38 "Intangible Assets", acquired intangible assets are carried at their acquisition cost less any accumulated amortisation and impairment losses.

Following initial recognition, if their recoverable amount based on criteria existing at the time of acquisition should fall permanently below their net carrying amount, an impairment loss is recognised.

Other intangible assets categorised as having a finite useful life are amortised on a straight-line basis over periods that correspond to their expected useful life.

Development costs are amortised over a five-year period.

Patents are amortised on a straight-line basis over the actual duration of protection (between 8 and 11 years for Closures and 10 years for Winemaking).

Software is amortised on a straight-line basis over a period of one to three years.

Property, plant and equipment

Under the depreciated historical cost method, the Group opted to revalue its property, plant and equipment at fair value at the date of transition to IFRS.

In accordance with IAS 16 "Property, Plant and Equipment", the property, plant and equipment acquired subsequent to the date of transition to IFRS are carried at acquisition price or cost less any accumulated depreciation and impairment losses. Assets under construction are recognised at billed cost less any identified impairment loss.

Subsequent costs are included in the carrying amount of the asset or, where applicable, recognised separately, if it is likely that the future economic benefit associated with the asset will flow to the Group, and the cost of the asset can be measured reliably. All other expenses for repair and maintenance are recognised in the income statement for the period in which they are incurred.

Land cannot be depreciated but may be subject to impairment.

Depreciation of other property, plant and equipment begins once the assets are ready for use. From the date they come into service, property, plant and equipment are depreciated according to the straight-line method over their useful lives, using a components approach:

- buildings 15 to 50 years (depending on the site and components such as foundations/roof/walls);
- building fixtures and fittings 15 to 30 years;
- industrial plant, machinery and equipment 5 to 20 years;
- other property, plant and equipment 3 to 15 years.

The Group plans to use its assets over their entire lifetime and therefore has not identified any residual value.

Leases

Leases that transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee qualify as finance leases and are accounted for as follows:

- the leased item is recognised as an asset at an amount equal to its fair value or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease;
- a liability is recognised for the same amount on the liabilities side of the balance sheet;
- minimum lease payments are allocated between interest expense and reduction of the lease liability;
- the finance expense is allocated to each period of the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each financial year;
- the asset is depreciated, as appropriate, using the components method in accordance with Group accounting policy for similar assets, or, in the absence of reasonable certainty that the Group will obtain ownership of the asset by the end of the lease term, over the shorter of the lease term and the asset's useful life.

Unlike finance leases, operating leases are recognised as a lease expense in the income statement. They are recognised as an expense on a straight-line basis over the lease term.

Recoverable amount of assets

In accordance with IAS 36 "Impairment of Assets", the carrying amount of property, plant and equipment and intangible assets is tested for impairment whenever there is an indication that an asset may be impaired. This test is performed at least once a year for assets with indefinite useful lives (limited to goodwill, land and brands).

Assets are tested for impairment whenever events or circumstances indicate that their carrying amount may not be recovered. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use.

For impaired assets other than goodwill, the possible reversal of the impairment is examined at each annual or interim reporting date.

To determine their value in use, assets are allocated to cash-generating units (CGUs). CGUs are defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other groups of assets.

The CGUs used for the purpose of impairment tests are not larger than the operating segments determined in accordance with IFRS 8 "Operating Segments".

5. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

In accordance with IFRS 5, "Non-current Assets Held for Sale and Discontinued Operations", assets held for sale are presented separately in the statement of financial position and are measured and recognised at the lower of their carrying amount and market value less costs to sell.

An asset is classified as "available for sale" only:

- if the sale is highly probable within a reasonable timeframe;
- if the asset is available for immediate sale in its present condition; and
- if management has committed to a plan to sell the asset.

An activity halted, sold off or in the process of being sold is defined as a component of an entity with cash flows identifiable from the rest of the entity and which represents a main and distinct business line or region. Over the entire periods reported, the profit/(loss) from these activities is presented in a separate line in the income statement "discontinued operations", and is the object of an adjustment in the cash flow statement.

6. INVENTORIES AND WORK IN PROGRESS

Gross values

Inventories of materials and finished goods are measured at the lower of purchase price or production cost, calculated using the weighted average cost method, and net realisable value. The purchase price or production cost corresponds to the amount of purchases, processing costs (such as direct and indirect production costs) and other costs incurred. Work in progress is valued at production cost.

In accordance with IAS 2 "Inventories", cork for the Closures business and oak for the Winemaking business are measured at acquisition cost. This includes the purchase price, import duties and

other taxes (other than those subsequently recoverable), transport and handling costs and all other costs directly attributable to the purchase of materials and services. Discounts and rebates are deducted from purchase costs.

Provisions

For raw materials, a provision is recorded if the provisional cost price of the finished products in which these materials are incorporated is higher than the market price of the finished products, net of selling expenses.

For work in progress, a provision is recorded if the estimated cost price of the finished products, comprising the value of work in progress and the production costs necessary to complete the product, net of selling expenses, is higher than the market price.

For finished products, a provision is recorded if the cost price plus selling expenses proves to be higher than the market price.

Margins earned on transactions between consolidated companies are eliminated.

7. TRADE RECEIVABLES

Trade receivables are recognised at amortised cost, less allowances for impairment.

Factoring agreements have been set up in Portuguese, Spanish and Italian operating companies in return for short-term credit facilities, which are therefore backed by trade receivables.

These agreements were negotiated with the Group's financial partners to obtain standard terms.

The companies bear the collection risk until customers have settled invoices in full, with the receivables being accordingly consolidated in the financial statements.

An allowance for impairment of trade receivables is recognised when there is objective evidence that the Group will be unable to recover the full amount due according to the initial terms of the transaction. Serious financial difficulties faced by the debtor, the likelihood of bankruptcy or financial restructuring of the debtor and payment default or delinquency are indicators of the impairment of a receivable. The amount of the provision is the difference between the carrying amount and the estimated payment amount. The amount of the provision is recognised in the income statement under net increase in provisions.

8. CASH AND CASH EQUIVALENTS

The "cash and cash equivalents" item includes cash, sight deposits and other very liquid short-term investments with initial maturities of up to three months. Bank overdrafts are included in current liabilities on the balance sheet under "borrowings".

9. SHARE CAPITAL AND TREASURY SHARES

Where any Group company purchases Company shares (treasury shares), the consideration paid, including directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders until the shares are cancelled or disposed of. If sold, the proceeds received, net of directly attributable incremental transaction costs and the related tax effects, are included in equity attributable to the Company's equity holders.

10. FINANCIAL ASSETS

Financial assets include long-term investments, receivables, investment securities, derivative instruments and cash. The measurement and recognition of financial assets are defined by IAS 39 and its amendment of 15 October 2008.

The classification depends on the reasons for the acquisition of the financial assets. The management determines the classification of its financial assets on initial recognition.

Loans and receivables are valued at amortised cost and are tested for impairment as a minimum at each reporting date. An impairment provision is recognised when the recoverable amount is less than the carrying amount.

11. FINANCIAL LIABILITIES

Except for derivatives, loans and other financial liabilities are valued at their amortised cost using the effective interest rate. Interest rate swaps that economically hedge financial liabilities are classified as cash flow hedges.

Loans are classified as current liabilities, except when the Group has an unconditional right to defer settlement of the debt for at least 12 months after the reporting date, in which case these loans are classified as non-current liabilities.

Compound financial instruments are recognised in accordance with IAS 32, i.e. with separate recognition of the fixed-income component recorded in debt at amortised cost and the equity component recorded in equity (similar to a call option), the issue expenses being recognised in equity and debt in proportion to the issue proceeds.

All derivatives are measured at fair value, which corresponds to the market value for quoted instruments. For unquoted instruments, their fair value is determined using estimates such as option pricing models and the discounted cash flow method. Gains or losses arising from the revaluation of these instruments at each reporting date are recognised in equity.

Derivatives are reported in other borrowings (see Note 21).

12. DEFERRED TAXES

In accordance with IAS 12 "Income Taxes", temporary differences between the carrying amount of an asset or liability and its tax base give rise to the recognition of a deferred tax according to the liability method using the most recent tax rates adopted.

The effects due to changes in tax rates are recognised in the income statement for the year in which the rate change is announced or in equity if they relate to items that were recognised directly in equity.

Deferred tax assets on losses carried forward are only taken into account if it is probable that the entity will be able to recover them within a reasonable time by means of taxable profit during future accounting periods.

The Group has recognised, for the French, Spanish and Portuguese tax consolidation groups, tax loss carryforwards on the basis of projected earnings contained in the business plan prepared by the Group.

The tax expense is recognised in the income statement unless it concerns items that were recognised directly in equity. In this case, it is also recognised in equity.

The Group decided that the business contribution on value added (CVAE) could be treated as income tax according to the definition contained in IAS 12.

Under IAS 12, deferred taxes are not discounted.

13. EMPLOYEE BENEFITS

Supplementary pension schemes, retirement benefits and other long-term benefits

The Group offers its employees various supplementary pension schemes, retirement benefits and other long-term benefits, according to the regulations and practices in force in the countries where it operates.

These include both defined contribution and defined benefit schemes.

For defined contribution schemes, the Group has no obligation other than the payment of premiums to third-party organisations; the corresponding liability is recognised as an expense for the period.

For defined benefit schemes, including multi-employer plans for which the external manager is able to provide information, the Group measures its obligations in accordance with the revised IAS 19 "Employee Benefits".

These commitments are calculated using the projected unit credit method, taking into account actuarial assumptions such as wage growth, retirement age, mortality, staff turnover, discount rates and national insurance rates. The assumptions used to calculate these commitments are described in Note 12.

Actuarial gains and losses arising from changes in actuarial assumptions and experience adjustments are immediately recognised in "Other comprehensive income that may not be reclassified subsequently to profit or loss".

The net liability is recognised in the statement of financial position under employee benefits.

Termination benefits are due when the entity terminates the employment contract of an employee before the normal retirement date or when an employee has accepted an offer of voluntary redundancy.

The Group recognises these termination benefits when it is demonstrably committed to terminating the employment of an employee or group of employees, if it has a detailed formal plan for the termination and is without realistic possibility of withdrawal, or if it has agreed to grant termination benefits as a result of an offer made in order to encourage voluntary redundancy. Where termination benefits fall due more than 12 months after the reporting date, they are discounted to their present value.

The "Other comprehensive income that may not subsequently be reclassified to profit or loss" impact at Group level on retirement benefits was -€73 thousand, net of tax, in 2018/2019, with the discount rate falling from 1.37% to 1.15%.

Incentives and bonuses

The Group recognises a liability and an expense in respect of incentives and bonuses, using a formula that takes into account net profit/(loss) attributable to equity holders of the parent, after certain adjustments. The Group recognises a provision when it has a contractual obligation to do so or if a past practice gives rise to a constructive obligation.

Share plan and similar schemes

The Group applies IFRS 2 to share plans with cash-settled share-based payments.

The total cost of benefits depends on the fair value of the shares awarded and the number of shares that will eventually be issued under the plans in place.

The number of shares issued at the end of the vesting period is subject to continued employment and achievement of the Group's performance criteria, conditions of eligibility for such plans.

The present value of the obligation, discounted to cost of equity, is spread over the vesting period during which the services are rendered. It is recognised in "Current operating profit" with a corresponding entry to "Other non-current liabilities" when the maturity is over one year and in "Other current liabilities" for maturities of less than one year.

Performance criteria are taken into account, in accordance with IFRIC's positions, only to assess the likelihood of issuance of the instruments.

For free share plans (equity settled), the fair value of the services rendered in exchange for these instruments is expensed over the vesting period with a corresponding entry to reserves on the basis of the value of the instruments at the award date.

When the granting of instruments is subject to a condition other than a market condition, and this condition is not met, no expense is ultimately booked.

14. INVESTMENT GRANTS

In accordance with IAS 20 "Accounting for Government Grants and Disclosure of Government Assistance", investment grants are recognised in liabilities under "deferred income". They are recognised in profit or loss as the assets to which they relate are depreciated and are therefore presented in income from operating activities.

15. SEGMENT REPORTING

In accordance with IFRS 8, financial data by operating segment (defined as CGUs) is based on the synthetic presentation of internal reporting, which is reviewed and approved by the chief operating decision maker on a regular basis and then reconciled with the Group's results. The chief operating decision maker has been identified as the Chief Executive Officer.

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is a group of assets and operations engaged in providing products or services within a particular economic environment that is subject to risks and returns that are different from those of other economic environments in which the Group operates.

16. REVENUE RECOGNITION

Revenue corresponds to the fair value of the consideration received or receivable in respect of goods and services sold in the course of the Group's ordinary activities. Revenue is stated net of value-added tax, returns of goods, discounts and rebates and after elimination of intra-Group sales.

Revenue is recognised on the date of the transfer of control of performance obligations identified in the contracts (typically on the date of transfer of ownership of the products).

17. DIVIDENDS

Dividends not paid out to the Company's shareholders are recognised as a liability in the Group's financial statements for the period in which the dividends are approved by shareholders.

18. EARNINGS PER SHARE

Basic earnings per share are calculated using the weighted average number of shares outstanding during the period, less treasury shares deducted from equity.

The weighted average number of shares outstanding during the period as well as those from prior periods previously reported are adjusted for any free shares distributed.

Diluted earnings per share are calculated taking into account the average number of shares outstanding during the period, plus the dilution effect caused by the likely exercise of stock options and any other dilutive instrument.

19. RISK MANAGEMENT

Liquidity risk

The OENEO Group's financing is covered by a Group policy implemented by the finance department. The French companies use central treasury management. The foreign companies manage their treasury locally in consultation with head office, whose permission is required before any significant funding can be arranged.

In accordance with applicable legislative and regulatory provisions, Group subsidiaries have signed a treasury agreement with the Company to pool cash surpluses and cover the requirements of the various subsidiaries on the best terms. Some foreign subsidiaries arrange finance locally.

At 31 March 2019, the Group carried out a specific review of its liquidity risk (see Note 11 to the consolidated financial statements) and considers, particularly given that it satisfies all its bank covenants, that it is able to meet its upcoming maturities over the twelve months following publication of these documents.

Interest rate risk

The financial instruments used are associated with different types of debt (bank facilities/borrowings). The Group applies hedge accounting principles.

Sensitivity to interest rate risk (see also Note 11 to the consolidated financial statements):

The OENEO Group's floating-rate debt represents 22.87% of the total debt.

On 20 November 2014, OENEO arranged two interest rate hedges (option swaps) on €4 million of medium-term facilities with a term of 60 months (see Note 11: "Loans and other borrowings").

On 21 November 2014 and on 25 February 2015, Diam France arranged two interest rate hedges (option swaps) on €17 million of long-term facilities with a term of 84 months (see Note 11: "Loans and other borrowings").

On 31 March 2019, the outstanding capital remaining swapped was €7.4m.

On 31 March 2019, the swaps used had a negative fair value (€52.3 thousand).

Any rise in interest rates would lead to an increase in interest expense. A -0.2%/0.5% fluctuation in interest rates would affect net financial income by -€124 thousand (gain) to €46 thousand (loss).

The Group therefore feels that it has little exposure to interest rate risk.

Credit and counterparty risks

The Company only enters into hedging transactions with major financial institutions.

There is no counterparty risk on the instrument at the reporting date. The maximum credit risk exposure chiefly concerns trade receivables. However, due to the large number of customers worldwide, there is no concentration of credit risk in respect of trade receivables.

Foreign exchange risk

The Group manages its exposure to foreign exchange risk centrally so as to reduce its sensitivity to adverse exchange rate movements. It hedges this risk through forward transactions and by purchasing currency puts and calls. As a result, the Group's exposure is not very material.

Whenever necessary, to protect itself against an adverse exchange rate movement, the OENEO Group uses hedging instruments (options and futures).

Euro-denominated debt represented 94.14% of the Group's debt at 31 March 2019, compared with 100% at 31 March 2018.

The OENEO Group is exposed to the risk of adverse exchange rate movements, both on its assets (current accounts denominated in foreign currency) and on its commercial transactions (transactional risk). Foreign exchange risk is monitored by the Group's finance department. At 31 March 2019, the position of the main receivables and payables likely to be impacted by exchange rate movements amounted to €17.4 million. A +/-10% movement in exchange rates would have an impact of +/-2.70% on these commitments.

Authorisation from the Group's finance department is required for hedging transactions that could have a material impact on the consolidated financial statements.

Equity risk

The securities recognised in the Group's statement of financial position comprise cash OEICs purchased from time to time.

On 6 July 2010, the Group entered into a liquidity contract with the brokerage firm Gilbert Dupont, covering 24,873 treasury shares at 31 March 2019.

In addition, the Group's treasury shares fell from 553,799 shares in total at 31 March 2018 to 398,865 shares, representing 0.62% of its capital.

Consequently, the Group is marginally exposed to equity risk.

Risks on raw materials

The Group is subject to raw materials risk for all of its purchases of cork oak and cooperage quality oak. For the closures business, this risk fluctuates according to annual harvest quantities that impact supply on the market, and the organisation specific to each country in the Mediterranean basin from where supplies are obtained. To a lesser extent, this risk is present for the cooperage business, which is facing a market showing regular growth and partly more structured (in France especially with management of forestland by the ONF). Since there is no possibility of hedging against price increases in these markets, the two divisions are banking on extending their supply sources and implementing long-term partnerships and relations to reduce their risk.

Other risks

The OENEO Group has identified four risk categories. This analysis compares the consequences of these risks on the Group's profitability:

- risks related to product design: these risks arise on the creation of innovations and the invention of new industrial processes and marketing, which will represent future economic benefits;
- risks related to product manufacturing: these risks arise on the industrial application of the processes invented and their mass production;
- risks related to product marketing: these risks arise during and after the sale of products to customers;
- other risks: these risks are extraneous to industrial and commercial processes and represent a smaller risk category than the previous three.

These other risks are described in more detail in the paragraph "Risk factors" in the management report.

The Group updated its cartography of risks during 2018/2019. All of the risks identified are covered by:

- a system in place;
- an ongoing or identified action plan.

These risks were not deemed to have a significant operational impact.

The analysis is updated regularly, either in full, or by adding specific missions.

20. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements, which are continually updated, are based on historical information and other factors such as forecasts of future events, deemed reasonable in light of the circumstances.

The resulting accounting estimates are, by definition, seldom equivalent to the actual results. Estimates and assumptions that could lead to a significant adjustment of the carrying amount of assets and liabilities in subsequent periods are discussed below.

Assessment of IFRS 5 classification criteria

In accordance with IFRS 5 "Non-current assets held for sale and discontinued operations", the Group must use its judgement to establish whether the criteria enabling identification of an asset or group of assets as held for sale are met.

Similarly, discontinued activities are identified in view of criteria also defined by IFRS 5. These assessments are reviewed under the framework of each closing in view of changes in events and circumstances.

Intangible assets

The Group commissioned independent experts to measure intangible assets relating to the acquisition of Piedade Group and of Vivelys Group. They estimated future flows and applied rates with a direct impact on the asset values.

A reduction in value in use would result in an impact on profit or loss.

Property, plant and equipment

The Group commissioned independent experts to measure its property, plant and equipment upon transition to IFRS and upon the acquisition of Piedade Group. They estimated future flows and applied rates with a direct impact on the asset values.

A reduction in value in use would result in an impact on profit or loss.

Goodwill

The Group subjects goodwill to an annual impairment test, in accordance with the accounting policy set out in section 5 Recoverable amount of assets.

Fair value of derivatives and other financial instruments

The fair value of financial instruments that are not quoted in an active market (such as over-the-counter derivatives) is reported by the issuer.

Deferred tax assets

As stated in section 12 above, deferred tax assets on tax losses carried forward are only taken into account if it is probable that the entity will be able to recover them within a reasonable time by means of taxable profit during future accounting periods.

More specifically, the Group has recognised, for the French tax consolidation group, as well as for Pietec (Portugal), Millet Tonnellerie (France), Cenci Exploitation Forestière and Cenci Scierie Parqueterie (France) companies, all tax loss carryforwards on the basis of projected earnings contained in the business plan prepared by the Group.

Non-current transactions

Other non-current operating income and expenses correspond to income and expenses that do not arise from the Group's day-to-day management. They are essentially characterised by their unusual nature and significant amount.

Other non-current operating income and expenses include the following items:

- proceeds from the disposal of non-current assets;
- provisions or expenses for reorganisation and restructuring;
- exceptional costs for disputes with third parties.

French competitiveness and employment tax credit (CICE)

The Group recognises the CICE as a reduction from employee benefits expense.

B. INFORMATION ABOUT THE SCOPE OF CONSOLIDATION

CONSOLIDATED COMPANIES AT 31 MARCH 2019

			March 2019		March 2018	
Company	Country	Consolidation method	% control	% interest	% control	% interest
OENEO	France	Full	Parent	Parent	Parent	Parent
Sabate South Africa	South Africa	Full	100	100	100	100
Enodev Argentine	Argentina	Full	100	100	100	100
OENEO Australasia	Australia	Full	100	100	100	100
Diamant Closures PTY LTD	Australia	Full	100	100	100	100
Industrial OENEO Sudamericana	Chile	Full	100	100	100	100
Vivelys Chili	Chile	Full	100	100	100	100
Beijing Vida	China	Equity	35	35	35	35
Diam Corchos SA (formerly Corchos de Merida)	Spain	Full	100	100	100	100
Discosaga	Spain	Equity	50	50	50	50
Piedade Corcho	Spain	Full	100	100	100	100
Diam Closures USA (formerly OENEO Closures USA)	United States	Full	100	100	100	100
Seguin Moreau Napa Cooperage	United States	Full	100	100	100	100
Vivelys USA	United States	Full	100	100	100	100
Diam Bouchage (formerly OENEO Bouchage)	France	Full	100	100	100	100
Sambois	France	Full	100	100	100	100
Seguin Moreau & Cie	France	Full	100	100	100	100
Boise France	France	Full	100	100	100	100
Diam France	France	Full	100	100	100	100
Vivelys SAS	France	Full	100	100	100	100
Piedade France	France	Full	100	100	100	100
Société de Transformation Argonnaise du Bois	France	Full	100	100	100	100
Galileo	France	Full	52	52	-	-
Diam Sugheri	Italy	Full	80	80	80	80
Piedade SA	Portugal	Full	100	100	100	100
Pietec	Portugal	Full	100	100	100	100
Sà & Sobrinho	Portugal	Full	100	100	100	100
Millet	France	Full	51	51	-	-
Parqueterie Cenci	France	Full	100	100	-	-
Exploitation Cenci	France	Full	100	100	-	-

C. CHANGES IN SCOPE ON 31 MARCH 2019

On 29 May 2018, via its Winemaking Division, the Group acquired 100% of the capital of Établissements Cenci, which since 1960 has been specialised in forestry and value-added processing of beech and oak wood (boards, staves, flooring etc.).

The operation is a means of strategically strengthening its position upstream in the wood industry, enabling it to increase its control and secure the quality and quantity of raw materials supply. Établissements Cenci had 2018/2019 revenue of around €5.2 million.

On 4 April 2018, the Group acquired a majority stake of 51% in the capital of family-owned cooperage Millet, located near Saint-Émilion in Gironde. This cooperage is recognised for its expert craftsmanship and has developed close and trusting relations with small and mid-sized Right Bank Bordeaux producers. In 2018/2019, it had revenue of almost €0.9 million.

CENCI

The net assets acquired and goodwill related to the acquisition of the Cenci scope are set out below:

▸ The fair value of assets and liabilities was established on the basis of the revalued book value of the acquired entities:

In thousands of euros	Fair value
Intangible assets (1)	470
Property, plant and equipment (2)	5,384
Current and non-current financial assets	339
Deferred tax assets	-
Other current and non-current assets	504
Inventories	1,055
Trade and other receivables	1,068
Borrowings	(745)
Deferred tax liabilities (3)	(769)
Financial liabilities	(260)
Trade and other payables	(2,968)
NET ASSETS ACQUIRED (100%)	**4,078**

(1) o/w €470 thousand related to the revaluation of customer relations.
(2) o/w €1,872 thousand relative to the revaluation of buildings.
o/w €1,453 thousand related to the revaluation of installations and equipment.
(3) o/w €991 thousand related to deferred taxes on revaluations

▸ Determination of Goodwill on acquisition of Cenci scope:

In thousands of euros	
Amount paid in cash	4,085
Additional price	200
Fair value of net assets acquired	4,078
GOODWILL	**207**

Goodwill is booked in the balance sheet in the Goodwill line for €207 thousand.

Costs related to the Group's acquisition of Cenci were booked to this same line "Other non-current operating income and expenses" for -€128 thousand.

► Impact of this acquisition on cash:

In thousands of euros	
Purchase price paid in cash	(4,085)
Cash and cash equivalents of acquired subsidiaries	337
CASH DISBURSED IN RESPECT OF THE ACQUISITION	**(3,748)**

MILLET

The net assets acquired and badwill related to the acquisition of the Millet scope are set out below:

► The fair value of assets and liabilities was established on the basis of the revalued book value of the acquired entities:

In thousands of euros	**Fair value**
Property, plant and equipment	44
Current and non-current financial assets	1
Deferred tax assets [1]	259
Other current and non-current assets	5
Inventories	283
Trade and other receivables	91
Tax receivables	14
Borrowings	(162)
Financial liabilities	(196)
Tax liability	(2)
Trade and other payables	(191)
NET ASSETS ACQUIRED (100%)	**145**

(1) o/w €259 thousand relative to the activation of carryforwards.

► Determination of negative goodwill (badwill) on acquisition of Millet scope:

In thousands of euros	
Amount paid in cash	50
Fair value of net assets acquired (51%)	74
BADWILL	**(24)**

Costs related to the acquisition of Tonnellerie Millet were booked under non-current expenses.

► Impact of this acquisition on cash:

In thousands of euros	
Purchase price paid in cash	(50)
Cash and cash equivalents of acquired subsidiaries	(197)
CASH DISBURSED IN RESPECT OF THE ACQUISITION	**(247)**

D. NOTES TO THE FINANCIAL STATEMENTS

Note 1 GOODWILL

NET POSITIVE GOODWILL – CLOSURES

On 31 March 2019, the net carrying amount of goodwill totalled €31,792 thousand showing no change related to the previous financial year.

NET POSITIVE GOODWILL – WINEMAKING

At 31 March 2019, the net carrying amount of goodwill totalled €14,625 thousand compared with €14,346 thousand in the previous financial year. The change in goodwill is due to:

- a positive currency effect of €69 thousand relating to goodwill recognised in US dollars following the takeover of Fine Northern Oak by SMNAPA;
- goodwill related to the acquisition of 100% of Cenci shares for €207 thousand.

IMPAIRMENT TEST

Goodwill is attributed to the Group's cash generating units (CGUs).

These CGUs are then grouped together in the two operating sectors, namely Closures and Winemaking as defined in the IFRS 8 accounting rule.

Goodwill for the Piedade Group was attributed to the different CGUs in the Closures operating segment, or the technical closures and Diam Closures CGU (the historical CGU in the Closures sector in view of the synergies provided by this regrouping).

The recoverable amount of the CGUs was calculated on the basis of value in use. These calculations are based on the cash flow projection contained in the five-year business plan approved by the Group's executive management. Beyond that, cash flows are extrapolated using the estimated growth rates.

The discount rate is 7.8% for the Closures operating sector and 7.5% for the Winemaking operating sector. The growth rate to infinity is 1.50%. No impairment was indicated from tests conducted on the two CGUs, therefore no impairment loss has been recognised. In addition, it should be noted that prior to the acquisition of the Piedade Group, goodwill relating to the Closures business had been fully impaired since 2004.

SENSITIVITY ANALYSIS

The Group conducted sensitivity analyses of the value in use of the Winemaking and Closures CGUs under the following changes in key assumptions:

- EBIT rate reduced by 1% (EBIT: earnings before interest and taxes);
- a 1 percentage point increase in the discount rate to 8.5% and 8.8%;
- a 0.5 percentage point decrease in the growth rate to 1%.

The use of discount rates of 8.5% and 8.8% (instead of 7.5% and 7.8%) or an EBIT rate reduced by 1%, or a growth rate to infinity reduced by 0.5 points would not lead the Group to book an goodwill impairment charge relative to its operating sectors.

The simultaneous deterioration in these three variables would not prompt a goodwill impairment charge either.

Note 2 NON-CURRENT ASSETS, DEPRECIATION AND AMORTISATION

2.1 BREAKDOWN OF FIXED ASSETS

In thousands of euros	Notes	31/03/2019 Gross	31/03/2019 Depreciation, amortisation and provisions	31/03/2019 Net	31/03/2018 Net
Development expenses		1,646	(1,217)	429	478
Patents		7,226	(5,288)	1,938	2,073
Other intangible assets		3,609	(1,298)	2,311	2,098
Intangible assets in progress		159	-	159	23
TOTAL INTANGIBLE ASSETS		**12,640**	**(7,803)**	**4,837**	**4,672**
Land		8,349	(43)	8,306	7,988
Buildings		61,570	(26,077)	35,493	34,193
Ind. plant, tools and machinery		172,417	(102,101)	70,316	65,037
Transport equipment		1,161	(1,016)	145	145
Office furnitures and IT equipment		2,973	(2,235)	738	683
Other property, plant and equipment		5,986	(4,433)	1,553	1,705
Property, plant and equipment under construction (1)		5,746	-	5,746	9,945
Prepayments to suppliers of fixed assets		21	-	21	64
TOTAL PROPERTY, PLANT AND EQUIPMENT		**258,223**	**(135,905)**	**122,318**	**119,760**
Investments in associates		479	-	479	445
Other financial assets		511	(16)	494	397
TOTAL NON-CURRENT FINANCIAL ASSETS		**990**	**(16)**	**973**	**842**
TOTAL FIXED ASSETS		**271,853**	**(143,724)**	**128,128**	**125,274**

(1) Corresponding primarily to Closures and Winemaking production equipment (acquired under the framework of improving production tools and Diamant 4 study projects) currently being installed at the French, Spanish and Portuguese sites.

2.2 CHANGE IN FIXED ASSETS

	Non-current assets, net			
In thousands of euros	Intangible	Tangible	Financial	Total
VALUE AT 31 MARCH 2018	**4,672**	**119,760**	**842**	**125,274**
Increases, gross [1]	547	7,954	112	8,613
Changes in scope	470	5,428	3	5,901
Profit/(loss) of associates	-	-	29	29
Dividends paid by equity associates	-	-	-	-
Net value on disposals	(1)	(276)	(28)	(305)
Depreciation, amortisation and provisions	(962)	(11,193)	-	(12,155)
Provision reversals	-	110	-	110
Reclassifications	62	(150)	-	(88)
IFRS 5 reclassifications	-	325	10	335
Currency translation adjustments	49	360	6	415
VALUE AT 31 MARCH 2019	**4,837**	**122,318**	**973**	**128,128**

(1) These amounts include acquisitions of production equipment and costs related to improvements in production tools in the Closures business for €5.8m (especially extruders, markers, sorters) and production tools for the French and US cooperages for €2.6m.

2.3 CHANGE IN NON-CONSOLIDATED EQUITY INVESTMENTS

	March 2019			March 2018
In thousands of euros	Gross value	Provision	Net value	Net value
S.A O.R.E.C.O (Organisation Économique du Cognac)	103	-	103	103
Tonnellerie Plantagenêt	4	-	4	4
NAÏO Technologies	102	-	102	102
Tonnellerie D. [1]	70	-	70	-
TOTAL EQUITY INVESTMENTS AT 31 MARCH 2019	**279**	**-**	**279**	**209**

(1) A new company was created with a subscription to the share capital of €70 thousand, to prepare for the acquisition of the cooperage artisan business based in Saint-Georges-sur-Cher (Loir-et-Cher).

Note 3 OTHER CURRENT ASSETS AND OTHER LONG-TERM ASSETS

In thousands of euros	March 2019	March 2018
Loans and guarantees	69	62
Prepaid expenses	1,974	1,817
TOTAL OTHER CURRENT ASSETS	**2,043**	**1,879**

Note 4 DEFERRED TAXES

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and these deferred tax assets and liabilities concern corporate income taxes accruing to the same tax authority.

The breakdown of (current and deferred) tax in the income statement is presented in Note 19.

4.1 CHANGE IN DEFERRED TAX ASSETS AND LIABILITIES

In thousands of euros	March 2018	Net profit/ (loss)	Currency translation adjustments	Other movements	Changes in scope	March 2019
Internal margin on inventory	1,608	(43)	-	-	-	1,565
Other temporary differences	2,025	22	(89)	-	149	2,107
Securities acquisitions costs	28	45	-	-	-	73
Restatements	373	23	-	10	-	406
Regulated provisions	(4,540)	236	-	-	-	(4,304)
Lease financing	(1,554)	(622)	-	-	(99)	(2,275)
Capitalisation of tax loss carryforwards [1]	2,237	580	-	-	410	3,227
IAS 16 "Property, Plant and Equipment"	(1,355)	182	(5)	-	(844)	(2,022)
IAS 18 "Revenue"	-	-	-	-	-	-
IAS 38 "Intangible Assets" [2]	(456)	72	(10)	-	(126)	(520)
IAS 32/39 "Financial Instruments"	24	(1)	-	(6)	-	17
Long-term financing	-	73	-	(73)	-	-
TOTAL NET DEFERRED TAXES	**(1,610)**	**565**	**(104)**	**(69)**	**(510)**	**(1,727)**
Of which:						
Deferred tax assets	1,007	468				1,137
Deferred tax liabilities	(2,617)	120				(2,864)

In accordance with the accounting policies applied by the Group and described above, capitalisations and reversals of deferred tax assets for the period amounted to €580 thousand and primarily break down as follows:

- -€473 thousand was used during the period for the French tax consolidation group, Seguin Moreau and Diam Bouchage;
- -€162 thousand was used at Vivelys France;
- €810 thousand was capitalised at Pietec;
- €363 thousand was capitalised at Cenci Scierie Parquet.

At 31 March 2019, the Group had tax losses that could be carried forward against future taxable profits of the companies that generated these losses for €17.9m. These were made up of €6.4m in losses in France that were 100% capitalised, and €11.5m in Portugal that were capitalised for €1.4m.

(2) Of which deferred tax liabilities on valuation differences related to changes in scope in previous periods.

Tax reforms in France have no significant impact on the accounts.

4.2 RECONCILIATION OF THE THEORETICAL AND ACTUAL TAX EXPENSE

In thousands of euros	March 2019	March 2018
Net profit/(loss) from consolidated entities	25,274	26,651
Net profit/(loss) from abandoned operations	(2,000)	(3,933)
Income tax	(10,397)	(11,074)
Profit/(loss) of associates	29	17
Pre-tax profit of continuing operations	**37,642**	**41,641**
Theoretical tax expense at 33.33%	**12,546**	**13,879**
Non-deductible expenses and non-taxable income (1)	(911)	268
Differences in rates for foreign companies	(1,055)	(1,807)
Differences in rates for French companies	276	(352)
Differences in rates for operations taxed at a reduced rate	(1,393)	(1,189)
Non-capitalised tax losses	208	115
Use of non-capitalised tax losses	(96)	
Capitalisation of deferred taxes unrecognised previously	(154)	(306)
Contribution on dividends paid		(241)
Tax credits	(29)	(27)
Business contribution on value added (CVAE)	990	937
Other	15	(203)
ACTUAL TAX EXPENSE	**10,397**	**11,074**
Effective tax rate	27.62%	26.59%

(1) "Non-deductible expenses and non-taxable income" includes the CICE, recognised in employee benefits expense (see Note 16). This is non-taxable, thereby generating a tax saving of €(510) thousand.

A tax consolidation agreement exists between OENEO and the following companies: Seguin Moreau & Cie, Sambois, S.T.A.B, Diam Bouchage, Diam France, Boisé France and Vivelys SAS.

Each subsidiary recognises its tax as if it were taxed separately. OENEO recognises and retains tax savings made by the Group as a result of tax consolidation in relation to tax losses and capital losses.

Subsidiaries can use their tax loss carryforwards once they return to profit. OENEO will then incur the tax expense for the amount of tax losses or capital losses previously transferred.

If a subsidiary leaves the tax consolidation group, no compensation will be granted by OENEO to that subsidiary in respect of the additional tax costs triggered by its membership of the Group. Tax losses incurred during tax consolidation and not used by the subsidiary will accrue to OENEO as the Group holding company.

Note 5 INVENTORIES AND WORK IN PROGRESS

In thousands of euros	Raw materials	Work in progress	Finished products and goods for resale	Total
NET VALUES AT 31 MARCH 2017	**82,768**	**9,847**	**21,220**	**113,835**
Changes during the period	(8,696)	(816)	362	(9,150)
Provisions reversals	675	174	122	971
Net balance at end of period	**74,747**	**9,205**	**21,704**	**105,656**
Gross values	75,198	9,605	22,122	106,925
Provisions	(451)	(400)	(418)	(1,269)
NET VALUES AT 31 MARCH 2018	**74,747**	**9,205**	**21,704**	**105,656**
Changes during the period	11,006	995	10,740	22,741
Provisions reversals	(29)	47	(586)	(568)
Net balance at end of period	**85,724**	**10,247**	**31,858**	**127,829**
Gross values	86,204	10,600	32,862	129,666
Provisions	(480)	(353)	(1,004)	(1,837)
NET VALUES AT 31 MARCH 2019	**85,724**	**10,247**	**31,858**	**127,829**

The increase in inventories over the period stemmed from the acquisitions of Cenci and Tonnellerie Millet for €2.6m and the strategic strengthening of hedging levels for cork stocks for more than €12m and for logs, stave wood and finished products for more than €7m.

Note 6 TRADE AND OTHER RECEIVABLES

In thousands of euros	March 2019	March 2018
Due from suppliers	1,669	2,507
Trade receivables (1)	80,721	62,323
Tax and employee-related receivables	6,615	4,316
Other receivables	3,450	2,355
Provisions (2)	(6,268)	(1,007)
TOTAL TRADE AND OTHER RECEIVABLES	**86,187**	**70,494**

(1) The increase in trade receivables stems from the reclassification of Piedade receivables (presented under IFRS 5 on 31 March 2018) for €7.1m, the integration of companies acquired in Winemaking over the year for €1.5m and significant sales activity over the second half, some of which is included in trade receivables at the annual accounts closing.

(2) Of which provisions, other receivables and accrued interest for €292 thousand and reclassification of Piedade trade receivables (presented under IFRS 5 on 31 March 2018 for €4.6m.

OUTSTANDING RECEIVABLES

In thousands of euros	Carrying amount	Of which financial assets not overdue or impaired at the reporting date	Of which financial assets overdue and not impaired at the reporting date			Of which impaired financial assets
			<1 month	1-3 months	Beyond 3 months	
Trade receivables	62,323	48,738	7,866	2,045	2,667	1,007
TOTAL AT 31 MARCH 2018	**62,323**	**48,738**	**7,866**	**2,045**	**2,667**	**1,007**

In thousands of euros	Carrying amount	Of which financial assets not overdue or impaired at the reporting date	Of which financial assets overdue but not impaired at the reporting date			Of which impaired financial assets
			<1 month	1-3 months	Beyond 3 months	
Trade receivables	80,721	56,676	8,037	2,153	7,879	5,976
TOTAL AT 31 MARCH 2019	**80,721**	**56,676**	**8,037**	**2,153**	**7,879**	**5,976**

Note 7 CASH AND CASH EQUIVALENTS

The net cash position is detailed in Note 21, "Analysis of net cash and cash equivalents and financial debt".

Available cash amounted to €39,997 thousand at 31 March 2019.

Note 8 ASSETS, LIABILITIES AND INCOME STATEMENT RELATED TO ACTIVITIES HELD FOR SALE

Given its positioning in high value added technological products, the OENEO Group decided to withdraw from the natural and agglomerated corks/disk businesses operated by the Piedade Group.

In its consolidated accounts at 31 March 2019 and on 31 March 2018, in compliance with the IFRS 5 accounting rule, these activities are presented as discontinued activities in the income statement.

On 31 March 2018, the Group had started the overall disposal process for the natural and agglomerated cork/disk activities, justifying the classification of all related assets and liabilities to the assets and liabilities lines related to activities held for sale.

On 31 March 2019, the scope of disposal was reviewed and limited to property assets and inventories. Receivables and debts are to be recovered primarily through continuous use and have therefore been reclassified in their accounting category.

(A) ASSETS

In thousands of euros	31/03/2019	31/03/2018
Property, plant and equipment	1,770	2,094
Non-current financial assets	-	10
Deferred taxes	385	396
TOTAL NON-CURRENT ASSETS	**2,155**	**2,500**
Inventories and work in progress	3,701	8,433
Trade and other receivables	-	4,636
Tax receivables	-	138
Other current assets	-	39
TOTAL CURRENT ASSETS	**3,701**	**13,246**
TOTAL ASSETS	**5,856**	**15,746**

(B) LIABILITIES

In thousands of euros	31/03/2019	31/03/2018
EQUITY	**5,856**	**11,485**
Other non-current liabilities	-	214
TOTAL NON-CURRENT LIABILITIES	**-**	**214**
Trade and other payables	-	3,565
Other current liabilities	-	482
TOTAL CURRENT LIABILITIES	**-**	**4,047**
TOTAL LIABILITIES AND EQUITY	**5,856**	**15,746**

(C) INCOME STATEMENT

In thousands of euros	31/03/2019	31/03/2018
Revenue	12,838	20,533
Other revenue from operating activities	47	0
Consumed purchases and change in inventories	(9,361)	(15,885)
External expenses	(1,496)	(2,980)
Employee benefits expense	(2,046)	(2,975)
Taxes	(18)	(29)
Depreciation and amortisation	(571)	(781)
Net increase in provisions	(493)	(1,501)
Other current income/(expenses)	116	(42)
Current operating profit/(loss)	**(983)**	**(3,661)**
Other non-current operating income and expenses	(840)	(66)
Operating profit/(loss)	**(1,824)**	**(3,728)**
Income from cash and cash equivalents	0	0
Cost of gross financial debt	(119)	(200)
Cost of net financial debt	(119)	(200)
Other financial income/expenses	32	(4)
PROFIT/(LOSS) BEFORE TAX	**(1,911)**	**(3,933)**
Income tax	(88)	0
PROFIT/(LOSS) AFTER TAX	**(2,000)**	**(3,933)**
Profit/(loss) of associates	-	-
Net profit/(loss)	**(2,000)**	**(3,933)**
Non-controlling interests	-	-
NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	**(2,000)**	**(3,933)**

(D) CASH FLOW STATEMENT

In thousands of euros	31/03/2019	31/03/2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Consolidated net profit/(loss)	(2,000)	(3,933)
Elimination of the share of income of associates		
Elimination of amortisation, depreciation and provisions	571	781
Elimination of net profit on disposal and dilution gains and losses		
Income and expenses calculated on share-based payments		
Other non-cash income and expenses		
= CASH FLOW AFTER COST OF NET FINANCIAL DEBT AND TAX	**(1,428)**	**(3,152)**
Income tax expense	88	
Cost of net financial debt	119	200
= CASH FLOW BEFORE COST OF NET FINANCIAL DEBT AND TAX EXPENSE	**(1,221)**	**(2,952)**
Taxes paid	-	-
Change in working capital requirement related to operating activities(2)	1,340	2,740
= NET CASH FROM OPERATING ACTIVITIES	**119**	**(212)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Impact of changes in scope	-	-
Acquisitions of property, plant and equipment and intangible assets	-	-
Acquisition of financial assets	-	-
Disposal of property, plant and equipment and intangible assets	-	-
Disposal of financial assets	-	-
Change in loans and advances outstanding	-	-
= NET CASH FLOW FROM INVESTMENT ACTIVITIES	**-**	**-**
CASH FLOWS FROM FINANCING OPERATIONS		
Acquisition and disposal of treasury shares	-	-
Debt issuance	-	-
Debt repayment	-	-
Net interest paid	(119)	(200)
Dividends paid by the parent company	-	-
Dividends paid to non-controlling interests	-	-
Impact of exchange rate movements	-	-
Impact of changes in accounting principles		
Change in cash and cash equivalents	**0**	**(412)**

Note 9 CONTRIBUTED CAPITAL

9.1 COMPOSITION OF CONTRIBUTED CAPITAL

In thousands of euros	Number of ordinary shares	Par value	Amount of contributed capital	Value of additional paid-in capital	Total
AT 31 MARCH 2017	**62,904,186**	**1**	**62,904**	**18,642**	**81,548**
Capital increase [1]	276,657	1	277	2,022	2,299
AT 31 MARCH 2018	**63,180,843**	**1**	**63,181**	**20,664**	**83,845**

(1) The capital increase stems from the share of OENEO dividends paid in new shares for 276,657 ordinary shares at €1 nominal value.

In thousands of euros	Number of ordinary shares	Par value	Amount of contributed capital	Value of additional paid-in capital	Total
AT 31 MARCH 2018	**63,180,843**	**1**	**63,181**	**20,664**	**83,845**
Capital increase [1]	922,676	1	923	7,335	8,258
AT 31 MARCH 2019	**64,103,519**	**1**	**64,104**	**28,000**	**92,103**

(1) The capital increase stems from the share of OENEO dividends paid in new shares for 922,676 ordinary shares at €1 nominal value.

ALLOCATION OF FREE SHARES

Plan 10 – 22 July 2015

Free shares were awarded to senior executives and employees (107,425 shares).

The free shares will vest two or four years after the award date, provided the beneficiaries are still employees or corporate officers of the Group or one of its associates at the end of the vesting period, i.e. on 22 July 2017 or 22 July 2019.

The fair value of the free shares awarded in 2015 is €704 thousand. Vested shares are recognised in the income statement (employee benefits expense) with a corresponding entry to equity of €13 thousand.

Plan 11 – 25 July 2016

Free shares were awarded to senior executives and employees (116,800 shares). The share awards will vest after one or two years, namely on 25 July 2017 or 25 July 2018.

The fair value of the free shares awarded in 2016 is €844 thousand. Vested shares are recognised in the income statement (employee benefits expense) with a corresponding entry to equity of €9 thousand.

Plan 13 – 26 July 2017

Free shares were awarded to senior executives and employees (116,746 shares). The share awards will vest after one or two years, namely on 26 July 2018 or 26 July 2019.

The fair value of the free shares awarded in 2017 is €1,016 thousand. Vested shares are recognised in the income statement (employee benefits expense) with a corresponding entry to equity of €343 thousand.

Plan 14 – 26 July 2017

Free shares were awarded to a senior executive (26,420 shares).

The share awards will vest after a year, namely on 26 July 2018. The performance criteria retained led to the distribution of 19,551 shares out of 26,420.

The fair value of the free shares awarded in 2017 is €182 thousand. Vested shares are recognised in the income statement (employee benefits expense) with a corresponding entry to equity of €17 thousand.

Plan 15 – 26 July 2018

Free shares were awarded to senior executives and employees (81,178 shares). The share awards will vest after one or two years, namely on 26 July 2019 or 26 July 2020.

The fair value of the free shares awarded in 2018 is €792 thousand. Vested shares are recognised in the income statement (employee benefits expense) with a corresponding entry to equity of €523 thousand.

Plan 16 – 26 July 2018

Free shares were awarded to a senior executive (26,420 shares).

The share awards will vest after a year, namely on 26 July 2019.

The fair value of the free shares awarded in 2018 is €242 thousand. Vested shares are recognised in the income statement (employee benefits expense) with a corresponding entry to equity of €164 thousand.

The total expense for the rights vesting under plans 10 to 16 was €1,069 thousand at 31 March 2019 (see. 3. Consolidated statement of changes in equity).

	Free shares *(units)*
AT 31 MARCH 2017	**269,597**
Awarded	143,166
Distributed	(256,397)
Void	-
AT 31 MARCH 2018	**156,366**
Awarded	107,598
Distributed	(136,335)
Void	(9,089)
AT 31 MARCH 2019	**118,540**

Note 10 RESERVES AND RETAINED EARNINGS

In thousands of euros	Legal Reserve	Group consolidation reserve	Group translation reserve	Total attributable to equity holders of the parent
BALANCE AT 31 MARCH 2017	**6,209**	**97,508**	**3,469**	**107,187**
Foreign currency translation reserve	-	-	(2,792)	(2,792)
Actuarial gains and losses, net of tax	-	(231)	-	(231)
Deferred taxes on convertible bond subscription fees (equity)	-	-	-	-
Other financial instruments	-	31	-	31
INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	**6,209**	**97,308**	**677**	**104,194**
Allocation of earnings	-	26,412	-	26,412
Dividends	-	(8,843)	-	(8,843)
Convertible bonds	-	-	-	-
Treasury shares and share-based payments	-	(2,605)	-	(2,605)
BALANCE AT 31 MARCH 2018	**6,209**	**112,271**	**677**	**119,158**
Foreign currency translation reserve	-	-	1,572	1,572
Actuarial gains and losses, net of tax	-	(73)	-	(73)
Other financial instruments	-	10	-	10
INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	**6,209**	**112,208**	**2,249**	**120,666**
Allocation of earnings	-	26,603	-	26,603
Dividends [1]	-	(9,500)	-	(9,500)
Treasury shares and share-based payments	-	1,051	-	1,051
Other changes	-	(7)	-	(7)
BALANCE AT 31 MARCH 2019	**6,209**	**130,356**	**2,249**	**138,815**

(1) Dividends are set out in the consolidated financial statement "Consolidated statement of changes in equity".

Note 11 LOANS AND OTHER BORROWINGS

11.1 BREAKDOWN OF LOANS AND OTHER BORROWINGS ACCORDING TO THE TYPE OF FUNDING

In thousands of euros	March 2019	March 2018
Bank loans > 1 year [a]	39,781	57,580
Lease financing [b]	3,894	6,403
Financial instruments [d]	52	68
Other borrowings [e]	2,742	3,441
NON-CURRENT LOANS AND OTHER BORROWINGS	**46,469**	**67,492**
Bank loans < 1 year [a]	41,292	24,791
Short-term bank borrowings < 1 year [c]	8,497	4,162
Lease financing [b]	3,252	3,441
Other borrowings [e]	708	1,776
CURRENT LOANS AND OTHER BORROWINGS	**53,749**	**34,170**
TOTAL LOANS AND OTHER BORROWINGS	**100,218**	**101,662**

These consist of:

(a) Bank loans

The Group has €81.1 million in bank borrowings, comprised as follows:

- €31.0 million for financing of investments in Spain, of which €3.0m released on 5 September 2018 and €5.0m on 20 November 2018;
- €1.0 million in finance for Boisé France;
- €1.3 million in finance for Seguin Moreau (1);
- €5.9 million spot draw at SMNC (2);
- €33.6 million in financing following the acquisition of Piedade SA (3);
- €3.2 million for the acquisition of Cenci (4);
- €4.4 million for the investment in the Diamant III plant in France;
- €1.2 million for various subsidiaries.

Apart from covenants relative to financing of the Piedade acquisition (3), the short-term credit line in the US (2), loans concerning investments by Seguin Moreau (1) and the loan for the acquisition of Cenci (4), which were respected on 31 March 2019, the Group is not subject to any other covenants on the debt presented above.

■ Notes

In the United States: Seguin Moreau Napa Cooperage has a line of credit for a maximum of USD 12.0 million, expiring on 20 January 2020.

In France, the Group has a total short-term bilateral facility of €38 million, granted until 30 April 2020 (including €3 million confirmed until 30 April 2020 and €7 million confirmed for an indefinite period), along with an additional €50 million credit facility for a maximum of seven years, bringing the available total to €83 million. These facilities were not in use at 31 March 2019.

(b) Lease financing

Finance lease liabilities mainly consist of €18.5 million in equipment finance arranged in 2014/2015 for the Diamant III plant. Of this, €5.9 million was still outstanding at the end of March 2019.

(c) Short-term bank borrowings

On 31 March 2019, short-term bank borrowings mainly comprised the factoring line in Portugal for €3.5 million and Spain for €4.9 million.

■ Note

In Spain: A €7.5 million factoring line for trade receivables has been negotiated with a one month Euribor rate plus a spread. On 31 March 2019, €3.3 million of this line had been used.

A discounting line was also negotiated for €18.0 million. On 31 March 2019, €1.6 million of this line had been used.

In Italy: the Italian subsidiary has access to a short-term discounting line for its trade receivables totalling €180 thousand and a factoring agreement for its trade receivables for a maximum of €700 thousand, which is unused.

(d) Financial instruments

A new hedging interest rate swap has been arranged for OENEO and Diam France. The swaption was valued at -€52.3 thousand at 31 March 2019 and qualifies as a cash flow hedge. It is allocated as follows:

- OENEO: €0.7 thousand;
- Diam France: €51.6 thousand.

(e) Other financial liabilities

At 31 March 2019, other financial liabilities totalled €3.3 million. These are mainly composed of:

- loans of €1.6 million with BPI;
- a liability concerning the integration of Piedade for €1.3 million with IAPMEI (Portuguese agency for competitiveness and innovation);
- a liability of €0.4m (accrued interest, deposit and guarantees...).

11.2 DEBT REPAYMENT SCHEDULES

The repayment schedule for other borrowings recognised in the statement of financial position is as follows:

In thousands of euros	March 2019	March 2018
Within 1 year	53,749	34,170
1 to 5 years	45,877	65,918
Beyond 5 years	592	1,574
TOTAL LOANS AND OTHER BORROWINGS	**100,218**	**101,662**

The increase in borrowings of less than one year was due to the use of the credit line in Portugal and Spain.

11.3 BREAKDOWN BY TYPE OF RATE

The breakdown by type of rate on loans and other borrowings is as follows:

	March 2019		
In thousands of euros	Euro zone	Other	Total
Fixed rate	77,294	-	77,294
Floating rate	17,050	5,874	22,924
TOTAL BY RATE	**94,344**	**5,874**	**100,218**

The net position of floating-rate debt is as follows:

In thousands of euros	March 2019	March 2018
Level of medium/long-term floating-rate debt	11,823	24,965
Level of short-term floating-rate debt	11,101	5,248
TOTAL FLOATING-RATE DEBT	**22,924**	**30,213**
Interest rate swaps outstanding	(7,422)	(10,693)
NET POSITION AFTER HEDGING	**15,502**	**19,520**

11.4 BREAKDOWN BY CURRENCY

In thousands of euros	March 2019	March 2018
EUR	94,344	101,662
USD	5,874	-
TOTAL	**100,218**	**101,662**

Note 12 EMPLOYEE BENEFIT OBLIGATIONS

In thousands of euros	March 2019	March 2018
Provisions for retirement obligations	3,340	3,352
Provisions for long-service awards	79	79
TOTAL EMPLOYEE BENEFIT OBLIGATIONS	**3,419**	**3,431**

The retirement obligations of the OENEO Group's French companies are funded on the basis of the cost method in proportion to length of service. The Group calculates the provision taking into account staff turnover, life expectancy, wage growth and discounting of sums payable.

The other criteria used for the calculation are:

- annual salary increase rate:
  - 2.0% non-managers,
  - 2.5% managers;
- annual inflation rate: 2.0%;
- Iboxx AA10+ discount rate: 1.15%;
- retirement age: between 60 and 67 years;
- voluntary retirement terms: 100%;
- statutory mortality rate prescribed by the French Insurance Code: INSEE 2014-2016.

The impact on profit or loss for the period of employee benefit obligations is €143 thousand.

The impact on reserves for the period of actuarial gains and losses (application of the revised IAS 19) for employee retirement benefit obligations is -€82 thousand before tax. In addition, the provision for the retirement benefits of the founders of the subsidiary Pietec stands at €1,627 thousand.

Note 13 PROVISIONS FOR LIABILITIES AND CHARGES

In thousands of euros	March 2018	Additions	Reversals, amounts used	Reversals, amounts not used	Reclass	Foreign currency translation reserve	Change in scope	March 2019
Disputes (1)	949	96	-	-	-	-	-	1,045
Restructuring	11	-	-	-	-			11
TOTAL NON-CURRENT PROVISIONS	**960**	**96**	**-**	**-**	**-**	**-**	**-**	**1,056**
Disputes (1)	240	370	(70)	(50)	-	-	-	490
Restructuring	-	-	-	-	-		-	-
Tax risks (2)	116	-	-	-	-	-	-	116
Other risks	230	-	(230)	-	-	-	-	-
TOTAL CURRENT PROVISIONS	**586**	**370**	**(300)**	**(50)**	**-**	**-**	**-**	**606**

(1) The Group automatically accrues provisions for any dispute with a third party if this is legal or contractual in nature (civil liability for damages caused to another person or non-fulfilment of a contractual obligation prior to the reporting date, even if such damage is discovered after the reporting date). Since 2002, the Group has improved its dispute monitoring procedures, particularly for customer disputes. All customer complaints are entered in a database, enabling them to be identified and individually followed up. Accrued provisions include compensation or damages potentially payable to customers. The Group estimates how much it could have to pay out following a settlement or court ruling, taking into account the direction of exchange rates. They include employee disputes and ancillary expenses that may be incurred, such as legal or consulting fees and court costs. For each dispute, the Group considers whether its insurer might cover the dispute. Provisions are adjusted according to the latest information available at each reporting date.

On 31 March 2019, provisions for disputes primarily concerning the Closures division, namely: €96 thousand for social disputes and €343 thousand for various third party disputes.

(2) The provision for tax risk set aside in 2017/2018, follows the tax inspection of a French subsidiary.

Note 14 OTHER CURRENT AND NON-CURRENT LIABILITIES

In thousands of euros	March 2019	March 2018
Other non-operating liabilities	-	52
Deferred income (1)	8,648	8,587
TOTAL OTHER NON-CURRENT LIABILITIES	**8,648**	**8,639**
Deferred income (1)	324	998
Tax liabilities	3,488	2,162
Other operating liabilities (2)	-	9,494
TOTAL OTHER CURRENT LIABILITIES	**3,812**	**12,654**

(1) The "deferred income" line item primarily includes investment grants recognised by Diam Corchos SA, Diamant Technologie, Diam Bouchage, Sambois and Diam France for €7.9 million.

(2) The investment programme destined for the Group's managers ended on 31 March 2018. Implemented during 2013/2014 in return for a €0.9 million investment, in the form of ordinary and preference shares, in the Diam Bouchage and Seguin Moreau & Cie companies, the programme associated the management team with value creation over the medium/long terms. Its unwinding resulted in the payment of €9.5 million during the second half of 2018/2019, presented in "Other current operating liabilities" on 31 March 2018 and recognised gradually as the plan materialised since 2013/2014.
Given the lack of a new contractualised plan during 2018/2019, no IFRS 2 expense was recognised on 31 March 2019 (vs. a current expense of €1.8 million on 31 March 2018).

Note 15 REVENUE

In thousands of euros	March 2019	March 2018	Variation
France	79,052	71,027	8,025
Export	189,114	177,591	11,523
TOTAL REVENUE	**268,166**	**248,618**	**19,548**

Note 16 EMPLOYEE BENEFITS EXPENSE

In thousands of euros	March 2019	March 2018
Salaries and wages (1)	(34,368)	(34,320)
Social security contributions (2)	(13,390)	(12,940)
Employee profit-sharing	(1,165)	(1,096)
Provisions for retirement benefit obligations	(143)	(67)
TOTAL EMPLOYEE BENEFITS EXPENSE	**(49,066)**	**(48,423)**

(1) On 31 March 2018 this amount included an IFRS 2 expense of €1.8m.

(2) On 31 March 2019 this amount included income of €510 thousand relating to the competitiveness and employment tax credit (CICE) compared with €717 thousand on 31 March 2018.

Average headcount:

	March 2019	March 2018	Variation in numbers	Variation as a percentage
Average headcount	1,118	1,104	14	1.3%

Note 17 OTHER NON-CURRENT OPERATING INCOME AND EXPENSES

In thousands of euros	March 2019	March 2018
Disputes [1]	(262)	(148)
Restructuring [2]	(245)	(1,152)
Tax risks		(104)
Other [3]	(1,296)	(1,423)
TOTAL OTHER NON-CURRENT OPERATING INCOME AND EXPENSES	**(1,803)**	**(2,827)**

(1) Includes expenses for disputes with third parties.
(2) Includes primarily the cost of departures and restructuring at Piedade (excluding the natural and agglomerated corks/disk activities of Piedade which are booked in accordance with IFRS 5 on 31 March 2019).
(3) Includes industrial incident costs for €0.3 million and acquisition costs for €0.4 million.

Changes in provisions for liabilities and charges are detailed in Note 13.

Note 18 OTHER FINANCIAL INCOME AND EXPENSES

-

In thousands of euros	March 2019	March 2018
Net profit/ financial assets (Excl. cash equivalents)	6	1
Other net financial expense	(162)	(53)
Other net financial income	87	53
TOTAL OTHER FINANCIAL INCOME AND EXPENSES EXCLUDING FOREIGN EXCHANGE	**(69)**	**1**
Foreign exchange gains	885	393
Foreign exchange losses	(828)	(1,305)
NET FOREIGN EXCHANGE TRANSACTIONS [1]	**57**	**(912)**
TOTAL OTHER FINANCIAL INCOME AND EXPENSE	**(12)**	**(911)**

(1) On 31 March 2018, these operations included net underlying exchange losses of €0.9m on the translation into euros of intragroup debts stemming from foreign subsidiaries (USD, AUD, ARS, CLP) affected by the stronger euro.

Note 19 BREAKDOWN OF INCOME TAX

In thousands of euros	March 2019	March 2018
Tax payable [1]	(10,962)	(9,097)
Deferred tax	565	(1,977)
TOTAL INCOME TAX	**(10,397)**	**(11,074)**

(1) o/w -€989 thousand relative to the business contribution on value added (CVAE) vs. -€937 thousand on 31 March 2019.

Note 20 EARNINGS PER SHARE

20.1 DILUTIVE INSTRUMENTS

At 31 March 2019, the number of securities convertible to equity was as follows:

	Number of securities	Giving rights to number of securities
Shares [1]	63,160,844	63,160,844
Free shares	156,366	156,366
TOTAL	**63,317,210**	**63,317,210**

(1) The number of shares indicated excludes treasury shares.

20.2 EARNINGS PER SHARE

The level of earnings taken into account is that accruing to the consolidating entity, i.e. "Net profit attributable to equity holders of the parent". Basic earnings per share are obtained by dividing profit attributable to equity holders of the parent by the weighted average number of shares outstanding during the period.

In thousands of euros	March 2019	March 2018
Net profit from consolidated entities – Group share	25,349	26,603
Net profit from continuing operations – Group share	27,349	30,536
Weighted average number of shares outstanding	63,676,897	62,626,686
Earnings per share from consolidated entities *(euros per share)*	0.40	0.42
Earnings per share from continuing operations *(euros per share)*	0.43	0.49

20.3 DILUTED EARNINGS PER SHARE

The level of earnings taken into account is Net profit attributable to equity holders of the parent. The weighted average number of shares is adjusted for the maximum impact of the conversion of the dilutive instruments into ordinary shares.

Dilutive instruments are instruments that can be converted into equity of the parent company (e.g. convertible bonds or warrants), where any future issuance of ordinary shares leads to a reduction in earnings per share.

For the calculation, all dilutive instruments issued by the parent company are used, regardless of their term and the likelihood of conversion into ordinary shares, treating each instrument separately, from the most to the least dilutive.

The weighted average number of ordinary shares outstanding, used in the calculation of (basic) earnings per share, is adjusted for the number of shares that would be created as a result of the conversion of the convertible bonds.

In thousands of euros	March 2019	March 2018
Net profit from consolidated entities – Group share	25,349	26,603
Net profit from continuing operations – Group share	27,349	30,536
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	63,796,101	62,829,452
Diluted earnings per share from consolidated entities *(euros per share)*	0.40	0.42
Diluted earnings per share from continuing operations *(euros per share)*	0.43	0.49

Note 21 ANALYSIS OF NET CASH AND CASH EQUIVALENTS AND FINANCIAL DEBT

21.1 ANALYSIS OF NET CASH AND CASH EQUIVALENTS

In thousands of euros	Note	March 2019	March 2018
Bank accounts		9,916	18,155
SUB-TOTAL CASH		**9,916**	**18,155**
Marketable securities – gross		30,081	35,038
Cash assets	**7**	**39,997**	**53,193**
Bank accounts		(8,497)	(4,162)
Cash liabilities	**11**	**(8,497)**	**(4,162)**
NET CASH AND CASH EQUIVALENTS		**31,500**	**49,031**

21.2 ANALYSIS OF NET FINANCIAL DEBT

In thousands of euros	Note	March 2019	March 2018
Bank loans		(81,073)	(82,371)
Short-term bank borrowings		(8,497)	(4,162)
Bond debt		-	-
Lease financing		(7,146)	(9,844)
Financial instruments		(52)	(68)
Other financial liabilities		(3,450)	(5,217)
GROSS FINANCIAL LIABILITIES	**11**	**(100,218)**	**(101,662)**
Cash and cash equivalents		39,997	53,193
FINANCIAL ASSETS	**7**	**39,997**	**53,193**
NET FINANCIAL DEBT		**(60,221)**	**(48,469)**

Note 22 SEGMENT REPORTING

The information presented is based on internal reporting used by management to assess the performance of different segments.

The benchmark used is current operating profit.

OENEO Group management identifies three operating segments:

- Winemaking, which comprises wine ageing activities;
- Closures, which comprises wine closure activities;
- other activities (holding company).

The Company's chief operating decision maker within the meaning of IFRS 8 is the Chief Executive Officer.

OPERATING SEGMENTS

	Income statement/statement of financial position March 2019					Income statement/statement of financial position March 2018				
In thousands of euros	W	C	H	I		W	C	H	I	Total
Revenue	92,279	175,887	-	-	268,166	85,518	163,100	-	-	248,618
Current operating profit/ (loss)	14,415	28,872	(2,832)	-	40,455	16,505	33,764	(3,815)	-	46,454
Total assets	163,133	249,539	123,388	(121,449)	437,939	145,088	244,357	142,828	(110,201)	422,072
Acq. prop., plnt & eqpmt	2,359	5,520	75	-	7,954	2,579	14,796	88	-	17,463
Acq. intang. assets	223	321	3	-	547	165	223	46	-	434
Depreciation, amort. and provisions	(3,245)	(9,352)	176	-	(12,421)	(1,667)	(5,983)	(268)	-	(7,918)
Capital employed	126,306	201,438	(16,983)	-	310,761	114,212	153,896	(1,387)	-	266,721
ROR (Return on revenue)	16%	16%	-	-	-	19%	21%	-	-	-
ROCE (Return on capital employed)	11%	14%	-	-	-	14%	22%	-	-	-
Total liabilities excluding equity	77,422	177,012	48,277	(121,168)	181,543	64,590	176,296	61,392	(109,944)	192,334

W: Winemaking, C: Closures, H: Holding, I: intersegment elimination.*

* *So that operating segments only cover their own expenses, the cost of funding in relation to OENEO's financial position and the costs of running a listed holding company have remained at the holding company level.*

GEOGRAPHICAL REGIONS

In the table below: revenue is presented by destination of products sold, and investments and assets by geographical location of the consolidated subsidiary.

In accordance with IFRS 8, the non-current assets to be presented by geographical region are non-current assets other than financial instruments and deferred tax assets and surpluses paid on retirement benefit obligations.

BREAKDOWN IN REVENUE BY GEOGRAPHIC REGION

In thousands of euros	March 2019	March 2018
France	79,052	71,027
Europe	108,398	100,540
Americas	61,654	58,500
Oceania	5,650	7,603
Rest of the world	13,412	10,948
TOTAL REVENUE	**268,166**	**248,618**

ASSETS BY GEOGRAPHICAL REGION

In thousands of euros	March 2019	March 2018
France	289,140	280,052
Europe	103,492	96,711
Americas	40,789	40,291
Oceania	4,398	4,886
Rest of the world	120	132
TOTAL ASSETS	**437,939**	**422,072**

BREAKDOWN OF NON-CURRENT ASSETS EXCLUDING TAXES AND FINANCIAL ASSETS BY GEOGRAPHICAL REGION

In thousands of euros	March 2019	March 2018
France	75,603	72,405
Europe	88,987	89,429
Americas	8,415	8,146
Oceania	588	592
Rest of the world	-	-
TOTAL NON-CURRENT ASSETS EXCLUDING TAXES AND FINANCIAL ASSETS	**173,593**	**170,572**

Note 23 HEADCOUNT

	Average headcount		Headcount at year-end	
	March 2019	March 2018	March 2019	March 2018
Management level	166	161	171	163
Technicians	141	136	147	134
Employees	100	106	95	98
Workers	711	701	689	697
TOTAL HEADCOUNT	**1,118**	**1,104**	**1,102**	**1,092**
Of which:				
– Closures	681	725	662	722
– Winemaking	428	370	432	362
– Holding	9	8	9	8

Note 24 CONTINGENT LIABILITIES

At the reporting date, we were not aware of any contingent liabilities likely to impact the Group's consolidated financial statements.

Note 25 DIVIDENDS

The Combined General Meeting of 26 July 2018 approved the distribution of a dividend of €0.15 per share. Shareholders could opt for payment of the dividend in cash or in new shares. Shareholders opting for share-based payment could do so from 31 July 2018 until 7 September 2018. Shareholders who opted for share-based payment represented 87.12% of OENEO shares. The cash dividend was settled on 17 September 2018 for a total of €1,158,134.

Note 26 RELATED PARTY TRANSACTIONS AND EXECUTIVE COMPENSATION

RELATED PARTY TRANSACTIONS

In thousands of euros	March 2019	March 2018
On the income statement		
Revenue [1]	4,573	4,903
Purchases [1]	(34)	(37)
Services [2]	(350)	(439)
On the statement of financial position		
Trade receivables [1]	340	232
Trade payables [2]	(2)	(267)

(Gross amounts, excluding social surplus).

(1) Various OENEO Group companies, both in Closures and Winemaking, are suppliers to the Rémy Cointreau Group, of which Andromède is also a shareholder through the company Orpar.

(2) The Andromède agreement relates to Group financial audit and management services provided by Andromède to OENEO SA. OENEO pays a flat-rate fee (excluding tax) for the services rendered.

COMPENSATION OF EXECUTIVES AND OTHER MEMBERS OF THE BOARD OF DIRECTORS

The Board of Directors defines compensation arrangements based on recommendations from the Compensation Committee.

The Board of Directors approves performance criteria primarily based on the financial indicators to be taken into account when setting executive pay.

In thousands of euros	March 2019	March 2018
Management bodies (fixed, performance-related and director's fees)	388	452
Other members of the Board of Directors (directors' fees)	253	255
TOTAL SHORT-TERM BENEFITS (GROSS AMOUNTS, EXCLUDING AMOUNTS EXCEEDING SOCIAL PAYMENT ALLOWANCES)	**641**	**707**
Post-employment benefits		-
Other long-term benefits and termination benefits		175
Expenses related to share plan and similar schemes	278	490
TOTAL COMPENSATION	**919**	**1,372**

Compensation presented in March 2018 included the remaining costs for changing governance at OENEO as well as the last instalment of the management incentive plan for a total amount of €350 thousand.

Note 27 OFF-BALANCE SHEET COMMITMENTS

Monitoring off-balance sheet commitments is reported twice a year at the level of the Group's finance department, through audits of the accounts of subsidiaries and consolidation of the Group accounts. In addition, significant off-balance sheet commitments require prior authorisation from the Group's finance department as a minimum.

OFF-BALANCE SHEET COMMITMENTS RELATING TO ORDINARY OPERATIONS

In thousands of euros	March 2019	March 2018
Guarantees, security and collateral given (1)	8,705	8,705
Forward purchases of foreign currency (2)	0	1,425
Interest rate swap (3)	7,421	10,693
Property lease payments not yet due (4)	3,353	967
TOTAL OFF-BALANCE SHEET COMMITMENTS	**19,479**	**21,790**

(1) This amount corresponds to:
- collateral security given by OENEO to the SGN bank on 9 December 2009 in respect of a bank facility arranged for the Boisé & France subsidiary for €1,529 thousand;
- collateral security given to the Novo Banco bank in respect of a bank facility arranged for Piedade for €4,625 thousand;
- guarantees, security and collateral given by OENEO to third parties in connection with the acquisition of PIEDADE for €2,551 thousand.

(2) No forward purchases of US currencies.

(3) This amount corresponds to interest rate hedging designed to reduce the Group's exposure to risks associated with interest rate fluctuations as follows:
- swaps by OENEO with the Palatine bank for a notional amount of €466 thousand at 31 March 2019;
- swaps by Diam France with LCL bank for a notional amount of €6,955 thousand at 31 March 2019;
- forward purchases of US currencies from LCL bank for €0 thousand.

(4) Property lease payments not yet due represent the sums for which the Group companies in question would remain liable despite termination on their part, pursuant to applicable contractual and regulatory provisions. The table below details the schedule for the outstanding main lease payments.

In thousands of euros	March 2019	March 2018
Within 1 year	666	302
1 to 5 years (1)	1,955	665
Over 5 years	732	-
MINIMUM PROPERTY LEASE PAYMENTS PAYABLE	**3,353**	**967**

(1) In the US, the lease of a storage warehouse, maturing in May 2019, was renewed during 2018 for a maturity now in April 2027.

COMPLEX OFF-BALANCE SHEET COMMITMENTS

The Group has not reported any complex off-balance sheet commitments.

Note 28 EVENTS AFTER THE REPORTING PERIOD

On 4 June 2019, as an extension of last year's decision to withdraw from the natural and agglomerated cork/disk business, the OENEO Group announced that it would close the traditional cork production workshops operated by the Piedade group.

Note 29 NOTES ON THE CONSOLIDATED STATEMENT OF CASH FLOWS

CHANGE IN WORKING CAPITAL REQUIREMENT

In thousands of euros	31/03/2019	31/03/2018
Impact of the change in net inventory and work in progress	(15,207)	(3,172)
Impact of the change in trade receivables and other net debtors	(9,087)	(11,125)
Impact of the change in trade payables and other creditors	(11,940)	987
IMPACT OF CHANGE IN WCR RELATING TO OPERATING ACTIVITIES	**(36,234)**	**(13,310)**

Change in suppliers & other creditors includes the payment of €9.5 million for the manager incentive programme mentioned in Note 14.

For information, balance sheet flows relative to the IFRS reclassification were impacted by €5 million with no cash effect.

CASH FLOWS RELATING TO ASSET PURCHASES

In thousands of euros	31/03/2019	31/03/2018
Purchases of intangible assets	(547)	(434)
Purchases of property, plant and equipment	(7,994)	(17,463)
Acquisition of financial assets	(72)	(176)
TOTAL PURCHASES DURING THE PERIOD	**(8,613)**	**(18,073)**
Deferred payments	(2,754)	1,584
TANGIBLE, INTANGIBLE AND FINANCIAL INVESTMENTS PAID	**(11,367)**	**(16,489)**

CASH FLOWS RELATING TO ACQUISITIONS/DISPOSALS OF CONSOLIDATED COMPANIES AND OPERATIONS

In thousands of euros	31/03/2019	31/03/2018
Amount spent on new acquisitions over the year	(4,320)	(208)
Amount cashed for disposals over the year	-	-
Cash acquired/disposed	141	90
Amount spent for acquisitions in previous years	-	-
ACQUISITIONS/DISPOSALS OF CONSOLIDATED COMPANIES AND OPERATIONS, NET OF ACQUIRED CASH	**(4,179)**	**(118)**

CASH FLOW FROM BOND ISSUANCE REDEMPTION

		Cash effect	Non-cash effect				
In thousands of euros	31/03/2018	Change in cash and cash equivalents	IFRS 5 reclassifications	Accrued interest	Foreign currency translation reserve	Changes in scope	31/03/2019
Loans and other borrowings	97,390	(7,117)			207	1,167	91,649
Interest	109	(1,037)	(119)	1,117			72
Short-term bank borrowings	4,162	4,138			0	196	8,497
TOTAL FINANCIAL LIABILITIES	**101,662**	**(4,015)**	**(119)**	**1,117**	**207**	**1,364**	**100,218**

Note 30 BREAKDOWN OF FINANCIAL INSTRUMENTS BY CATEGORY

MARCH 2019

In thousands of euros	Available-for-sale assets	Loans and receivables	Fair value through profit or loss	Hedging derivatives	Debt at amortised cost	Carrying amount	Fair value
Assets							
Non-current assets							
Non-current financial assets	-	973	-	-	-	973	973
Current assets							
Trade and other receivables	-	86,187	-	-	-	86,187	86,187
Cash and cash equivalents	-	9,916	30,081	-	-	39,997	39,997
Liabilities							
Non-current liabilities							
Non-current loans and other borrowings	-	-	-	-	46,417	46,417	46,417
Financial instruments	-	-	-	52	-	52	52
Other non-current financial liabilities	-	-	-	-	-	-	-
Current liabilities							
Loans, other borrowings and bank borrowings	-	-	-	-	53,749	53,749	53,749
Financial instruments	-	-	-	-	-	-	-
Trade and other payables	-	-	-	-	60,921	60,921	60,921
Other current financial liabilities	-	-	-	-	-	-	-

MARCH 2018

In thousands of euros	Available-for-sale assets	Loans and receivables	Fair value through profit or loss	Hedging derivatives	Debt at amortised cost	Carrying amount	Fair value
Assets							
Non-current assets							
Non-current financial assets	-	842	-	-	-	842	842
Current assets							
Trade and other receivables	-	70,494	-	-	-	70,494	70,494
Cash and cash equivalents	-	18,155	35,038	-	-	53,193	53,193
Liabilities							
Non-current liabilities							
Non-current loans and other borrowings	-	-	-	-	67,424	67,424	67,424
Financial instruments	-	-	-	68	-	68	68
Other non-current financial liabilities	-	-	-	-	-	-	-
Current liabilities							
Loans, other borrowings and bank borrowings	-	-	-	-	34,170	34,170	34,170
Financial instruments	-	-	-	-	-	-	-
Trade and other payables	-	-	-	-	57,613	57,613	57,613
Other current financial liabilities	-	-	-	-	-	-	-

2.3 STATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the General Shareholders' Meeting of OENEO,

OPINION

In compliance with the assignment entrusted to us by your General Shareholders' Meeting, we have audited OENEO's consolidated financial statements for the financial year ended 31 March 2019, as appended to this report.

In our opinion, the consolidated financial statements give a true and fair view of the past financial year's results from operations, as well as the financial position and assets and liabilities at year-end of the Group comprising the persons and entities included in the scope of consolidation, in accordance with the International Financial Reporting Standards adopted by the European Union.

The above opinion is consistent with the content of our report to the Audit Committee.

BASIS OF OUR OPINION

Auditing standards

We conducted our audit in accordance with the professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are set out in this report, in the section entitled "Auditors' responsibilities regarding the audit of the consolidated financial statements".

Independence

We performed our audit from 1 April 2018 to the date of issue of our report, in compliance with the independence rules applicable to us. In this respect, we did not provide any of the services prohibited under Article 5, paragraph 1 of EU Regulation no. 537/2014 or by the French Code of Ethics for Statutory Auditors.

Moreover, during the financial year, in addition to the certification of the financial statements, we provided your company and the entities it controls with the following services, which are not mentioned in the management report or the notes to the consolidated financial statements:

- tasks performed pursuant to legal and regulatory requirements:
  - for the issuance of shares and other marketable securities with or without preferential subscription rights,
  - regarding the option for the payment of dividends in shares,
  - for the capital increase reserved for participants in a company savings plan,
  - for the capital reduction through the cancellation of purchased shares;
- tasks performed by one of OENEO's Statutory Auditors (Deloitte & Associés), appointed as independent third party, concerning the consolidated environmental, social, and governance information included in the management report;
- due diligence on company acquisitions.

BASIS OF OUR ASSESSMENTS – KEY POINTS OF THE AUDIT

In accordance with the provisions of Articles L. 823-9 and R. 823-7 of the French Commercial Code relative to the basis of our assessments, we wish to draw your attention to the key points of the audit relative to the risks of material misstatement which, in our professional opinion, were most significant for the audit of the year's consolidated financial statements, and the way in which we dealt with those risks.

Our assessments are based on the audit of the consolidated financial statements taken as a whole and on the opinion we formed as stated above. We do not express an opinion on individual components of the consolidated financial statements.

■ Assessment of the Goodwill of the Closures and Winemaking Divisions

IDENTIFIED RISK

At 31 March 2019, goodwill was recognised in the consolidated balance sheet for a net book value of €46,417 thousand, representing 11% of total assets. Every year, the management ensures that the net book value of this goodwill does not exceed its recoverable value and does not present a risk of impairment.

We have considered the assessment of the goodwill as a key point in our audit in view of (i) the significance of these assets in the consolidated balance sheet, (ii) the importance of the management's judgements regarding estimated future cash flows, the growth rate used for cash flow projections, and the discount rate applied to them.

The methods used for the impairment tests and the assumptions made are set out in paragraphs "2. Goodwill" and "4. Fixed assets - Recoverable amount of assets" of section A. "Accounting Policies and Measurements Bases" and in Note 1 "Goodwill" of section D "Notes to the consolidated financial statements". The recoverable amounts for the Closures and Winemaking divisions were determined on the basis of the value in use, calculated using the discounted value of the estimated future cash flows expected from the Group of assets making up each of the divisions.

RESPONSE

We examined the compliance of the method used by the Company with applicable accounting standards.

We also performed a critical review of the way in which this methodology was implemented, and verified aspects including the following:

- the exhaustiveness of the items making up the carrying amount of the Closures and Winemaking divisions' groups of cash generating units, and the consistency of the measurement of this amount with the estimated future cash flows used for the determination of the value in use;
- the reasonableness of the estimated future cash flows, in view of the economic and financial contexts in which the Closures and Winemaking divisions operate;
- the consistency of the perpetual growth rate used for the standard cash flow with market forecasts;
- the calculation of the discount rate applied to the Closures and Winemaking divisions' estimated future cash flows, by verifying that the various factors determining the weighted average cost of capital for the Closures and Winemaking divisions' groups of cash generating units are such that the return on these activities is in line with market players' current expectations;
- the management's analysis of the sensitivity of the value in use to a change in the main assumptions used.

Lastly, we verified that the notes provided appropriate information.

■ Disposal of natural corks, and halt to agglomerated corks and stoppers operations – presentation and assessment of discontinued operations

IDENTIFIED RISK

At 31 March 2019, the Group had engaged in a plan to dispose of its natural corks operations (Pienat), performed by certain companies of the Piedade Group. The agglomerated corks and stoppers operations were discontinued during the second half of 2018/2019. The Group considers that the IFRS 5 classification criteria for "Non-current assets held for sale and discontinued operations" had been complied with at 31 March 2019. The above mentioned operations have been assessed, recognised and presented on a separate line of the consolidated income statement – "Net profit/(loss) from discontinued operations" – and their assets, liabilities and cash flows have been presented on a separate line of the consolidated statement of financial position and consolidated statement of cash flows.

At 31 March 2019, these operations had generated revenue of €12,838 thousand, accounting for 5% of consolidated revenue, and a loss of €2,000 thousand.

Information on the discontinued operations is presented in the consolidated income statement, the consolidated balance sheet and the consolidated cash flow statement, as well as in paragraph "5. Non-current assets held for sale and discontinued operations" of section A "Accounting policies and measurement bases" and Note 8 "Assets, liabilities and income statement for activities destined to be sold off" of section D of "Notes to the financial statements" in the notes to the consolidated financial statements.

We have considered the accounting of the planned disposal of the natural corks activities and the discontinuation of the agglomerated corks and stoppers operations as a key point of the audit in view of (i) the judgement required for the application of the IFRS 5 rules concerning the presentation and measurement of discontinued operations and assets held for sale and (ii) the materiality of the planned disposal for the Group.

RESPONSE

Our approach mainly consisted in:

- validating the appropriateness of the classification of the planned disposal with respect to IFRS 5 requirements;
- obtaining from the management the relevant data supporting the reclassifications on the consolidated balance sheet and consolidated income statement for the financial year ending 31 March 2019 and verifying the exhaustiveness of these reclassifications;
- appraising the methods used to determine the fair value less estimated selling costs and thus validate the net book value of the assets and liabilities held for sale as recognised in the consolidated balance sheet;
- appraising the appropriateness of the information provided in the notes to the financial statements.

SPECIFIC VERIFICATIONS

In accordance with professional standards applicable in France as well as the specific verifications required by law and regulations, we also verified the information about the Group presented in the Board of Directors' management report.

We have no matters to report as to its fair presentation and consistency with the consolidated financial statements.

We certify that the consolidated non-financial performance statement planned for in Article L. 225-102-1 of the French Commercial Code is presented in the Group's management reported, and that in according with the measures set out in Article L. 823-10 of this Code, the information contained in this statement were not verified by us in terms of their sincerity or consistency with the consolidated accounts and must be the object of a report by an independent third party.

INFORMATION REQUIRED UNDER OTHER LEGAL AND REGULATORY PROVISIONS

Appointment of Statutory Auditors

We were appointed as Oeneo's Statutory Auditors by your General Shareholders' Meeting of 30 June 2004 for Grant Thornton and that of 8 June 2008 for Deloitte & Associés

At 31 March 2019, Grant Thornton was in the 15th consecutive year of its engagement, while Deloitte & Associés was in its 11th consecutive year.

RESPONSIBILITIES OF MANAGEMENT AND THE PERSONS IN CHARGE OF CORPORATE GOVERNANCE CONCERNING THE CONSOLIDATED FINANCIAL STATEMENTS

It is the management's responsibility to draw up financial statements which accurately reflect reality, in accordance with the IFRS rules adopted by the European Union, and to put in place the internal control measures it deems necessary to produce consolidated financial statements that are free from material misstatements, whether due to fraud or error. The management must also apply a going concern accounting policy, unless the Company is to be liquidated or cease trading.

For the preparation of the consolidated financial statements, the management must assess the Company's ability to continue its operations, and must present in these accounts any information that may be required concerning the Company's continuity as a going concern.

The Audit Committee is responsible for monitoring the financial information preparation process and the efficiency of the internal control and risk management systems, as well as any internal audit that may be conducted on accounting/financial information processing procedures.

The consolidated financial statements have been approved by the Board of Directors.

AUDITORS' RESPONSIBILITIES REGARDING THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Audit approach and objective

We are required to produce a report on the consolidated financial statements. Our objective is to obtain reasonable assurance that the consolidated financial statements as a whole comprise no material misstatements. Reasonable assurance equates to a high level of assurance, but does not guarantee that an audit performed in accordance with professional standards will always detect any material misstatement. Misstatements may originate from fraud or be the result of errors. They are considered as material if there is a reasonable expectation that they could, taken individually or cumulatively, have an impact on the economic decisions that users of the financial statements will make based thereon.

As set out in Article L. 823-10-1 of the French Commercial Code, our mission to audit the financial statements does not include guaranteeing the viability or quality of the management of your Company.

Within an audit conducted in accordance with the professional standards applicable in France, Statutory Auditors exercise their professional judgement throughout the audit. In this respect:

- they identify and assess the risks of material misstatements in the consolidated financial statements, whether due to fraud or error, define and implement audit procedures to address such risks, and collect sufficient and appropriate data on which to base their opinion. The risk of not detecting a material misstatement from fraud is higher than that of a material misstatement resulting from an error, as fraud may involve collusion, forgery, voluntary omissions, misrepresentation or circumventing internal control;
- they take note of the internal control system relating to the audit in order to define audit procedures that are appropriate in the circumstances, rather than in the aim of expressing an opinion on the effectiveness of internal control;
- they assess the appropriateness of the accounting methods used and the reasonableness of the accounting estimates made by management, as well as the relevant information provided in the consolidated financial statements;
- they assess the appropriateness of management's application of the going concern accounting policy and, depending on the evidence gathered, the existence or not of significant uncertainty related to events or circumstances likely to impact the Company's ability to continue as a going concern. This assessment is based on the evidence collected up to the date of the Statutory Auditors' report, with the understanding, however, that later events could compromise the continuity of operations. If they conclude that there is significant uncertainty, they draw the attention of readers of their report to the information provided in the consolidated financial statements about this uncertainty or, if this information is not provided or is not relevant, they issue a qualified certification or a refusal to certify;
- they assess the overall presentation of the consolidated financial statements and assess whether the consolidated financial

statements accurately reflect the underlying transactions and events;

- concerning the financial information of the persons or entities included in the scope of consolidation, they collect information that they deem sufficient and appropriate to express an opinion on the consolidated financial statements. They are responsible for the management, supervision and execution of the audit of the consolidated financial statements, as well as the opinion expressed on these statements.

REPORT TO THE AUDIT COMMITTEE

We present a report to the Audit Committee, which outlines the scope of the audit conducted and the review program implemented, as well as the conclusions arising from our work. We also bring to its notice, where appropriate, any significant internal control weaknesses that we have identified with respect to the procedures relating to the preparation and processing of accounting and financial information.

Among the elements disclosed in the report to the Audit Committee are the risks of material misstatement that we consider to have been the most important for the audit of the year's consolidated financial statements and which therefore constitute the key points of the audit, which it is our responsibility to describe in this report.

We also provide the Audit Committee with the declaration required under Article 6 of (EU) Regulation no. 537-2014 confirming our independence, within the meaning of the rules applicable in France as set out in particular in Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the Statutory Auditors' professional Code of Ethics. If necessary, we discuss with the Audit Committee the risks to our independence and the safeguards applied.

Neuilly-sur-Seine and Bordeaux, 26 June 2019

Statutory Auditors

Grant Thornton	**Deloitte & Associés**
French member of Grant Thornton International	
Vincent Frambourt	Mathieu Perromat
Partner	Partner

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PRIOR NOTICE OF THE GENERAL MEETING

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OENEO shareholders are advised that a Combined General Meeting will be held on 25 July 2019 at 9:30 a.m., at Maison des Centraliens – Champs-Élysées, 8, rue Jean Goujon – 75008 Paris, in order to deliberate on the agenda set out below.

RESOLUTIONS FALLING WITHIN THE COMPETENCE OF THE ORDINARY GENERAL MEETING

- Approval of the annual financial statements for the year ended 31 March 2019.
- Approval of the consolidated financial statements for the year ended 31 March 2019.
- Appropriation of earnings for the year ended 31 March 2019.
- Option for the payment of the dividend in shares.
- Approval of related party agreements and commitments referred to in Articles L. 225-38 et seq. of the French Commercial Code.
- Renewal of the term of office of Marie-Amélie JACQUET as Director.
- Renewal of the term of office of Catherine CLÉMENT-CHABAS as Director.
- Renewal of the term of office of Véronique SANDERS as Director.
- Appointment of Caroline Bois as Director, to replace François HÉRIARD DUBREUIL.
- Approval of the principles and criteria for determining, distributing, and allocating the components of total compensation and benefits in kind attributable to the Chairman of the Board of Directors, pursuant to Article L. 225-37-2 of the French Commercial Code.
- Approval of the principles and criteria for determining, distributing, and allocating the components of total compensation and benefits in kind attributable to the Chief Executive Officer, pursuant to Article L. 225-37-2 of the French Commercial Code.
- Approval of the components of the total compensation and benefits in kind paid or awarded in respect of the financial year ended 31 March 2019 to Hervé CLAQUIN, pursuant to Article L. 225-100 of the French Commercial Code.
- Approval of the components of the total compensation and benefits in kind paid or granted in respect of the financial year ended 31 March 2019 to Nicolas HÉRIARD DUBREUIL, pursuant to Article L. 225-100 of the French Commercial Code.
- Allocation of Directors' fees to Directors.
- Authorisation to the Board of Directors to allow the Company to trade on a stock exchange on its own shares.

RESOLUTIONS WITHIN THE REMIT OF THE EXTRAORDINARY GENERAL MEETING

- Amendment of Article 15.2 of the by-laws, in relation to the age limit for being Chairman of the Board of Directors.
- Authorisation to the Board of Directors to reduce the share capital by cancelling treasury shares.
- Authorisation to the Board of Directors to grant free existing or future shares to employees and certain corporate officers.
- Delegation of authority to the Board of Directors to increase the share capital by issuing shares or any securities giving access, immediately or in the future, to the share capital with preferential subscription rights for shareholders.
- Delegation of authority to the Board of Directors to increase the share capital by issuing shares or any securities giving access, immediately or in the future, to the share capital with cancellation of shareholders' preferential subscription rights.
- Delegation of authority to the Board of Directors, without preferential subscription rights for shareholders, to issue securities giving a right to debt securities or to increase the share capital in the context of an offer referred to in Part II of Article L. 411-2 of the French Monetary and Financial Code.
- Authorisation granted to the Board of Directors to set the price, in the event of an issue without pre-emptive subscription rights, in accordance with the terms and conditions set by the Shareholders' Meeting, up to a limit of 10% of the share capital.
- Authorisation granted to the Board of Directors to increase the number of securities to be issued in the event of an issue with or without pre-emptive subscription rights.
- Delegation given to the Board of Directors to issue ordinary shares or securities giving access to the share capital, without pre-emptive subscription rights for shareholders, in consideration for contributions in kind relating to equity securities or securities giving access to the share capital.
- Delegation of authority given to the Board of Directors to increase the share capital by capitalising additional paid in capital, reserves, profits, etc.
- Delegation of authority to the Board of Directors to increase the share capital by issuing shares reserved for members of a company or group savings plan, with cancellation of pre-emptive subscription rights.

RESOLUTION OF A MIXED NATURE

Powers to carry out formalities.

DRAFT RESOLUTIONS COMBINED SHAREHOLDERS' MEETING OF 25 JULY 2019

RESOLUTIONS OF AN ORDINARY NATURE

RESOLUTION 1

(Approval of the annual financial statements for the year ended 31 March 2019)

The General Meeting, deliberating in accordance with the quorum and majority requirements for ordinary General Meetings, having heard the Board of Directors management report and the Statutory Auditors' reports on the financial statements for the year ended 31 March 2019, approves the financial statements for the year ended 31 March 2019, including the balance sheet, income statement and notes presented to it, showing a net profit of €22,837,712.17.

It also approves the transactions reflected in those accounts or summarised in those reports.

Pursuant to the provisions of Article 223 quater of the French General Tax Code, the Shareholders' Meeting notes that the amount of non-deductible expenses and expenses referred to in Article 39-4 of the French General Tax Code during the year ended 31 March 2019 amounted to €24,511.

RESOLUTION 2

(Approval of the consolidated financial statements for the year ended 31 March 2019)

The General Meeting, deliberating in accordance with the quorum and majority requirements for ordinary General Meetings, having heard the Board of Directors management report and the Statutory Auditors' reports on the consolidated financial statements for the year ended 31 March 2019, approves the consolidated financial statements for the year ended 31 March 2019, comprising the balance sheet, the income statement and the notes thereto, as presented, showing a net profit of €25,348,724.

It also approves the transactions reflected in those accounts or summarised in those reports.

RESOLUTION 3

(Appropriation of net income for the year ended 31 March 2019)

The General Meeting, deliberating in accordance with the quorum and majority requirements for Ordinary General Meetings, after having heard the Board of Directors' report, decides on the following allocation of net income for the year:

Profit for the year	€22,837,712.17
Allocation to the legal reserve	€92,267.60
Balance	€22,745,444.57
Retained earnings	€133,858,539.16
Distributable income for the year	€156,603,983.73
Dividend of 0.15 Euro per share	€9,615,527.85
Retained earnings	€146,988,455.88

The total dividend amount of €9,615,527.85 was determined on the basis of 64,103,519 shares making up the share capital at 31 March 2019. It will thus be distributed to each of the Company's shares entitled to the dividend, a dividend of €0.15 per share.

The dividend will be detached on 31 July 2019 and paid as of 16 September 2019. In the event that, upon the payment of the dividend, the Company holds, within the framework of the authorisations given, a portion of its own shares, the amount corresponding to dividends not paid as a result of this holding would be allocated to the retained earnings account.

In addition, the overall amount of the dividend and, consequently, the amount of retained earnings will be adjusted in order to take into account new shares qualifying for dividends issued upon exercise of share subscription options or in the event of the definitive acquisition of shares allocated free of charge until the date of this General Meeting.

For individuals domiciled for tax purposes in France, the dividend received from 1 January 2019 is taxable under income tax at a flat rate but may be taxed, at the option of the shareholder, on a progressive scale. In the latter case, the dividend is eligible for the allowance referred to in Article 158-3-2° of the French General Tax Code.

In accordance with the provisions of Article 243 bis of the French General Tax Code, the Shareholders' Meeting notes that the amount of dividends distributed during the last three financial years has been as follows (in euros):

Financial year	Dividends distributed	Real income	Dividend per share
2017/2018	€9,414,510.00	€9,414,510.00	€0.15
2016/2017	€8,779,165.22	€8,779,165.22	€0.14
2015/2016	€7,967,365.25	€7,967,365.25	€0.13

RESOLUTION 4

(Option for the payment of the dividend in shares)

The General Meeting, deliberating in accordance with the quorum and majority requirements for ordinary General Meetings, on the proposal of the Board of Directors and in accordance with the provisions of Article 34 of the by-laws, decides to grant each shareholder an option between the payment of the dividend in cash or the payment in shares of the full dividend accruing to him.

Each shareholder may opt for one of the methods of payment, but this option will apply equally to all shares it holds.

The new shares, subject to this option, will be issued at a price equal to 90% of the average price quoted on the Euronext Paris regulated market over the twenty trading days preceding the day on which the distribution is decided, less the net amount of the dividend and rounded up to the nearest euro cent.

The shares issued in payment of the dividend will be issued with dividend rights on 1 April 2019.

Shareholders who request payment of the dividend in shares may exercise their option from 31 July 2019 until 6 September 2019. After the expiry of this period, the dividend will be paid in cash, with settlement taking place from 16 September 2019.

If the amount of dividends for which the option is exercised does not correspond to a whole number of shares, the shareholder may obtain:

- the whole number of shares immediately greater by paying, on the day it exercises its option, the difference in cash; or
- receive the entire number of shares immediately below, supplemented by a cash payment.

All powers are granted to the Board of Directors, with the right to sub-delegate, to ensure the implementation of the payment of the balance of the dividend in new shares, to specify the methods of application and execution, to record the number of shares issued pursuant to this resolution and to amend the by-laws accordingly and to carry out the disclosure formalities.

RESOLUTION 5

(Approval of related party agreements and commitments referred to in Articles L. 225-38 et seq. of the French Commercial Code)

The General Meeting, deliberating in accordance with the quorum and majority requirements for ordinary General Meetings, after having heard the Statutory Auditors' special report on related party agreements and commitments referred to in Articles L. 225-38 et seq. of the French Commercial Code, acting on this report, approves the agreements and commitments referred to in this report.

RESOLUTION 6

(Renewal of the term of office of Marie-Amélie JACQUET as Director)

The General Meeting, deliberating in accordance with the quorum and majority requirements, having heard the Board of Directors report and noting that Marie-Amélie JACQUET's term of office as Director expires at the end of this Shareholders' Meeting, decides to renew her term of office as of this date for a period of three years, i.e. until the end of the Shareholders' Meeting called to approve the financial statements for the year ending 31 March 2022.

RESOLUTION 7

(Renewal of the term of office of Catherine CLÉMENT-CHABAS as Director)

The General Meeting, deliberating in accordance with the quorum and majority requirements, having heard the Board of Directors report and noting that Catherine CLÉMENT-CHABAS's term of office as Director expires at the end of this Shareholders' Meeting, the Shareholders' Meeting decides to renew her term of office as from this date for a period of three years, i.e. until the end of the Shareholders' Meeting to approve the financial statements for the year ending 31 March 2022.

RESOLUTION 8

(Renewal of the term of office of Véronique SANDERS as Director)

The General Meeting, deliberating in accordance with the quorum and majority requirements, having heard the Board of Directors report and noting that Véronique SANDERS's term of office as Director expires at the end of this Shareholders' Meeting, decides to renew her term of office from this date for a period of three years, i.e. until the end of the Shareholders' Meeting to be held to approve the financial statements for the year ending 31 March 2022.

RESOLUTION 9

(Appointment of Caroline BOIS as Director)

The General Meeting, deliberating in accordance with the quorum and majority requirements for ordinary General Meetings, having heard the Board of Directors report, and having noted the proposal of the Board of Directors, decides to appoint Caroline Bois as a director for a period of three years, i.e. until the end of the Ordinary Shareholders' Meeting convened to approve the financial statements for the year ending 31 March 2022, to replace François HÉRIARD DUBREUIL, whose term of office expires.

Caroline Bois indicated that she accepted this mandate and that she did not perform any duties and was not subject to any measures that might prevent her from accessing it.

RESOLUTION 10

(Approval of the principles and criteria for determining, distributing, and allocating the components of total compensation and benefits in kind attributable to the Chairman of the Board of Directors, pursuant to Article L. 225-37-2 of the French Commercial Code)

The General Meeting, deliberating in accordance with the quorum and majority requirements for ordinary General Meetings, having reviewed the report provided for by Article L. 225-37-2 of the French Commercial Code, approves the principles and criteria for determining, distributing, and allocating fixed, variable and exceptional items comprising total compensation and benefits in kind, attributable to the Chairman of the Company's Board of Directors, for the year ended 31 March 2019, which were set by the Company's Board of Directors on the proposal of the Human Resources and Nominations Committee, and described in Chapter 2.5 "Compensation of executive corporate officers" of the Company's 2018-2019 Registration Document.

RESOLUTION 11

(Approval of the principles and criteria for determining, distributing, and allocating the components of total compensation and benefits in kind attributable to the Chief Executive Officer, pursuant to Article L. 225-37-2 of the French Commercial Code)

The General Meeting, deliberating in accordance with the quorum and majority requirements for ordinary General Meetings, having reviewed the report provided for by Article L. 225-37-2 of the French Commercial Code, approves the principles and criteria for determining, distributing, and allocating fixed, variable and exceptional items comprising total compensation and benefits in kind, attributable to the Company's Chief Executive Officer, for the year ended 31 March 2019, which were set by the Company's Board of Directors on the proposal of the Human Resources and Nominations Committee, and described in Chapter 2.5 "Compensation of executive corporate officers" in the Company's 2018-2019 Registration Document.

RESOLUTION 12

(Approval of the components of compensation comprising the total compensation and benefits in kind paid or awarded in respect of the financial year ended 31 March 2019 to Hervé CLAQUIN, pursuant to Article L. 225-100 of the French Commercial Code)

The General Meeting, deliberating in accordance with the quorum and majority requirements for ordinary General Meetings, pursuant to Article L. 225-100 of the French Commercial Code, approves the components of compensation paid or granted in respect of the year ended 31 March 2019 to Hervé CLAQUIN in his capacity as Chairman of the Board of Directors, for the year ended 31 March 2019 as presented in Chapter 2.5 of the 2018-2019 Registration Document.

RESOLUTION 13

(Approval of the components of compensation comprising the total compensation and benefits in kind paid or awarded in respect of the financial year ended 31 March 2019 to Nicolas HÉRIARD DUBREUIL, pursuant to Article L. 225-100 of the French Commercial Code)

The General Meeting, deliberating in accordance with the quorum and majority requirements for ordinary General Meetings, pursuant to Article L. 225-100 of the French Commercial Code, approves the components of the compensation paid or granted in respect of the year ended 31 March 2019 to Nicolas HÉRIARD DUBREUIL, Chief Executive Officer, for the year ended 31 March 2019, as presented in Chapter 2.5 of the 2018-2019 Registration Document.

RESOLUTION 14

(Allocation of Directors' fees)

The General Meeting, deliberating in accordance with the quorum and majority requirements for Ordinary General Meetings, having heard the Board of Directors report, decides to set the total amount of directors' fees allocated to directors and non-voting directors for the 2019-2020 financial year at €400,000. This amount will be the same for each of the subsequent financial years until further decided by the Shareholders' Meeting.

RESOLUTION 15

(Authorisation to the Board of Directors to allow the Company to trade on a stock exchange on its own shares)

The General Meeting, deliberating in accordance with the quorum and majority requirements for Ordinary General Meetings, having heard the Board of Directors report, the description of the programme drawn up in accordance with Articles 241-1 et seq. of the AMF General Regulations, and in accordance with the provisions of Article L. 225-209 of the French Commercial Code and of European regulations applicable to market abuse, authorises the Board of Directors, with the option of sub-delegation, to trade in the Company's own shares, with a view to:

- using all or part of the shares acquired to implement any stock option plan or share award plan, or any other form of distribution, allocation, or disposal intended for employees and corporate officers of the Company and/or those of related companies under the conditions and in accordance with the terms and conditions provided for by law, and carrying out any hedging transactions relating to these transactions, in accordance with the conditions set by law;
- carrying out their subsequent cancellation by reducing the Company's share capital, subject to the adoption of the seventeenth extraordinary resolution of this Shareholders' Meeting;
- using all or part of the shares acquired for custody and subsequent delivery as an exchange or payment in connection with transactions or as a result of external growth, merger, demerger, or contribution transactions;
- delivering all or part of the shares acquired upon the exercise of rights attached to securities giving a right by conversion, exercise, redemption or exchange or in any other way to the allocation of Company shares, within the framework of stock market regulations;
- conducting the market through an investment services provider acting in the name and on behalf of the Company as part of a liquidity agreement in accordance with a Code of Conduct recognised by the AMF;
- implementing any market practice that may be accepted by the AMF and, more generally, carrying out any transaction that complies with the regulations in force.

The acquisition, sale, transfer or exchange of these shares may be carried out by any means, subject to compliance with the regulations in force, on the market or over the counter, in particular by blocks of securities, by using or exercising any financial instrument or derivative, including through the implementation of optional transactions, and at such times as the Board of Directors may determine.

The maximum purchase price is set at €14 (excluding acquisition costs) per share (for information purposes and after deducting the shares already held by the Company, 6,367,973 shares as of 31 March 2019, representing a theoretical maximum purchase amount of €89,151,622). In the event of a capital increase by capitalising reserves and allocating free shares or any other transaction relating to equity, as well as in the event of either a division or a reverse stock split, the price of €14 will be arithmetically adjusted in the proportion required by the change in the value of the share determined by the transaction.

The Shareholders' Meeting sets the maximum number of shares to be acquired at 10% of the total number of shares making up the share capital at the date hereof, or 5% in the case of shares acquired by the Company for the purpose of holding and delivering them in connection with a merger, spin-off, or contribution. When the shares are bought back to promote liquidity under the conditions defined by the AMF General Regulation, the limit of 10% referred to above corresponds to the number of shares purchased, less the number of shares resold during the authorisation period.

The transactions carried out by the Board of Directors pursuant to this authorisation may take place at any time during the period of validity of the share buyback programme, it being specified that, from the filing by a third party of a proposed public offer for the Company's securities until the end of the offer period, the Board of Directors may not implement this authorisation, nor may the Company continue to carry out a share purchase programme unless previously authorised by the General Meeting.

In accordance with the provisions of Article L. 225-210 of the French Commercial Code, the Company may not own, directly or through a person acting on its own behalf, more than 10% of its own shares, nor more than 10% of a given class.

All powers are given to the Board of Directors, which may sub-delegate them under legal and regulatory conditions, to conclude all agreements, carry out all formalities and declarations with all bodies, in particular with the AMF, and generally do what is necessary for the execution of the decisions taken by it under this authorisation.

This authorisation, which deprives the unused portion of the authorisation granted by the Shareholders' Meeting of 26 July 2018 in its nineteenth resolution, is valid for a period of eighteen months from the date of this Shareholders' Meeting.

RESOLUTIONS OF AN EXTRAORDINARY NATURE

RESOLUTION 16

(Amendment of Article 15-2 of the by-laws)

The General Meeting, deliberating in accordance with the quorum and majority requirements for Ordinary General Meetings, having heard the Board of Directors report, decides to amend the wording of Article 15-2 of the by-laws as follows:

"Article 15 - ORGANISATION AND MANAGEMENT OF THE BOARD OF DIRECTORS

1 - (…)

2- No one may be appointed Chairman of the Board of Directors if he is more than 75 years old. If the Chairman in office reaches this age, he or she shall be deemed to have resigned automatically.

3 - (…)

4- (…)

5- (...)."

RESOLUTION 17

(Authorisation to the Board of Directors to reduce the share capital by cancelling treasury shares)

The General Meeting, deliberating in accordance with the quorum and majority requirements for Ordinary General Meetings, having heard the Board of Directors report and the Statutory Auditors' special report, and in accordance with the provisions of Article L. 225-209 of the French Commercial Code, authorises the Board of Directors, subject to the adoption by the Shareholders' Meeting of the sixteenth resolution preceding the authorisation granted to the Company to trade in its own shares, to cancel, on its own decision, on one or more occasions and within the limit of 10% of the share capital over a period of twenty-four months, all or part of the Company's shares held by it under the Company's share purchase authorisations.

All powers are given to the Board of Directors to settle the fate of any oppositions, decide to cancel the shares, record the reduction in the share capital, charge the difference between the redemption value of the cancelled shares and their nominal value against the available premiums and reserves, amend the bylaws accordingly and generally take all necessary measures and complete all formalities.

This authorisation, which deprives the unused portion of the authorisation granted by the Shareholders' Meeting of 26 July 2018 in its seventeenth resolution, is valid for a period of eighteen months from the date of this Shareholders' Meeting.

RESOLUTION 18

(Authorisation for the Board of Directors to grant free shares existing or to be issued to employees and certain corporate officers)

The General Meeting, deliberating in accordance with the quorum and majority requirements for Ordinary General Meetings, having heard the Board of Directors report, and the Statutory Auditors' special report:

- authorises the Board of Directors, in accordance with the provisions of Articles L. 225-197-1 et seq. of the French Commercial Code, to proceed, on one or more occasions, for the benefit of employees of the Company or certain categories of them, and/or for the benefit of the executives referred to in Article L. 225-197-1 II of the Commercial Code, as well as employees and executives of companies or economic interest groups linked to the Company under the conditions provided for in Article L. 225-197-2 of the Commercial Code, to grant free shares of the Company, existing or to be issued;
- resolves that the total number of shares granted by the Company may not exceed 2,500,000 shares;
- resolves that the total number of shares granted by the Company to executive directors and officers may not exceed 350,000 shares;
- decides that the Board of Directors may make the allocation of all or part of the shares subject to the achievement of one or more performance conditions;
- decides that for executive corporate officers, the free allocation will be subject to compliance with the performance conditions that the Board of Directors shall determine.

The Shareholders' Meeting authorises the Board of Directors to proceed, alternately or cumulatively, within the limit set in the preceding paragraph:

- the allocation of shares resulting from redemptions carried out by the Company in accordance with Articles L. 225-208 and L. 225-209 of the Commercial Code and/or
- in this case, the Shareholders' Meeting authorises the Board of Directors to increase the share capital by the maximum nominal amount corresponding to the number of shares allocated, and notes that, in accordance with the law, the allocation of shares to the beneficiaries designated by the Board of Directors entails, for the benefit of these beneficiaries, the express waiver by the shareholders of their preferential subscription rights on the shares to be issued.

The General Assembly decides:

- to set at three years, from the date on which the allocation rights are granted by the Board of Directors, the minimum duration of the vesting period under which these rights will be definitively acquired to their beneficiaries, bearing in mind that these non-transferable rights until the end of this period, in accordance with the provisions of Article L. 225-197-3 of the Commercial Code; however, in the event of the beneficiary's death, his heirs may request the allocation of the shares within six months of death; furthermore, the shares will be allocated before the end of this period in the event of the beneficiary's disability corresponding to the classification in the second or third categories provided for in Article L. 341-4 of the Social Security Code.

The Shareholders' Meeting gives the following full powers to the Board of Directors, within the limits set above:

- determining the identity of the beneficiaries, or the category or categories of beneficiaries of share grants, it being recalled that no shares may be granted to employees and corporate officers each holding more than 10% of the share capital;
- allocating share allotment rights on one or more occasions and at such times as it deems appropriate;
- setting the conditions and criteria for awarding shares, such as, without limitation, length of service conditions, conditions relating to the continued employment contract or term of office during the vesting period, and any other financial condition or individual or collective performance conditions;
- determining the definitive durations of the vesting period and the holding period of the shares within the limits set above by the meeting;
- recording the free shares granted in a registered account in the name of their holder, mentioning the unavailability, and the duration of the share;
- endowing an unavailable reserve, allocated to the rights of beneficiaries, with an amount equal to the total nominal value of the shares that may be issued by way of a capital increase, by deducting the necessary sums from any reserves at the Company's discretion;
- carrying out the necessary deductions from this unavailable reserve in order to pay up the nominal value of the shares to be issued to their beneficiaries, and to increasing the share capital accordingly of the nominal amount of the free shares granted;
- in the event of a capital increase, amending the by-laws accordingly, and carrying out all necessary formalities;
- in the case of financial transactions covered by the provisions of the first paragraph of Article L. 228-99 of the Commercial Code, during the acquisition period, implementing, if it deems it appropriate, any measures designed to preserve and adjust the rights of the beneficiaries of shares, in accordance with the terms and conditions set out in that Article.

In accordance with the provisions of Articles L. 225-197-4 and L. 225-197-5 of the French Commercial Code, a special report will inform the Annual General Meeting each year of the transactions carried out in accordance with this authorisation.

The Shareholders' Meeting sets a period of thirty eight (38) months within which the Board of Directors may make use of this authorisation.

This authorisation cancels the unused portion of the authorisation granted by the Shareholders' Meeting of 26 July 2018 in the eighteenth resolution.

RESOLUTION 19

(Delegation of authority to the Board of Directors to increase the share capital by issuing shares or any securities giving access, immediately or in the future, to the share capital with preferential subscription rights of the shareholders)

The General Meeting, deliberating in accordance with the quorum and majority requirements for Ordinary General Meetings, having heard the Board of Directors report and the Statutory Auditors' special report, and in accordance with the provisions of Articles L. 225-129 to L. 225 -129-6, L. 228-91 and L. 228-92 of the French Commercial Code:

- delegates to the Board of Directors, with the right to sub-delegate in accordance with legal and regulatory conditions, its authority to decide, in one or several times, in such proportions and at such times as it deems appropriate, in euros or in any other currency, the issue, in France or abroad, with preferential subscription rights for shareholders, of ordinary shares of the Company or of any securities of any kind giving access to the Company's share capital or giving a right to the allocation of debt securities of the Company, including warrants to subscribe for new shares or to acquire existing shares issued on a standalone basis, free of charge, it being specified that the subscription of these shares may be made in cash or by offsetting against receivables, certain liquid and payable, and that any issue of preference shares and securities granting access to preference shares is excluded;
- resolves that the total amount of share capital increases in cash that may be carried out immediately and/or in the future pursuant to this delegation may not exceed €22,000,000 in nominal value, to which shall be added, as the case may be, the nominal amount of additional shares to be issued in order to preserve, in accordance with the law, the rights of holders of securities granting access to ordinary shares of the Company, it being specified that this overall limit for capital increases are common to resolutions 22, 23, and 25, and the total nominal amount of capital increases carried out pursuant to these resolutions will be deducted from this overall ceiling;
- resolves that the securities giving access to ordinary shares of the Company thus issued may notably consist of debt securities or be associated with the issue of such securities, or allow the issue of such securities as interim securities. They may, in particular, take the form of subordinated or non-fixed term securities or be issued either in euro or in foreign currencies or in any monetary units established by reference to several currencies.

The nominal amount of the debt securities giving access to the share capital thus issued may not exceed €110,000,000 or their equivalent in euros at the date of the decision to issue the

securities, it being specified that this amount does not include the redemption premium(s) above par, if provided for.

This amount is common to all debt securities carrying rights to shares issued in accordance with Resolutions 21, 22, 23, and 25. The total nominal amount of issues of debt securities, to which securities issued pursuant to this delegation may give a claim, may not exceed €110,000,000. Borrowings giving access to ordinary shares of the Company may be subject to a fixed and/or variable rate interest or capitalisation, and may be redeemed, with or without a premium, or amortisation, with the securities also subject to share buybacks, or a tender or exchange offer by the Company.

In the event that this delegation is used by the Board of Directors, the Shareholders' Meeting shall:

- decide that the shareholders have, in proportion to the amount of their shares, a pre-emptive subscription right in an irreducible capacity, to ordinary shares and securities issued pursuant to this resolution;
- decide that the Board of Directors may, in addition, grant shareholders a subscription right to be exercised in proportion to their rights and within the limit of their requests;
- decide that if subscriptions to shares carried out by virtue of this delegation and, where applicable, by way of a reduction, have not absorbed all of an issue of ordinary shares or securities carried out by virtue of this delegation, the Board of Directors may, at its choice, limit the issue to the amount of subscriptions received, provided that it reaches at least three quarters of the issue decided, and/or freely distribute, in full or in part, the unsubscribed securities and/or offer them to the public in full or in part;
- note that this delegation automatically entails a waiver by the shareholders of their preferential subscription rights to the Company's ordinary shares to which the securities to be issued on the basis of this delegation may give a claim;
- decide that it will be up to the Board of Directors, with the right to sub-delegate, to set the issue price for ordinary shares or securities giving access to the Company's share capital. The amount immediately received by the Company, plus, where applicable, any amount likely to be received subsequently by the Company, shall, for each ordinary share issued as a result of the issue of these transferable securities, be at least equal to its par value;
- grant the Board of Directors, with the right to sub-delegate, all powers for the purpose of implementing this delegation, in particular for the purpose of setting the conditions and characteristics of the issue, including, where applicable, the date on which the securities to be issued are entitled, even retroactively, to acknowledge the completion of the resulting capital increases, to make a corresponding amendment to the bylaws and to allow any charges to be charged to the issue premium.

This delegation shall be valid for a period of 26 months from the date of this Shareholders' Meeting and shall invalidate any previous delegation having the same purpose.

RESOLUTION 20

(Delegation of authority to the Board of Directors to increase the share capital by issuing shares or any securities giving access, immediately or in the future, to the share capital with cancellation of shareholders' preferential subscription rights)

The General Meeting, deliberating in accordance with the quorum and majority requirements for Ordinary General Meetings, having heard the Board of Directors report and the Statutory Auditors' special report, and in accordance with the provisions of Articles L. 225-129 to L. 225 -129-6 and L. 225-135 of the French Commercial Code:

- delegates to the Board of Directors, with the right to sub-delegate in accordance with legal and regulatory conditions, its authority to decide, in one or several times, in such proportions and at such times as it deems appropriate, in France or abroad, in euros or any other currency, as part of a public offer, the issue, with cancellation of shareholders' preferential subscription rights, of ordinary shares of the Company or of any securities of any kind giving access to the Company's share capital or giving right to the allocation of debt securities of the Company, including warrants to subscribe for new shares or to acquire existing shares issued on a standalone basis, it being specified that the subscription of these shares may be in cash or by offsetting against certain, liquid and payable debts, and that any issue of preference shares and securities giving access to preference shares is excluded;
- decides that the total amount of share capital increases in cash that may be carried out immediately and/or in the future pursuant to this delegation may not exceed €22,000,000 in nominal value, to which shall be added, as the case may be, the nominal amount of additional shares to be issued in order to preserve, in accordance with the law, the rights of holders of securities granting access to ordinary shares of the Company, this amount being deducted from the overall ceiling set in the resolution 21;
- decides that the securities giving access to ordinary shares of the Company thus issued may notably consist of debt securities or be associated with the issue of such securities, or allow the issue as intermediate securities. They may, in particular, take the form of subordinated or non-fixed term securities or be issued either in euros or in foreign currencies or in any monetary units established by reference to several currencies.

The nominal amount of the debt securities giving access to the share capital thus issued may not exceed €110,000,000 or their equivalent in euros at the date of the decision to issue them, this amount being deducted from the limit set in resolution 19, it being specified that this amount does not include the redemption premium(s) above par, if provided for. The total nominal amount of issues of debt securities, to which securities issued pursuant to this delegation may give a claim, may not exceed €110,000,000. Borrowings giving access to ordinary shares of the Company may be subject to a fixed and/or variable rate interest or capitalisation, and may be redeemed, with or without a premium, or amortisation, with the securities also subject to redemptions

on the stock exchange or off the stock exchange, or a tender or exchange offer by the Company.

As a result, the Shareholders' Meeting:

- decides to waive the preferential subscription rights of shareholders to these securities to be issued in accordance with the law, as the Board of Directors has the option of granting shareholders a priority period for the entire issue, on an irreducible and/or reducible basis, during the period and under the conditions that it shall determine in accordance with the legal, regulatory and statutory provisions, to subscribe them in accordance with the provisions of Article L. 225-135 of the French Commercial Code. If subscriptions, including, where applicable, those of the shareholders, have not absorbed the entire issue, the Board of Directors may, at its choice and in the order it shall determine, limit the issue to the amount of subscriptions received under the conditions provided for by law in force at the time of the use of this delegation, and/or freely distribute, in full or in part, the unsubscribed securities among the persons of its choice and/or offer them to the public in full or in part;
- notes that this delegation automatically entails a waiver by the shareholders of their preferential subscription rights to the Company's ordinary shares to which the securities to be issued on the basis of this delegation may give a claim;
- decides that the sum due or to be returned to the Company for each of the shares issued or to be issued under this delegation, after factoring in, if applicable, in the event of the issue of standalone warrants or the allocation of shares, the issue price of such warrants, shall be at least equal to the minimum value set by the legal or regulatory provisions applicable at the time of use of this delegation;
- decides that it will be the responsibility of the Board of Directors, with the option of sub-delegation, to set the issue price of the Company's ordinary shares which must be at least equal to the minimum price provided for by legal and regulatory provisions at the time of issue, i.e., to date, the weighted average of the prices quoted on the last three trading days on the Euronext Paris regulated market prior to its fixing, less a maximum discount of 5% (and after correction, where applicable, to take into account the difference in dividend entitlement date);
- decides that it will be the responsibility of the Board of Directors, with the option of sub-delegation, to set the issue price of the securities giving access to the share capital of the Company which will be such that the amount immediately received by the Company plus that likely to be received subsequently by the Company will, for each share issued as a result of the issue of these securities, be at least equal to the issue price defined in the preceding paragraph;
- decides that the Board of Directors may, within the overall limit set above, issue ordinary shares and/or securities giving immediate or future access to existing shares or to be issued by the Company, for the purpose of remunerating securities contributed to the Company in the event of a public exchange offer within the limits and under the conditions provided for by Article L. 225-148 of the French Commercial Code; in this respect, the Board will determine the number and characteristics of the securities tendered in exchange, determine the terms of the issue, the exchange ratio and, where applicable, the amount of the cash relief to be paid and determine the terms of the issue;
- grants the Board of Directors, with the right to sub-delegate, all powers for the purpose of implementing this delegation, in particular for the purpose of setting the conditions and characteristics of the issue, including, where applicable, the date on which the securities to be issued are entitled, even retroactively, to acknowledge the completion of the resulting capital increases, to make a corresponding amendment to the bylaws and to allow any charges to be charged to the issue premium.

This delegation shall be valid for a period of 26 months from the date of this Shareholders' Meeting and shall invalidate any previous delegation having the same effect.

RESOLUTION 21

(Delegation of authority to the Board of Directors, without preferential subscription rights for shareholders, to issue securities giving a right to debt securities or to increase the share capital in the context of an offer referred to in Part II of Article L. 411-2 of the French Monetary and Financial Code)

The General Meeting, deliberating in accordance with the quorum and majority requirements for Ordinary General Meetings, having heard the Board of Directors report and the Statutory Auditors' special report, and in accordance with the provisions of Articles L. 225-129 to L. 225-129-6, L. 225-135 and L. 225-136, 3° of the French Commercial Code:

- delegates to the Board of Directors, with the right to sub-delegate as provided by law, its authority to decide, on one or more occasions, in connection with an offer referred to in Part II of Article L. 411-2 of the French Commercial Code, the issue of shares with cancellation of shareholders' preferential subscription rights, ordinary shares of the Company or any securities of any kind giving access to the Company's share capital or granting entitlement to the allocation of debt securities of the Company, including warrants to subscribe for new shares or acquire existing shares issued on a standalone basis, it being specified that the subscription of these shares may be in cash or by offsetting against certain liquid and payable claims;
- decides that the total amount of capital increases in cash that may be carried out immediately and/or in the future pursuant to this delegation may not exceed 20% of the share capital per year, this amount being deducted from the overall limit set in the twentieth resolution;
- decides that the securities giving access to ordinary shares of the Company thus issued may notably consist of debt securities or be associated with the issue of such securities, or allow the issue as intermediate securities. They may, in particular, take the form of subordinated or non-fixed term securities or be issued either in euros or in foreign currencies or in any monetary units established by reference to several currencies.

The nominal amount of the debt securities giving access to the share capital thus issued may not exceed €110,000,000 or their equivalent in euros at the date of the decision to issue them, this amount being deducted from the limit set in resolution 19, it being specified that this amount does not include the redemption premium(s) above par, if provided for; the total nominal amount of issues of debt securities, including transferable securities issued pursuant to this delegation of authority may confer rights, and may not exceed €110,000,000. Borrowings giving access to ordinary shares of the Company may be subject to a fixed and/or variable rate interest or capitalisation, and may be redeemed, with or without a premium, or an amortisation, with the securities also subject to redemptions on the stock exchange or off the stock exchange, or a tender or exchange offer by the Company.

As a result, the Shareholders' Meeting:

- decides to waive the preferential subscription rights of shareholders to such securities to be issued in accordance with the legislation. If the subscriptions, including, where applicable, those of the shareholders, have not absorbed the entire issue, the Board of Directors may limit the issue to the amount of the subscriptions received in accordance with the conditions provided for by law in force at the time of the use of this delegation;
- notes that this delegation automatically entails a waiver by the shareholders of their preferential subscription rights to the Company's ordinary shares to which the securities to be issued on the basis of this delegation may give a claim;
- decides that the sum due or to be returned to the Company for each of the shares issued or to be issued under this delegation, after accounting for if applicable, in the event of the issue of standalone warrants or the allocation of shares, the issue price of such warrants, shall be at least equal to the minimum value set by the legal or regulatory provisions applicable at the time of use of this delegation;
- decides that it will be the responsibility of the Board of Directors, with the right to sub-delegate, to set the issue price of ordinary shares or securities giving access to the Company's share capital and which must be at least equal to the minimum price provided for by the legal and regulatory provisions at the time of issue, i.e., to date, the weighted average of the prices quoted on the last three trading days on the Euronext Paris regulated market prior to its fixing, less a maximum discount of 5% (and after adjusting, where appropriate, to take into account the difference in dividend entitlement dates);
- resolves that it will be the responsibility of the Board of Directors, with the option of sub-delegation, to set the issue price of the securities giving access to the share capital of the Company which will be such that the amount immediately received by the Company plus that likely to be received subsequently by the Company will, for each share issued as a result of the issue of these securities, be at least equal to the issue price defined in the preceding paragraph;
- grants the Board of Directors, with the right to sub-delegate, all powers for the purpose of implementing this delegation, in particular for the purpose of setting the conditions and characteristics of the issue, including, where applicable, the date on which the securities to be issued are entitled, even retroactively, to acknowledge the completion of the resulting capital increases, to make a corresponding amendment to the bylaws and to allow any charges to be charged to the issue premium.

This delegation is valid for a period of 26 months from the date of this Shareholders' Meeting.

RESOLUTION 22

(Authorisation granted to the Board of Directors to set the price, in the event of an issue without pre-emptive subscription rights, in accordance with the terms and conditions set by the Shareholders' Meeting, up to a limit of 10% of the share capital)

The General Meeting, deliberating in accordance with the quorum and majority requirements for Ordinary General Meetings, having heard the Board of Directors report and the Statutory Auditors' special report, and in accordance with the provisions of Article L. 225-136, 1° of the French Commercial Code, and insofar as the equity securities to be issued immediately or deferred are equivalent to equity securities admitted to trading on a regulated market:

- authorises the Board of Directors, with the right to sub-delegate as provided by law, for each of the issues decided pursuant to the twenty second and twenty third resolutions above, and within the limit of 10% of the share capital as existing at the date of this Shareholders' Meeting, for a period of twelve months, to derogate from the price fixing conditions set forth in these same resolutions and to set the issue price of the equity securities to be issued immediately or deferred, without preferential subscription rights, in accordance with the following procedures:
  - for equity securities to be issued immediately, the Board of Directors may set an issue price equal to (i) the average of the prices recorded over the 20 trading days preceding the issue, (ii) the weighted average market price of the trading day preceding the issue with a maximum discount of 10%,
  - for equity securities to be issued on a deferred basis, the issue price will be such that the amount immediately collected by the Company plus that which may be received subsequently by the Company will, for each share, be at least equal to the amount referred to in (a) above depending on the option chosen;
- decides that the Board of Directors will have full powers to implement the present resolution under the conditions provided for by resolutions 19, 20 and 21.

This authorisation is valid for a period of 26 months from the date of this Shareholders' Meeting.

RESOLUTION 23

(Authorisation granted to the Board of Directors to increase the number of securities to be issued in the event of an issue with or without pre-emptive subscription rights)

The General Meeting, deliberating in accordance with the quorum and majority requirements for Ordinary General Meetings, having heard the Board of Directors report and in accordance with the provisions of Article L. 225-135-1 of the French Commercial Code, authorises the Board of Directors, with the right of delegation, to increase the number of securities to be issued for each of the issues of shares or securities giving access to the share capital with or without pre-emptive subscription rights, decided pursuant to the twentieth, twenty first, twenty second resolutions.

The number of securities may be increased within 30 days of the closing of the subscription up to a limit of 15% of the initial issue and at the same price as that used for the initial issue, all within the limit of the overall ceilings applicable to the initial issue.

This authorisation is valid for a period of 26 months from the date of this Shareholders' Meeting.

RESOLUTION 24

(Delegation given to the Board of Directors to issue ordinary shares or securities giving access to the share capital, without pre-emptive subscription rights for shareholders, in consideration for contributions in kind relating to equity securities or securities giving access to the share capital)

The General Meeting, deliberating in accordance with the quorum and majority requirements for Ordinary General Meetings, having heard the Board of Directors report and the Statutory Auditors' special report, and in accordance with the provisions of Articles L. 225-129 et seq. of the French Commercial Code, and in particular of Article L. 225-147, 6th paragraph, delegates, within the limit of 10% of the share capital as adjusted for transactions affecting it after this Shareholders' Meeting, all powers to the Board of Directors, with the possibility of sub-delegation in accordance with the legal conditions, to the effect of:

- in consideration for contributions in kind made to the Company consisting of equity securities or securities giving access to the share capital, where the provisions of Article L. 225-148 of the French Commercial Code are not applicable;
- to implement this delegation, in particular in order to vote on the report of the contributing Statutory Auditor(s) referred to in the first two paragraphs of Article L. 225-147 above, with regard to the assessment of contributions and the granting of special benefits and their value, set all the terms and conditions of the authorised transactions, set the number of securities to be issued, make any deduction from the contribution premium, record the final completion of the capital increases, amend the by-laws accordingly, carry out all formalities and declarations and request any authorisations that may be necessary to carry out these contributions.

This delegation is valid for a period of 26 months from the date of this Shareholders' Meeting.

RESOLUTION 25

(Delegation of authority given to the Board of Directors to increase the share capital by capitalising additional paid in capital, reserves, profits or other)

The General Meeting, deliberating in accordance with the quorum and majority requirements for Ordinary General Meetings, having heard the Board of Directors report and in accordance with the provisions of Article L. 225-130 of the French Commercial Code:

- delegates to the Board of Directors its authority to decide the increase in the share capital, on one or more occasions, in such proportion and at such times as it deems appropriate, through the capitalisation of additional paid in capital, reserves, profits or other items whose capitalisation will be legally and statutorily possible, in the form of the allocation of free shares or an increase in the par value of existing shares or through the joint use of these two processes. The maximum nominal amount of the capital increases that may be carried out in this respect may not exceed €22,000,000;
- in the event that the Board of Directors makes use of this delegation of authority, delegates to the Board of Directors all powers, with the possibility of sub-delegation under the legal conditions, to implement this delegation of authority, in particular to the effect of:

  a) determining the amount and nature of the sums to be incorporated into the share capital, determining the number of new shares to be issued and/or the amount by which the par value of the existing shares making up the share capital will be increased, determining the date, even retroactive, from which the new shares will carry rights or the date on which the increase in the par value will take effect,

  b) deciding, in the event of a free allocation of shares (i) that fractional rights will not be negotiable and the corresponding shares will be sold; the sums from the sale will be allocated to the holders of the rights under the conditions provided for by law and regulations (to date, no later than thirty days after the date on which the entire number of shares allocated is recorded in their account); (ii) those such shares that will be allocated on the basis of existing shares with double voting rights will benefit from this right as soon as they are issued; (iii) making any adjustments designed to take into account the impact of transactions on the Company's share capital, in particular in the event of a change in the par value of the share, a capital increase by capitalising reserves, a free allocation of shares, a division or reverse stock split, distribution of reserves or any other assets, amortisation of the share capital, or any other transaction relating to shareholders' equity, and determining the terms and conditions under which, where applicable, the rights of holders of securities giving access to the share capital will be safeguarded; (iv) record the completion of each capital increase and make corresponding amendments to the by-laws; (v) generally, enter into all agreements, take all measures and carry out all formalities necessary for the issue, listing and financial service of the securities issued under this delegation and for the exercise of the rights attaching thereto.

This delegation is valid for a period of 26 months from the date of this Shareholders' Meeting.

RESOLUTION 26

(Delegation of the authority of the Board of Directors to increase the share capital by issuing shares reserved for subscribers to a Group or company savings plan, without the preferential subscription right)

The shareholders' meeting, deliberating in accordance with the quorum and majority requirements for Extraordinary General Meetings, having heard the Board of Directors report and the Statutory Auditors' special report:

- delegates to the Board of Directors, in accordance with the provisions of articles L. 225-129-2, L. 225-129-6, and L. 225-138-1 of the French Commercial Code and of articles L. 3332-18 et seq. of the French Labour Code, the authority to increase the share capital, all at once or in instalments, on the basis of its decisions alone, in the proportions and at the time or times it deems appropriate, by issuing shares reserved for subscribers to a Group or company savings plan;
- decides to cancel the preferential subscription right for these shares, the issue of which is authorised by this resolution for the beneficiaries;
- decides that the beneficiaries for the capital increases, now authorised, will be the subscribers to a Group or company savings plan, for the Company or companies related to it under the terms of L. 225-180 of the French commercial code, and which meet, among others, any conditions set by the Board of Directors;
- decides to set the maximum total amount of €1,000,000 for the capital increase, which can be done by issuing shares, it being specified that this cap is charged to the capital increase cap stipulated in resolution 22 of this shareholders' meeting (or to the cap stipulated in a resolution of the same type that may follow said resolution during the period this delegation is valid);
- decides that the share issue price, the subscription of which is reserved in this manner, in application of this delegation, will be determined by the Board of Directors, but it cannot be more than 20% lower than the average of the first listing prices from the twenty trading sessions preceding the decision that set the subscription opening date, or 30% of the same average when the unavailability period stipulated in the plan in application of articles L. 3332-25 and L. 3332-26 of the French Labour Code is greater than or equal to ten years.
- decides that the Board of Directors may also stipulate, in application of this authorisation, the free allocation to employees of shares or other securities that give them access to the Company's capital under the conditions described in article L. 3332-21 of the French Labour Code;
- decides that the conditions for subscription and payment of shares may be in cash or by compensation, under the conditions set by the Board of Directors;
- decides that the Board of Directors will have full power to implement this delegation, with the faculty to sub-delegate under the legal and regulatory conditions, within the limits and under the conditions stipulated above, for the purpose of:
  - setting the list of beneficiaries and the conditions that must be met by the beneficiaries of new shares from capital increases, as covered in this resolution,
  - determining the conditions for issue,
  - deciding on the total amount to be issued, the issue price, the dates and terms of each issue, in particular deciding if the shares will be subscribed directly or through one or more company investment funds (FCPEs) or employee investment funds (Sicavas) or through any other entity in accordance with current legislation,
  - determining the time allowed to subscribers for payment of their shares,
  - setting the date, even retroactive, from which the new shares will mature,
  - formally recording or having others formally record the completion of the capital increase for the amount of shares effectively subscribed, or deciding to increase the total of these capital increases so that the totality of subscriptions received can be effectively served,
  - at its own initiative, charging the cost of the share capital increases to the total bonuses related to these increases and deducting from this amount the totals necessary to bring the legal reserve to one-tenth of the new capital after each increase,
  - in general, making any decisions about the capital increases, carrying out any necessary formalities, and making the correlated modifications in the by-laws.

This delegation is valid for a period of thirty-eight months from the date of this shareholders' meeting.

RESOLUTIONS OF A MIXED NATURE

RESOLUTION 27

(Powers to carry out formalities)

The General Meeting, deliberating in accordance with the quorum and majority requirements for extraordinary General Meetings, grants full powers to the bearer of a copy or extract of these minutes to carry out all filings and legal and other disclosure formalities that it will hold.

PRIOR FORMALITIES TO BE CARRIED OUT IN ORDER TO PARTICIPATE IN THE MEETING

Shareholders may take part in this meeting regardless of the number of shares they own, notwithstanding any provisions to the contrary in the by-laws.

The right to participate in General Meetings of companies is justified by the registration in the account of the shares in the name of the shareholder or intermediary registered on its behalf pursuant to Article L. 228-1 of the French Commercial Code, on the second business day prior to the meeting, i.e. on **23 July 2019** at midnight, Paris time, either in the registered securities accounts kept by the Company or in the bearer securities accounts kept by the authorised intermediary.

The registration of the shares in the bearer share accounts held by the authorised intermediary must be evidenced by a participation certificate issued by the latter, where applicable electronically in accordance with the conditions set forth in Article R. 225-61 of the French Commercial Code, and appended to the remote voting or proxy form, or on the application for an admission card drawn up in the name of the shareholder or on behalf of the shareholder represented by the registered intermediary.

A certificate must also be issued by its financial intermediary to the shareholder wishing to participate physically in the meeting and who has not received his admission card on the second business day prior to the meeting at midnight, Paris time.

WAYS OF PARTICIPATING IN THIS MEETING

Shareholders wishing to personally attend this meeting may apply for an admission card in the following manner:

For the registered shareholder: present on the day of the meeting with an identity document or request an admission card from **CACEIS Corporate Trust - Service Assemblée Générales Centralisées -14, rue Rouget de Lisle - 92862 Issy-les-Moulineaux Cedex 9** (or by fax to 01 49 08 05 82).

For the bearer shareholder: request the authorised intermediary managing its securities account to have an admission card sent to it.

If they cannot attend this meeting in person, shareholders may choose between one of the following three methods of voting:

- give a proxy to the Company without indicating an authorised representative;
- give a proxy to a physical person or legal entity of their choosing in accordance with Article L. 225-106 I of the French Commercial Code. Thus, the shareholder must send CACEIS Corporate Trust a written and signed power of attorney indicating his/her full name and address as well as those of his/her agent. Removal from office shall take place under the same formal conditions as those used for the constitution of the office ;
- vote by mail.

In accordance with the provisions of Article R. 225-79 of the French Commercial Code, notification of the appointment and removal of a proxy may also be made by electronic means, in the following manner:

For registered shareholders: by sending an e-mail bearing an electronic signature, resulting from a reliable identification process guaranteeing its link to the remote voting form, to the following e-mail address communicationfinanciere@oeneo.com specifying their name, first name, address and identifier CACEIS Corporate Trust for shareholders in purely registered form (information available at the top and left of their securities account statement) or their identifier with their financial intermediary for shareholders in administered registered form, as well as the name and first name of the appointed or revoked agent.

For bearer shareholders: by sending an e-mail bearing an electronic signature resulting from a reliable identification process guaranteeing its link to the remote voting form, to the following e-mail address communicationfinanciere@oeneo.com specifying their full name, address, and bank details as well as the name and first name of the appointed or revoked agent, and then by requiring their financial intermediary which is responsible for managing their securities accounts to send a written confirmation (by mail) to **CACEIS Corporate Trust - Service Assemblées Générales Centralisées - 14, rue Rouget de Lisle - 92862 Issy-les-Moulineaux Cedex 9** (or by fax to 01 49 08 05 82).

Only notifications of the appointment or revocation of mandates that are duly signed, completed, and received no later than three days before the date of the General Meeting or within the time limits provided for by Article R. 225-80 of the French Commercial Code may be taken into account. In addition, only notifications of the appointment or revocation of directorships may be sent to the e-mail address referred to above, and any other request or notification relating to another object may not be taken into account and/or processed.

A shareholder who has already cast his vote remotely, sent a power or requested his admission card or a certificate of shareholding may at any time sell all or part of his shares. However, if the transfer of ownership takes place before the second business day prior to the meeting, i.e. at midnight, Paris time, on **23 July 2019**, the Company invalidates or changes accordingly, as the case may be, the remote vote, the power, the admission card or the certificate of ownership. For this purpose, the authorised intermediary holding the account shall notify the Company or its agent of the transfer of ownership and provide it with the necessary information.

Proxy and mail voting forms are automatically sent to registered shareholders directly or by post.

For holders of bearer shares, proxy and mail voting forms will be sent to them upon receipt by registered letter with notice of receipt by **CACEIS Corporate Trust - Service Assemblées Générales Centralisées - 14, rue Rouget de Lisle - 92862 Issy-les-Moulineaux Cedex 9** at the latest six days before the date of the meeting.

In order to be counted, the postal voting form, completed, and signed, must be received at **CACEIS Corporate Trust - Service Assemblée Générales Centralisées -14, rue Rouget de Lisle - 92862 Issy-les-Moulineaux Cedex 9** at the latest three days before the meeting is held.

If the shareholder has already cast his vote remotely, sent a power or requested his admission card or a certificate of shareholding, he may no longer choose another form of participation in the meeting, unless otherwise provided for in the by-laws.

For this meeting, no vote is planned by electronic means of communication and, as a result, no website referred to in Article R. 225-61 of the French Commercial Code will be set up for this purpose.

REQUEST FOR THE INCLUSION OF ITEMS OR DRAFT RESOLUTIONS, WRITTEN QUESTIONS AND CONSULTATION OF DOCUMENTS MADE AVAILABLE TO SHAREHOLDERS

Reasoned requests for the inclusion of items or draft resolutions on the agenda by shareholders who meet the legal requirements in force must be sent to the registered office, by registered letter with return receipt request, or to the following e-mail address communicationfinanciere@oeneo.com, and must be received no later than twenty-five days before the General Meeting is held, i.e. on 29 June 2019.

These requests must be accompanied by a certificate of registration in the account justifying the possession or representation by the authors of the request of the fraction of the capital required by Article R. 225-71 of the French Commercial Code. The list of items added to the agenda and the text of the draft resolutions will be published on the Company's website at http://www.oeneo.com, in accordance with Article R. 225-73-1 of the French Commercial Code. The request for the inclusion of draft resolutions shall be accompanied by the text of the draft resolutions, which may be accompanied by a brief explanatory statement.

It is also recalled that the General Meeting's consideration of the items on the agenda and the resolutions to be presented is subject to the transmission by the parties concerned, no later than midnight (Paris time) on the second business day preceding the meeting, of a new certificate justifying the registration in the account of their shares under the same conditions as those indicated above.

Shareholders may ask written questions to the Company in accordance with Articles L. 225-108 and R. 225-84 of the French Commercial Code. Questions should be directed to the Company's head office, by registered letter with acknowledgement of receipt, or to the following e-mail address communicationfinanciere@oeneo.com, no later than the fourth business day prior to the date of the General Meeting, i.e. 19 July 2019. They must be accompanied by a certificate of entry in the account.

In accordance with the applicable legal and regulatory provisions, all documents that must be made available to shareholders in the context of General Meetings will be available, at the Company's head office, within the legal time limits, and, for the documents provided for in Article R. 225-73-1 of the French Commercial Code, on the Company's website: http://www.oeneo.com, as from the twenty first day prior to the General Meeting being held, i.e. on 4 July 2019.

This notice will be followed by a notice of meeting containing any changes made to the agenda following requests for the registration of draft resolutions submitted by shareholders.

The Board of Directors

WE CARE ABOUT YOUR WINE

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