

Lalique Group SA 2023 Full-Year Results Presentation

Zurich, 17 April 2024





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Overview 2023

Roger von der Weid, Executive Vice-Chairman

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Financial Performance 2023

Alexis Rubinstein, Chief Financial Officer

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Nina Müller, Chief Executive Officer

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Overview 2023



2023 key financial takeaways



1

Solid sales growth with contributions from all business segments - 2023 operating revenue totalled EUR 179.2m (+5%)

2

Challenging market and production conditions, including higher lead times for production components - improved performance in H2 2023

3

Overall cost increase mainly reflects general inflation and higher energy costs - partly offset through price increases

4

EBIT of EUR 7.0m (vs. EUR 13.2m in 2022) at 3.9% EBIT margin;
Net Group profit of EUR 2.4m (vs. EUR 9.6m in 2022)

5

Based on the result for the 2023 financial year, the Board of Directors will propose to the Annual General Meeting that no dividend be distributed

2023 business highlights



1

Perfume business with solid sales overall, benefiting from the broad-based portfolio of brands

2

Crystal business with rebound in H2 2023, ending the year with good momentum

3

Ultrasun continued to recover, driven by growth in the UK, Switzerland and Germany in particular

4

The Glenturret continued on its growth path, with increased whisky sales and pleasing demand for the distillery's tourist and gastronomic offerings

5

Acquisition of majority stake in Château Lafaurie-Peyraguey wine estate, with the further developing synergies with the Laliqre crystal and hospitality business

Laliqre Les Millésimes Collection

Financial Performance 2023



FY 2023 key results

in EURm	2023	2022
Operating revenue	179.2	170.0
<i>Revenue growth</i>	5%	20%
Gross profit	99.89	98.71
Personnel costs	-46.9	-42.0
Other operating expenses	-31.5	-27.8
EBITDA	21.4	28.9
Depreciation and amortization	-14.4	-15.7
EBIT	7.0	13.2
EBIT margin	3.90%	7.70%
Financial result	-3.8	-2.0
Income taxes	-0.9	-1.5
Net Group result	2.4	9.6
Earnings per share (EUR)	0.34	1.35
Dividend per share (CHF)	0.0	0.5
Total equity¹	195.8	178.8
Equity ratio	47.27%	50.08%

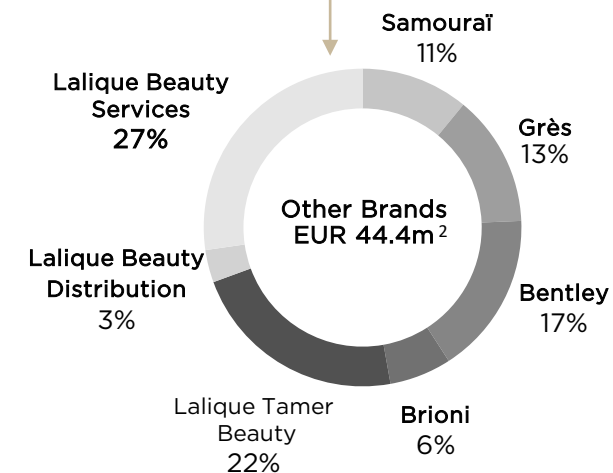
- **Operating revenue** up 5% vs. 2022 (up 5.4% in local currencies)
- **Gross profit margin** decreased due to energy costs and production issues in Q1 2023
- **Costs** increase reflect high inflation and transaction costs as well as investments in staff expansion and marketing activities
- **Depreciation and amortization** decreased due to an impairment reversal of EUR 1.5m
- **EBIT** of EUR 7.0m vs. EUR 13.2m in 2022
- **Financial result** was down to EUR -3.8m due to the increase in net debt at a higher interest rate
- **Net group result** ends up at EUR 2.4m

EBIT breakdown (in EURm)	2023	Margin
Lalique	1.2	1.23%
Ultrasun	2.0	6.94%
Jaguar	0.8	8.31%
Wine & Spirits	0.6	3.77%
Other Brands	3.0	6.80%
Holding and eliminations	-0.6	0.00%
Lalique Group	7.0	3.90%

¹ Before non-controlling interests

FY 2023 results by segment

2023 segment results (in EUR thousand)	Lalique	Ultrasun	Jaguar	Wine & Spirits	Other Brands	Holding and Elim.	Group
Revenue from contracts and other operating income with external customers	92,404	16,380	24,735	9,271	36,332	84	179,206
Revenue from transactions and other operating income with other segments	5,986	-	3,502	417	8,057	-17,962	-
Total operating revenue	98,390	16,380	28,237	9,688	44,389	-17,878	179,206
Revenue growth (vs. 2022)	2.84%	10.44%	6.99%	27.84%	15.78%	n.a.	5.41% ¹
EBIT	1,210	618	1,961	805	3,017	- 578	7,033
Assets	214,104	24,294	24,703	86,622	78,444	-14,019	414,148
Liabilities	176,687	7,645	14,806	40,830	58,905	-101,103	197,770
Investments in PPE	17,829	48	143	15,568	4,160	799	38,547
D&A PPE	10,751	309	326	- 587	1,960	24	12,783
Investments in Intangibles	979	195	2,643	124	6,702	-	10,643
D&A Intangibles	549	177	115	323	420	1	1,585



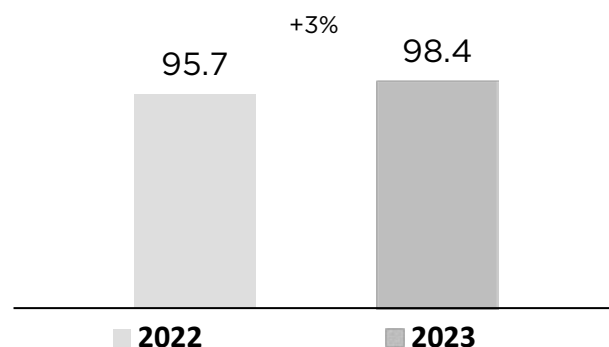
The new segment Wine & Spirits consists of the Glenturret whisky distillery and the newly acquired majority stake in the Château Lafaurie-Peyraguey vineyard in the Bordeaux region

¹ Currency-adjusted growth in 2023 was +5.4%

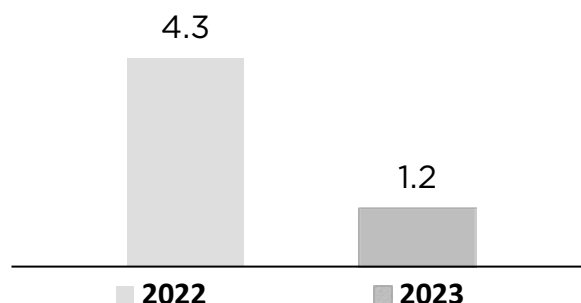
² Includes revenues from transactions with other segments (-18%)

Lalique segment: solid revenue growth

REVENUE in (EURm)



EBIT in (EURm)

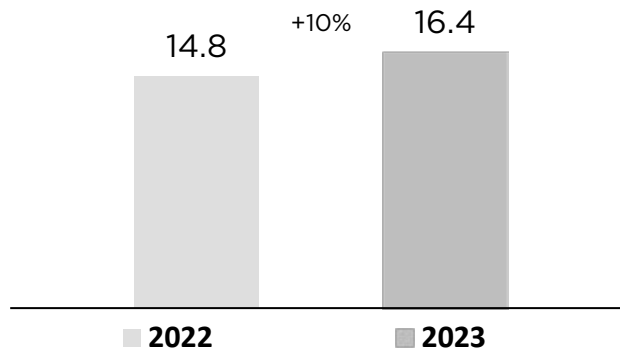


EBIT margin

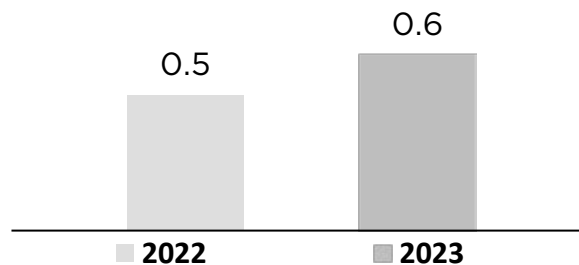
- Segment revenue up 3% vs. 2022, 5% excluding the EUR 1.7m extraordinary result
- Perfumes: operating revenue declined -4.5% mainly due to distribution challenges in the Middle East region
- Crystal: operating revenue up 5% with growth across almost all markets
- Gastronomy/hospitality: operating revenue up 16% particularly reflecting Château Lafaurie-Peyraguey Hotel & Restaurant acquired in 2021
- Segment costs up 5.1% due to intensified business activities following and investments in production capacities of crystal manufacture inflation
- As a result, EBIT down to EUR 1.2m from EUR 4.3m in 2022; EUR 2.6m excluding the 2022 extraordinary income

Ultrasun segment: business remains on growth track

REVENUE in (EURm)



EBIT in (EURm)

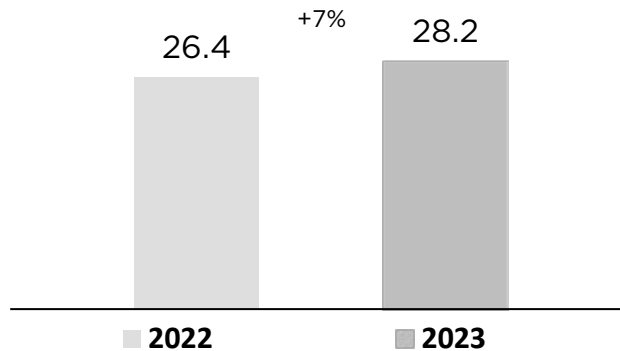


EBIT margin

- Segment revenue up 10%
- Solid performance in particular in:
 - UK: 13.8% operating revenue growth vs. 2022 with online now being strongest distribution channel
 - CH: operating revenue up 4% vs 2022
 - China: revenue down in the course of change of distribution partner
- Foreign exchange developments of production (in CHF) and main market (in GBP) had a negative impact on the gross profit margin
- -4.8% lower gross profit margin was only partly compensated by segment cost reductions down -3% versus 2022
- EBIT of EUR 0.6m in 2023 vs. EUR 0.5m in 2022

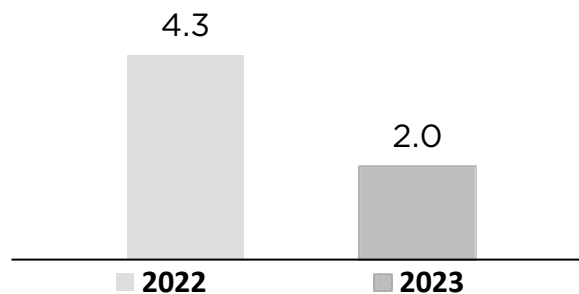
Jaguar segment: solid revenue growth

REVENUE in (EURm)



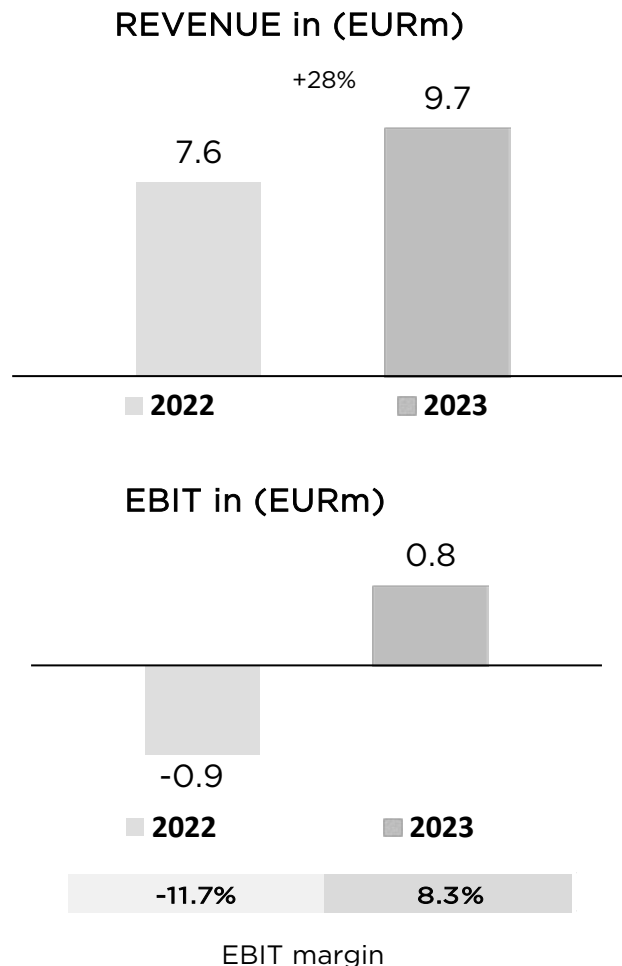
- Jaguar accelerated operating revenue growth over the 2023 period towards overall growth rate of 7% vs 2022 especially thanks to DACH region strong performance
- Gross profit margin decrease reflecting inflation and increased production costs
- Resulting in an EBIT decrease to EUR 2m

EBIT in (EURm)



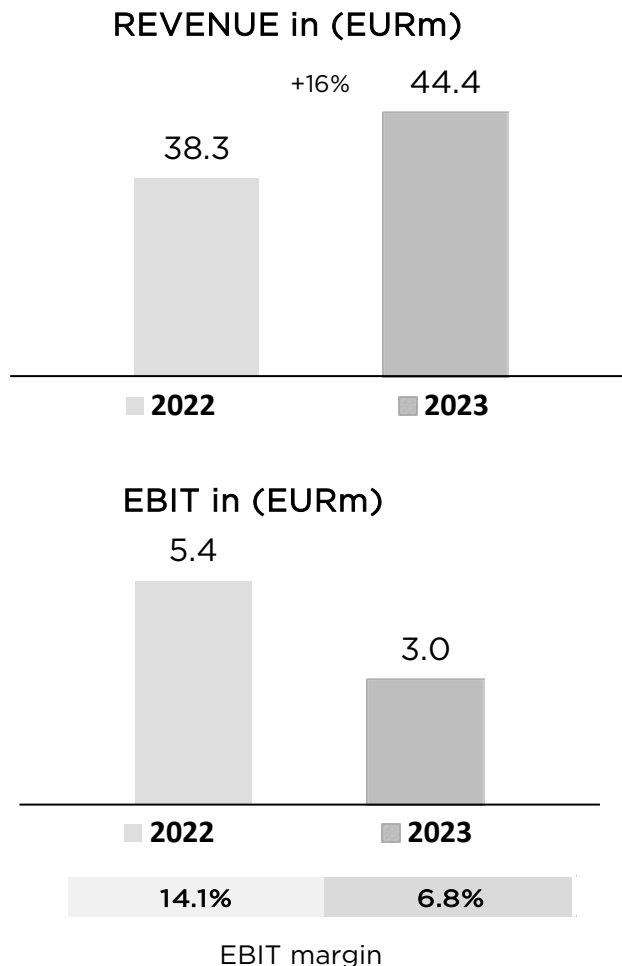
EBIT margin

Wine & Spirits segment: strong growth of whisky sales



- The Glenturret increased revenues by 21%, driven by strong growth of whisky sales; Visitor Centre, refurbished Café and new Lalique Restaurant also contributed positively
- Chateau Lafaurie-Peyraguey's wine sales contributed around EUR 0.6m to the Wine & Spirits segment's total revenue of EUR 9.7m
- Total costs increased by 21% as a result of an expanded range of services as well as business growth
- EBIT reached EUR 0.8m after negative EBIT of EUR -0.9m in 2022, including the reversal of impairment of EUR 1.5m

Other brands segment: solid revenue growth



- Bentley: After the over proportional growth of Bentley in the past two years (+43% in 2021 and +64% in 2022), in 2023 the brand has declined by 25%
- Parfums Grès: 42% sales growth – approaching pre-pandemic level – driven by Spanish, Italian and US markets as well as Latin American
- Parfums Samouraï: 11% sales growth – thanks to the successful launches of Ultra Water and Night Light as well as the shipment of Violet Jasmine
- Brioni: accelerated growth by 17% vs. 2022 following launch of third Brioni perfume line
- Lalique Beauty Services: revenue up 24% as a result of sales growth in the perfumes business
- Segment EBIT decreased to EUR 3.0m at EBIT margin of 6.8% (vs. 14.1% in 2022) due to increase in cost by EUR 3.0m including new FTEs to increase production capacity

Balance sheet remains solid

in EURm	31.12.23	31.12.22 restated
Cash and cash equivalents	27.7	40.1
Trade accounts receivable	22.8	20.1
Inventories	116.3	86.5
Other current assets	9.1	7.1
Intangible assets	107.6	97.8
Property, plant and equipment	119.4	94.9
Other non-current assets	11.1	10.5
Total assets	414.1	357.0
Bank overdrafts	33.2	29.5
Trade accounts payable	29.2	23.0
Other current liabilities	38.0	33.4
Non-current financial liabilities	81.7	58.7
Other non-current liabilities	15.7	15.7
Total liabilities	197.8	160.3
Total equity	216.4	196.7
Total liabilities and equity	414.1	357.0

- The increase in working capital especially in inventories for EUR 29.8m impacted liquidity (EUR -16.1m)
- Intangible assets and other non-current liabilities increased due to capitalisation of Mikimoto licence rights and extended Brioni licence agreement (EUR 5.7m)
- Increase in property, plant and equipment mainly reflects investments in crystal, perfumes and whisky facilities for EUR 15.2m in order to increase production capacities.
- Non-current financial liabilities increase mainly reflects new lease commitments for EUR 3.7m, the acquisition of Chateau Laufaurie-Peyraguey as well as the extension of the Brioni licence agreement and capitalisation of Mikimoto licence rights
- Net debt / EBITDA ratio increased to 5.0 due the lower profitability and higher debt to cover working capital needs
- Equity ratio remains strong at 47.3% (2022: 50.1%)

in EURm	31.12.23	31.12.22 restated
Total equity before non-controlling interests	195.8	178.8
Equity ratio	47.27%	50.08%

Business Priorities and Outlook



Priorities Lalique Group



1

Build on our rich heritage and savoir faire and continue to establish Lalique Group as a first-class address in the luxury goods market

2

Pursue growth opportunities within our current businesses and enhance synergies between them to maximize potential

3

Thrive for efficiency and operational excellence across the group to ensure sustainable growth

4

Foster a culture of sustainability, respect and diversity in all aspects of our organization

Business activities 2024/25



- Sharpen vision and brand positioning of Lalique
- Optimize strategic product offering and explore untapped opportunities
- Strengthen strategic market presence. Open New York Flagship store end 2024
- Invest in production capacity and innovation in Wingen



- Launch of Superdry fragrance
- Prepare launch of Mikimoto luxury perfume in 2024
- Nurture our strong licensing partnerships and explore new ones
- Invest in manufacturing capacity and innovation in Ury
- Expand Ultrasun in Müller drugstore network and embark on a new distribution partner China



- Exploit synergies with the Lalique brand and create exceptional immersive experiences
- Leverage the cultural differences of the regions we are embedded in
- Continue to drive innovation and expansion at The Glenturret
- Prepare the opening of Villa Florhof in Zürich. Opening May 2025
- Continue to aim for the stars

Financial outlook

Full-year 2024 guidance

- Laliq Group expects sales growth in the high single-digit % range
- Profitability in terms of EBIT margin is expected to increase compared to 2023

Mid-term targets

- Laliq Group continues to expect annual mid-single-digit % growth in local currencies
- With regard to profitability, the Group maintains the ambition to gradually increase the EBIT margin to 9-11% and expects, as previously communicated, the target range to be reached in 2026 against the backdrop of current inflation trends

*Our short- and mid-term outlooks are subject to unforeseeable events such as a significant worsening of the global economic environment.

Q&A

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Appendix



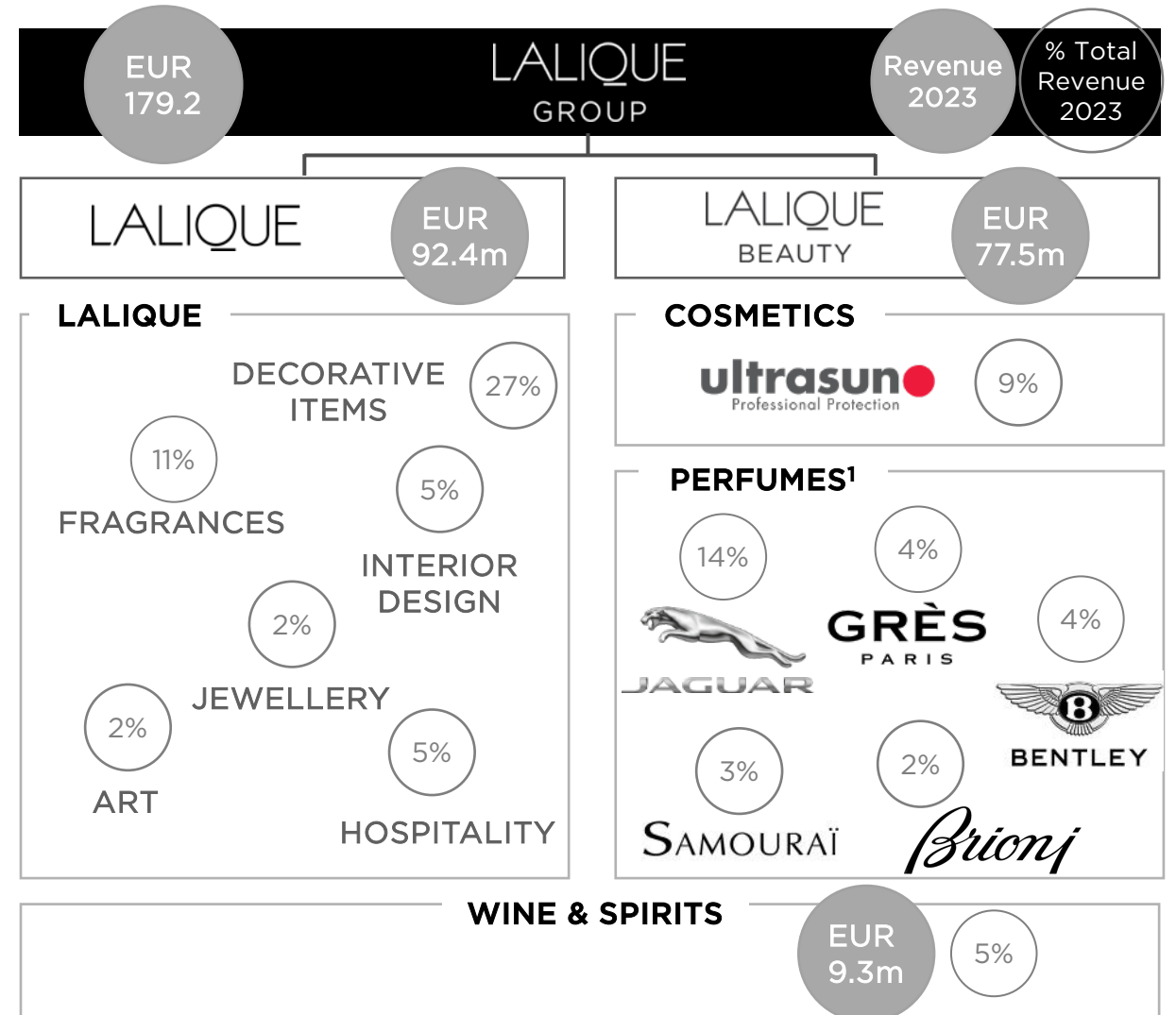
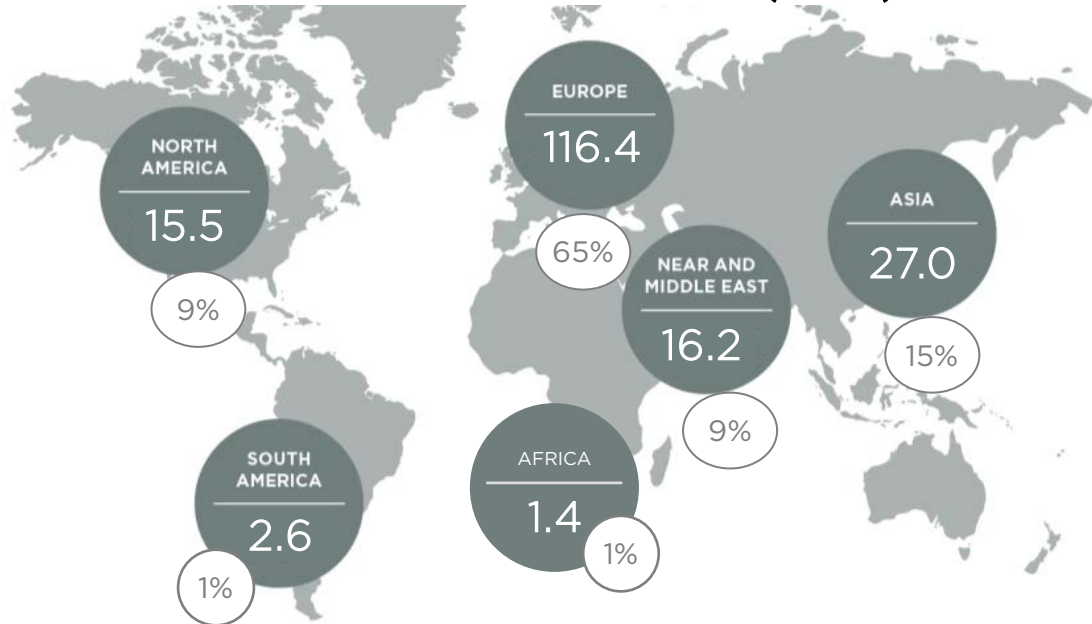
Lalique Group product portfolio reflects diversification strategy

LALIQUE GROUP

A successful niche player in luxury goods

- Lalique Group, headquartered in Zurich, specializes in the creation, development, production, marketing and global distribution of branded products
- 810 FTEs (31.12.2023)

2023 REVENUE BY REGION (EURm)



Revenues from transactions with third party customers

¹ Lalique Beauty Services 1%, Lalique Beauty Distribution 1%, Lalique Tamer Beauty 6%

Consolidated income statement

in EUR thousands	2023	2022
Revenue from contracts with customers	176,798	167,530
Other operating income	2,408	2,471
Operating revenue	179,206	170,001
Material costs	-79,321	-71,287
Gross profit	99,885	98,714
Salaries and wages	-46,941	-42,034
Other operating expenses	-31,543	-27,819
EBITDA	21,401	28,861
Depreciation and amortisation / impairment	-14,368	-15,707
EBIT	7,033	13,154
Financial income	115	100
Financial expenses	-3,315	-1,891
Net foreign exchange differences	- 584	- 210
Group profit before tax	3,249	11,153
Income taxes	- 860	-1,511
Net Group loss/ profit	2,389	9,642
of which attributable to:		
Non-controlling interests	- 156	- 12
Owners of the parent company	2,545	9,654
Earnings per share (EUR)	0.34	1.35

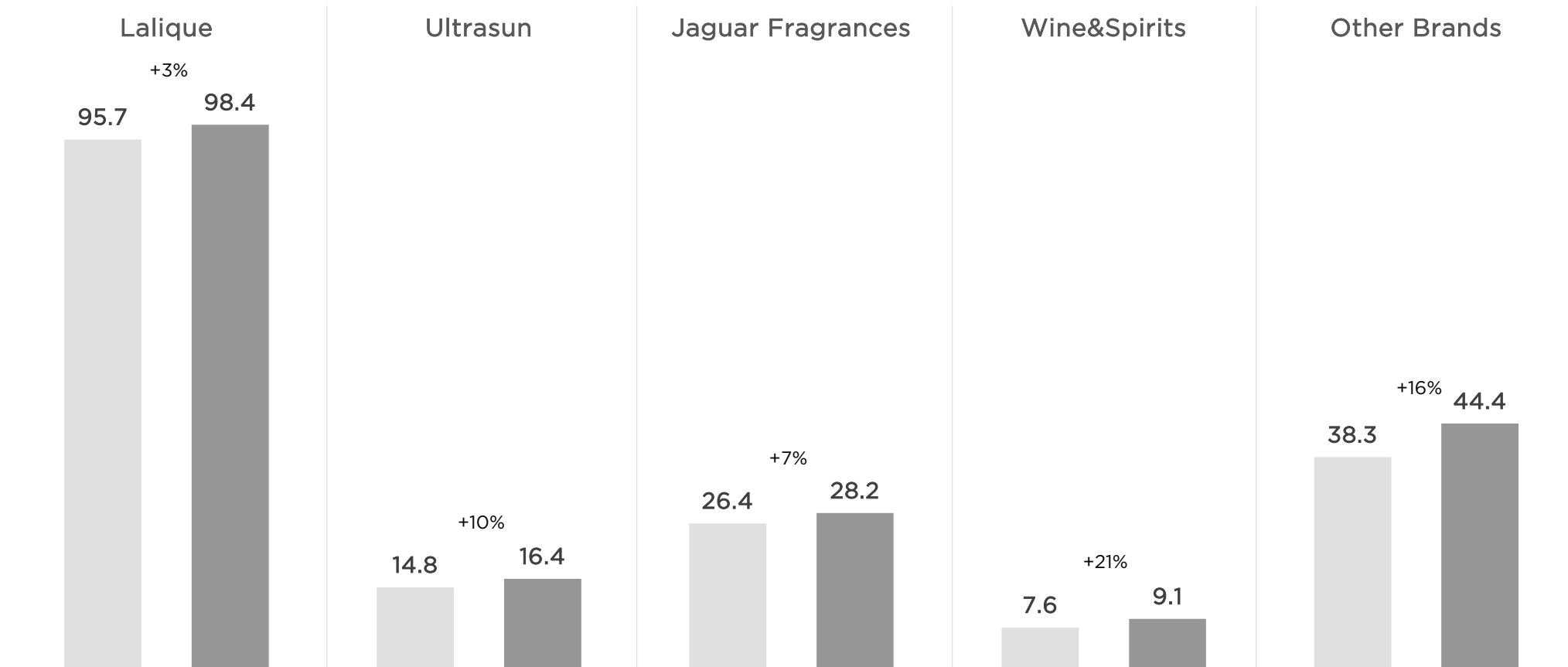
Consolidated balance sheet

in TEUR	31.12.23	31.12.22 restated
Cash and cash equivalents	27,713	40,147
Trade accounts receivable	22,794	20,088
Inventories	116,342	86,505
Other receivables	9,146	7,068
Total current assets	175,995	153,808
Intangible assets	107,637	97,847
Property, plant and equipment	119,405	94,851
Financial assets	1,724	1,730
Other non-current assets	5,843	5,502
Deferred tax assets	3,544	3,223
Total non-current assets	238,153	203,153
Total assets	414,148	356,961

in TEUR	31.12.23	31.12.22 restated
Bank overdrafts	33,165	29,487
Trade accounts payable	29,210	22,996
Current provisions	465	327
Income tax liabilities	1,867	2,454
Current financial liabilities	20,438	14,278
Other current liabilities	15,222	16,385
Total current liabilities	100,367	85,927
Other non-current liabilities	445	50
Non-current provisions	774	1,096
Non-current financial liabilities	81,672	58,676
Defined benefit obligation	3,466	3,173
Deferred tax liabilities	11,046	11,350
Total non-current liabilities	97,403	74,345
Total liabilities	197,770	160,272
Share capital	1,296	1,204
Capital reserves	100,596	83,984
Retained earnings	93,896	93,569
Total equity before non-controlling interests	195,788	178,757
Non-controlling interests	20,590	17,932
Total equity	216,378	196,689
Total liabilities and equity	414,148	356,961

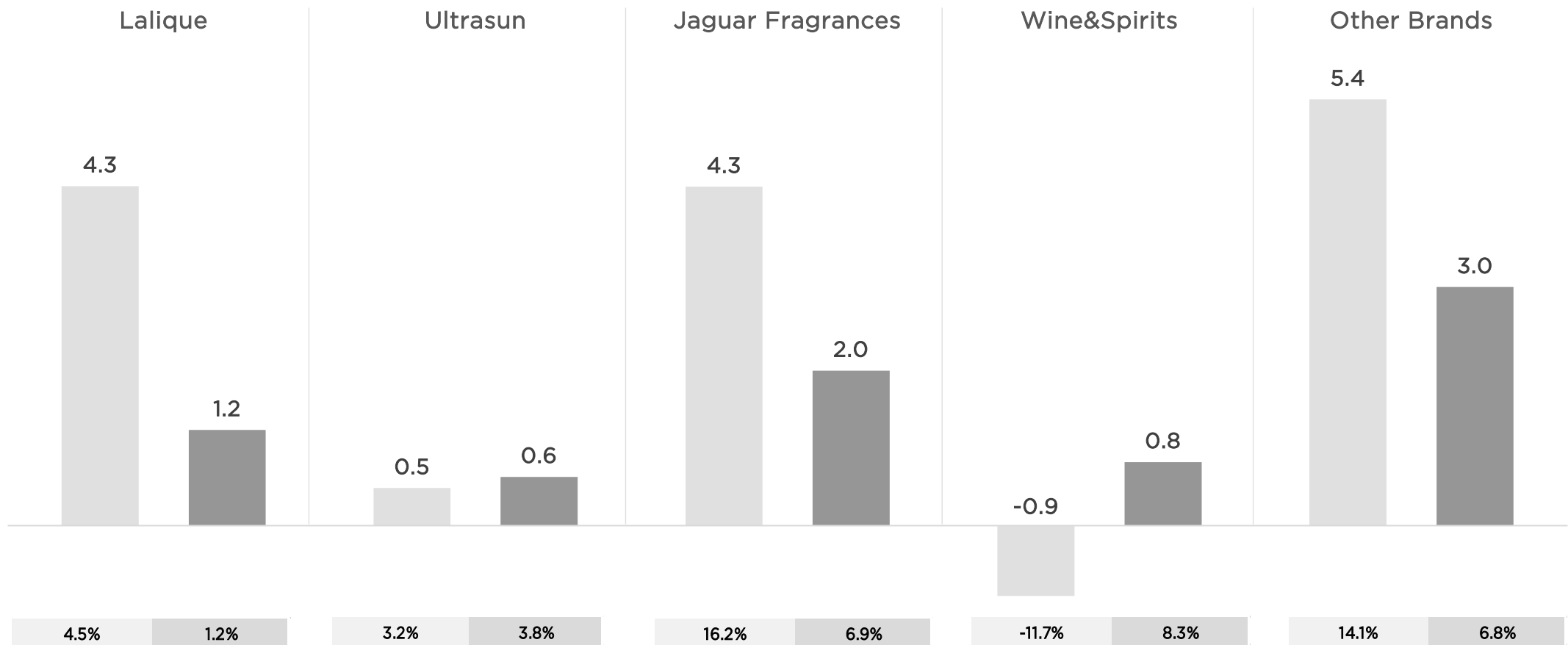
Revenue by segments 2023

REVENUE in (EURm)



EBIT by segments 2023

EBIT in (EURm)



Global presence

Headquarters ●

Lalique Group SA

- Grubenstrasse 18, Zurich, Switzerland

Lalique SA

- 30 rue de Prony, Paris, France

Manufacturing sites ●

Lalique

- Wingen Sur Moder, France

Lalique Beauty Services

- Ury, France

The Glenturret ●

- Whisky Distillery, The Hosh, Crieff, United Kingdom

Lalique own boutiques ●

Europe: 13 stores

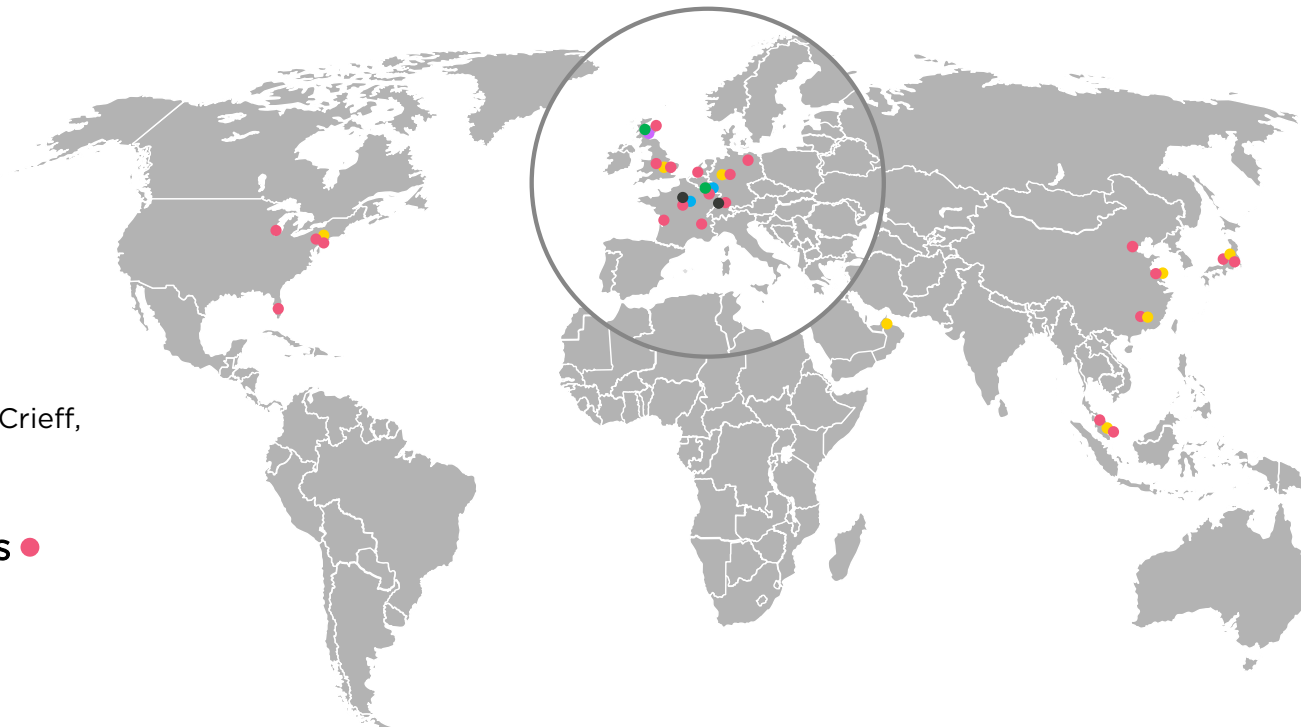
USA: 2 stores

Asia: 15 stores

>14,200 GLOBAL POINTS OF SALE

Lalique division >700

Beauty division: >13,500



● Foreign subsidiaries

- Lalique UK (London)
- Lalique Germany (Frankfurt)
- Lalique North America (New York City)
- Lalique Shanghai (Shanghai)
- Lalique Asia (Hong Kong)
- Lalique Singapore (Singapore)
- Lalique Japan (Tokyo)
- Lalique Tamer Beauty UAE (Dubai)

● Gastronomy/Hospitality

Villa René Lalique

- Five-star hotel and gourmet restaurant (2* Michelin)

Château Hochberg

- Four-star hotel and brasserie-style restaurant

Both hotels are located in Alsace, F

Château Lafaurie-Peyraguey Hôtel & Restaurant Lalique

(operates under Lalique brand on licensing basis)

- Five-star Hotel and gourmet restaurant (2* Michelin)

The Glenturret Lalique Restaurant

- Scotland's first distillery to offer fine dining (2* Michelin)

The Aberturret Estate House

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