

LALIQUE  
GROUP

**ANNUAL  
REPORT 2019**



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**Cover**

Head raised, the Lalique Wolf howls in the moonlight.  
Enhanced by the purity of crystal, its satin-finished fur exhibits graphic accents.

# MADE BY EXCELLENCE



Excellence for us is both an aspiration and a promise. It is founded on the creativity and experience of our staff and long-standing partnerships with renowned suppliers.

We constantly reinvent it by developing unique products of unsurpassed quality. It is underpinned by a well-structured distribution strategy and expressed in the way we communicate.

We strive to achieve our goals with enthusiasm and commitment, driven by the ambition to be a reliable and efficient partner and an exemplary company in everything we do.

# LETTER TO SHAREHOLDERS

## Dear Shareholders and Friends of Lalique Group

Lalique Group achieved further growth in 2019 and made significant investments in its business's broad base. Organic growth was driven primarily by continued strong growth in the Ultrasun segment and the positive development of almost all brands in the perfume business. The Lalique crystal business also developed positively, particularly in the area of interior design, which grew by 25%.

In terms of our external growth, the 50% stake in the Scottish single malt whisky distillery The Glenturret enabled us to integrate into our portfolio a brand with significant potential in one of the fastest growing segments of the spirits industry. With The Glenturret, we have substantially expanded our portfolio and are addressing an even broader group of clients in the international luxury goods market. In addition to this, we entered into an exclusive licensing agreement with the renowned luxury brand Brioni. Under the agreement, we will create, manufacture and globally distribute premium perfume collections using the Brioni label. The launch of a first fragrance under the new license will mark the 75th anniversary of Brioni and is planned for the fourth quarter of 2020. We are pleased to be Brioni's exclusive perfume partner and to build on our shared tradition of craftsmanship and quality.

### Group results

Group operating revenue increased by 5% year-on-year to EUR 143.5 million. This corresponds to growth in local currencies of 5%. Personnel costs increased by 9% to EUR 35.5 million. Other operating expenses decreased from EUR 32.4 million to EUR 30.0 million year-on-year, while depreciation rose from EUR 7.7 million to EUR 14.8 million. This reflects the first-time application of IFRS 16. The growth and investment-related expenses reflect the planned costs for international expansion and for restructuring in the US; this also includes EUR 1.2 million of one-off expenses in connection with the acquisition of the stake in The Glenturret. Earnings before interest and taxes (EBIT) totaled EUR 1.4 million compared with EUR 6.1 million in the previous year. Net Group profit was EUR 1.1 million compared with EUR 5.2 million in the previous year.

# BRIEF AN DIE AKTIONÄRE

## Liebe Aktionärinnen und Aktionäre, liebe Freunde des Unternehmens

*Im Jahr 2019 hat Lalique Group weiteres Wachstum erzielt und erheblich in die breite Abstützung ihres Geschäfts investiert. Zum organischen Wachstum trugen insbesondere ein anhaltend starker Zuwachs im Segment Ultrasun sowie eine positive Entwicklung fast aller Marken im Parfüm-Geschäft bei. Auch das Lalique-Kristallgeschäft entwickelte sich erfreulich, insbesondere der Bereich Interior Design, der um 25% zunehmen konnte.*

*Was unser externes Wachstum anbelangt, haben wir mit der 50% Beteiligung an der schottischen Single Malt Whisky Destillerie The Glenturret eine Marke mit grossem Potenzial in einer der am schnellsten wachsenden Kategorie der Spirituosenindustrie in unser Portfolio integriert. Mit The Glenturret haben wir unser Portfolio massgeblich erweitert und sprechen einen noch breiteren Kreis von Kunden im internationalen Luxusgütermarkt an. Im Weiteren konnten wir mit der renommierten Luxusmarke Brioni einen exklusiven Lizenzvertrag abschliessen. Gemäss der Vereinbarung werden wir edle Parfümkollektionen unter dem Brioni-Label kreieren, herstellen und weltweit vertreiben. Die Lancierung eines ersten Dufts im Rahmen der neuen Lizenz ist zur Feier des 75-jährigen Bestehens von Brioni im vierten Quartal 2020 geplant. Wir freuen uns, Brionis exklusiver Parfüm-Partner zu sein und dabei auf unserer gemeinsamen Tradition der Handwerkskunst und Qualität aufzubauen.*

### Gruppenergebnisse

*Der Betriebserlös stieg gegenüber dem Vorjahr um 5% auf EUR 143.5 Mio. Dies entspricht einem Wachstum in Lokalwährungen von ebenfalls 5%. Der Personalaufwand nahm um 9% auf EUR 35.5 Mio. zu. Die übrigen betrieblichen Aufwendungen gingen gegenüber dem Vorjahr von EUR 32.4 Mio. auf EUR 30.0 Mio. zurück, während die Abschreibungen von CHF 7.7 Mio. auf CHF 14.8 Mio. zunahmen. Diese Entwicklung widerspiegelt die erstmalige Anwendung von IFRS 16. Die wachstums- und investitionsbedingten Aufwendungen reflektieren die plangemässen Kosten für die internationale Expansion und für die Restrukturierung in den USA; zudem sind darin EUR 1.2 Mio. an einmaligen Kosten im Zusammenhang mit der Akquisition der Beteiligung an The Glenturret enthalten. Das Betriebsergebnis EBIT belief sich auf EUR 1.4 Mio. gegenüber EUR 6.1 Mio. im Vorjahr. Das Konzernergebnis betrug EUR 1.1 Mio. im Vergleich zu EUR 5.2 Mio. im Vorjahr.*



**SILVIO DENZ**, Executive Chairman of the Board of Directors



**ROGER VON DER WEID**, Chief Executive Officer

### Segment results

The Lalique segment recorded a slight decrease in sales. While the crystal business achieved a solid rise in sales, the perfume business recorded a significant decline due to difficult market and operating conditions in the Middle East, including the embargo on Iran. Costs increased slightly, reflecting the further expansion of the business, particularly in Asia.

Ultrasun once again achieved a very good result for the year under review. The segment recorded continued growth, especially in China, Switzerland and the Netherlands, and new markets also closed the year with solid results.

In the other segments, Jaguar Fragrances recorded further growth as a result of increased sales in Europe, North America and Asia, following a good result in the previous year. Parfums Grès also reported a very positive result for 2019 and benefited from a strong recovery in key markets.

Among the other brands, Bentley Fragrances ended 2019 with solid growth and Parfums Samouraï once again reported higher sales following a decline in the previous year. The perfume filling and logistics

### Ergebnisse der Segmente

*Das Segment Lalique verzeichnete einen leichten Umsatzrückgang. Während das Kristallgeschäft ein gutes Umsatzplus erzielte, verzeichnete das Parfümgeschäft einen deutlichen Rückgang aufgrund schwieriger Markt- und Betriebsbedingungen im Mittleren Osten inklusive des Iran-Embargos. Die Kosten stiegen leicht und widerspiegeln den weiteren Ausbau des Geschäfts namentlich in Asien.*

*Ultrasun schloss das Berichtsjahr erneut mit einem sehr erfreulichen Resultat ab. Das Segment verzeichnete insbesondere in China, der Schweiz und den Niederlanden weiteres Wachstum, und neue Märkte schlossen ebenfalls mit soliden Zahlen ab.*

*In den übrigen Segmenten legte Jaguar Fragrances nach einem guten Vorjahr erneut zu, dank Umsatzsteigerungen in Europa, Nordamerika und Asien. Auch Parfums Grès verzeichnete ein positives Jahr 2019, das von einer starken Erholung von Schlüsselmärkten profitierte.*

*Unter den anderen Marken schloss Bentley Fragrances das Jahr 2019 mit einem guten Wachstum ab, und auch Parfums Samouraï verzeichnete wieder ein Umsatzplus nach dem Rückgang im*

operation Laliq Beauty Services also developed positively. Sales for the whisky distillery The Glenturret for the months from April until December 2019 were in line with expectations.

### Outlook

Before the lockdown measures imposed by the authorities around the world in mid-March 2020 to combat Covid-19, Laliq Group's business was less affected than initially expected when the crisis began in China. However, we expect our business operations to be adversely affected during the remainder of the year, in particular due to the closure of points of sale and interruptions in supply chains.

In light of this situation, we swiftly introduced measures to protect Laliq Group's profitability to the greatest extent possible and to maintain our solid financial position. Marketing activities have been significantly reduced and a number of projects for the development and launch of new collections and product lines have been suspended until further notice. In addition, we have applied for short-time work or comparable support measures for the majority of employees at our headquarters in Zurich, all locations in France, as well as overseas. In contrast, digital marketing and online distribution activities will be further expanded. The preparations for the launch of the first Brioni perfume in the fourth quarter of 2020 are proceeding according to plan, and the rebranding of The Glenturret distillery – in connection with the launch of a new line of whiskies under the leadership of renowned whisky maker Bob Dalgarno – is progressing rapidly.

Our solid balance sheet is also attributable to the capital increase completed in July 2019, which resulted in the issue of a total of 1 200 000 new shares. The gross proceeds from the issue amounted to CHF 48 million and were used in part to refinance the acquisition of the stake in The Glenturret. As a result, the equity capital ratio once again rose to 50%. In light of the Covid-19 situation and the associated uncertain economic developments, the Board of Directors of Laliq Group has, however, decided to propose to you that no dividend be distributed for the 2019 financial year. For their part, all members of the Board of Directors and the Executive Board have announced that they will contribute to the measures to preserve liquidity in the form of decreased salaries and bonuses.

*Vorjahr. Der Parfüms-Abfüll- und Logistikbetrieb Laliq Beauty Services entwickelte sich ebenfalls positiv. Die Whisky-Destillerie The Glenturret verzeichnete in den Monaten April bis Dezember 2019 einen Umsatz gemäss Erwartungen.*

### Ausblick

*Vor den Mitte März 2020 von Behörden weltweit verhängten Lockdown-Massnahmen zur Bekämpfung von Covid-19 wurde das Geschäft von Laliq Group weniger beeinträchtigt als beim Ausbruch der Krise in China zunächst befürchtet. Für den weiteren Jahresverlauf rechnen wir jedoch mit Beeinträchtigungen des Geschäftsbetriebs, insbesondere aufgrund der Schliessung von Verkaufsstellen und Unterbrüchen in Lieferketten.*

*Wir haben in dieser Situation umgehend Massnahmen eingeleitet, um die Profitabilität von Laliq Group bestmöglich zu schützen und unsere solide Finanzposition zu erhalten. So wurden Marketingaktivitäten stark reduziert und eine Reihe von Projekten zur Entwicklung und Lancierung neuer Kollektionen und Produktlinien bis auf Weiteres eingestellt. Zudem haben wir für den Grossteil der Mitarbeitenden am Hauptsitz in Zürich, an allen Standorten in Frankreich sowie in Übersee Kurzarbeit bzw. vergleichbare Unterstützungsmassnahmen beantragt. Demgegenüber werden Digitalmarketing und Online-Vertriebsaktivitäten weiter ausgebaut. Die Vorbereitungen für die Lancierung eines ersten Brioni-Parfüms im vierten Quartal 2020 laufen wie geplant, und auch das Rebranding der Destillerie von The Glenturret – verbunden mit der Lancierung eines neuen Whiskysortiments unter der Federführung des renommierten Whisky Makers Bob Dalgarno – schreitet zügig voran.*

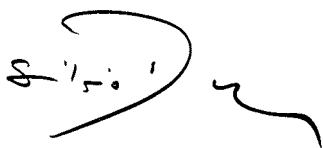
*Unsere solide Bilanz verdanken wir auch der im Juli 2019 durchgeführten Kapitalerhöhung, bei der insgesamt 1 200 000 neue Aktien ausgegeben wurden. Der Bruttoerlös aus der Emission betrug CHF 48 Mio. und diente teils zur Refinanzierung der Akquisition der Beteiligung an The Glenturret. Dadurch stieg die Eigenkapitalquote wieder auf 50% an. Nichtsdestotrotz hat der Verwaltungsrat der Laliq Group beschlossen, Ihnen angesichts der Covid-19-Situation und der damit verbundenen unsicheren wirtschaftlichen Entwicklung den Verzicht auf eine Dividende für das Geschäftsjahr 2019 zu beantragen. Alle Mitglieder des Verwaltungsrates und der Geschäftsleitung haben ihrerseits erklärt, sich in Form von Lohn- und Bonusverzicht an den liquiditätserhaltenden Massnahmen zu beteiligen.*

Due to the unpredictability of the further developments, it is not possible to provide more specific information on the course of business of Lalique Group at this point in time. However, we are convinced that our diversified portfolio consisting of differently positioned brands and the breadth of our business are fundamental strengths that will benefit Lalique Group, also if the difficult economic environment persists for an extended period. With regard to the medium-term goals communicated to date – sales growth in the mid-single digit percentage range in local currencies, a gradual increase in the EBIT margin to 9%-11% – we currently expect that the achievement of these targets will be delayed, depending on how markets recover from the current crisis.


In the meantime, our top priority is the safety and health of our employees during the current pandemic. On behalf of the Board of Directors and the Executive Board, we would therefore like to express our sincere thanks to all our employees for their professionalism and loyalty in this extraordinary situation. We would also like to thank you, our valued shareholders, clients and partners, for your trust, loyalty and support, which continuously drive us in our business activities for Lalique Group.

*Aufgrund der Unvorhersehbarkeit der weiteren Entwicklung lassen sich die Auswirkungen auf den Geschäftsverlauf von Lalique Group zum heutigen Zeitpunkt nicht genauer abschätzen. Wir sind jedoch überzeugt, dass unser diversifiziertes Portfolio mit unterschiedlich positionierten Marken und die Breite unseres Geschäfts eine fundamentale Stärke bilden, die Lalique Group auch in einem allenfalls länger anhaltenden schwierigen Wirtschaftsumfeld zu Gute kommen wird. Mit Blick auf unsere bisher kommunizierten Mittelfristziele – Umsatzwachstum im mittleren einstelligen Prozentbereich in Lokalwährungen, schrittweise Steigerung der EBIT-Marge auf 9% bis 11% – gehen wir derzeit davon aus, dass sich die Zielerreichung verzögern wird, abhängig davon, wie sich die Märkte von der aktuellen Krise erholen werden.*

*Bis dahin gilt unsere oberste Priorität der Sicherheit und Gesundheit unserer Mitarbeitenden während der aktuellen Pandemie. Im Namen des Verwaltungsrates und der Geschäftsleitung möchten wir ihnen daher allen einen besonderen Dank für ihren professionellen Einsatz und ihre Loyalität in dieser ausserordentlichen Situation aussprechen. Ihnen, geschätzte Aktionärinnen und Aktionäre, Kunden und Partner, danken wir für Ihr Vertrauen, Ihre Treue und Unterstützung, welche uns in unseren geschäftlichen Tätigkeiten für die Lalique Group immer weiter antreiben.*



**Silvio Denz**  
Executive Chairman of the Board of Directors



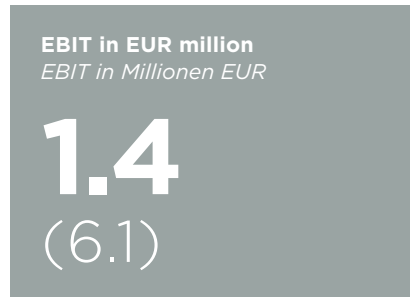
**Roger von der Weid**  
Chief Executive Officer

# 2019 AT A GLANCE

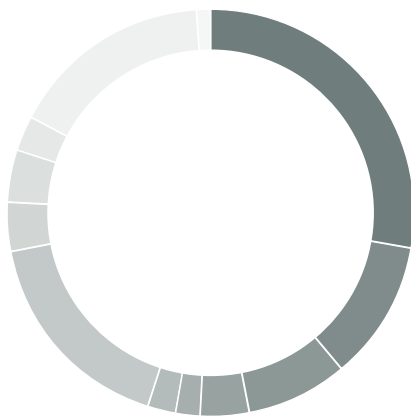
## 2019 AUF EINEN BLICK

### KEY FIGURES 2019 (2018)

Kennzahlen 2019 (2018)

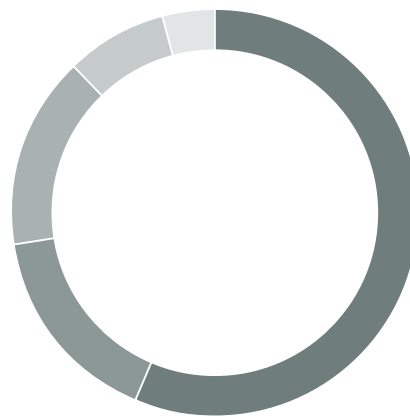


**OPERATING REVENUE BY BUSINESS IN %**  
*Betriebserlös nach Geschäftsbereichen in %*



- 28 Laliq Decorative Items
- 11 Laliq Parfums
- 8 Laliq Interior Design
- 4 Laliq Hospitality
- 2 Laliq Jewellery
- 2 Laliq Art
- 17 Jaguar Fragrances
- 4 Parfums Samourai
- 4 Parfums Grès
- 3 Bentley Fragrances
- 16 Ultrasun
- 1 The Glenturret

**OPERATING SEGMENT IN EUR MILLION**  
*Geschäftssegmente in EUR Millionen*



- 81.1 Laliq
- 23.3 Jaguar Fragrances
- 21.8 Ultrasun
- 11.6 Others<sup>1</sup>
- 5.7 Parfums Grès
- 143.5 Total revenue

<sup>1</sup> Parfums Samourai, Bentley Fragrances, Parfums Alain Delon, Laliq Beauty Services, Laliq Beauty Distribution, Holding & Elimination



**REVENUE BY REGION IN EUR MILLION**

Umsatzerlös nach Regionen in EUR Millionen

North America  
Nordamerika

20.7

Europe  
Europa

80.2

Asia  
Asien

27.7

South America  
Südamerika

1.5

Middle East  
Mittlerer Osten

13.4

**KEY FIGURES IN EUR MILLION<sup>2</sup>**Kennzahlen in EUR Millionen<sup>2</sup>

	2019	2018
<b>Revenue</b> <i>Betriebserlös</i>	<b>143.5</b>	136.4
<b>EBIT</b>	<b>1.4</b>	6.1
<b>Net group profit</b> <i>Konzernergebnis Gruppe</i>	<b>1.1</b>	5.2
<b>Equity</b> <i>Eigenkapital</i>	<b>171.9</b>	128.1
<b>Net debt</b> <i>Nettoverschuldung</i>	<b>32.5</b>	41.3
<b>Equity ratio</b> <i>Eigenkapitalquote</i>	<b>50.13%</b>	54.04%
<b>EBIT margin</b> <i>EBIT-Marge</i>	<b>1.00%</b>	4.50%

**SHARE STATISTICS**

Aktienkennzahlen

<b>Earnings per share</b> <i>Ergebnis pro Aktie</i> <b>EUR</b>	<b>0.52</b>	1.09
<b>Equity per share</b> <i>Eigenkapital pro Aktie</i> <b>EUR</b>	<b>23.87</b>	21.34
<b>Share price high<sup>3</sup></b> <i>Höchstkurs Aktie</i> <b>CHF</b>	<b>54.78</b>	54.5
<b>Share price low<sup>3</sup></b> <i>Tiefstkurs Aktie</i> <b>CHF</b>	<b>36.00</b>	42.4

**Points of sale Lalique**  
Verkaufspunkte Lalique

700

**Points of sale Beauty Division**  
Verkaufspunkte Beauty Division

13 500

<sup>2</sup> The Group has restated the comparative period as at 31 December 2018 for the correction of an error in deferred taxes.  
Der Konzern hat den Vergleichszeitraum zum 31. Dezember 2018 angepasst, um einen Fehler bei den latenten Steuern zu korrigieren.

<sup>3</sup> Period from 25.6.-31.12. for 2018 following the changeover to SIX Swiss Exchange  
Periode vom 25.6.-31.12. für das Jahr 2018 nach dem Wechsel an die SIX Swiss Exchange

## HIGHLIGHTS 2019



**Images** (Picture above): The Glenturret welcomes over 70 000 visitors a year to its distillery in Crieff.  
(Picture below): Silvio Denz, Chairman of Lalique Group, and Roger von der Weid, CEO of Lalique Group



# ACQUISITION OF THE GLENTURRET

## **A HISTORIC DISTILLERY**

Lalique Group has joined with Swiss entrepreneur Hansjörg Wyss to acquire The Glenturret, Scotland's oldest working distillery. Together, they are breathing new life into the historic maker of single malt whisky.

## **EINE HISTORISCHE DESTILLERIE**

*Lalique Group hat – zusammen mit dem Schweizer Unternehmen Hansjörg Wyss – The Glenturret, Schottlands älteste noch operative Destillerie für Single Malt Whisky erworben. Gemeinsam hauchen sie der historischen Destillerie neues Leben ein.*

# HIGHLIGHTS 2019



*Brioni*  
ROMA

TAILORING LEGENDS SINCE 1945

# TAILORING A NEW SCENT

## **NEW LICENSING AGREEMENT**

Lalique Group will create and distribute an exclusive collection of perfumes for the eponymous luxury fashion brand Brioni. The launch of a first Brioni scent under the licence is planned for the fourth quarter of 2020.

## **NEUE LIZENZVEREINBARUNG**

*Lalique Group wird exklusiv eine Parfümkollektion für die gleichnamige Luxusmodemarke Brioni kreieren und vertreiben. Die Einführung eines ersten Brioni-Duftes im Rahmen der Lizenz ist für das vierte Quartal 2020 geplant.*

HIGHLIGHTS 2019



#IAMTHES

**WAKE UP AND SMELL THE SUN!**

With the addition of Soleil Lalique to its feminine fragrance portfolio, the House of Lalique celebrates the sun and the free-spirited women who love it—a community impassioned by the vibrant tagline: #IAMTHESUNCHILD

**WACHEN SIE AUF UND RIECHEN SIE DIE SONNE!**

Mit dem neuen Duft Soleil Lalique feiert das Unternehmen die Sonne und die eigenständigen Frauen. Eine Community, die vom erfrischenden Slogan #IAMTHESUNCHILD begleitet wird.

# SUNCHILD

# HIGHLIGHTS 2019

## RIGHTS ISSUE

### **CAPITAL INCREASE**

Lalique Group completed a capital increase in 2019, issuing a total of 1 200 000 new registered shares. The gross proceeds from the rights issue amounted to CHF 48 million and were used to refinance the acquisition of the Glenturret whisky business.

### **KAPITALERHÖHUNG**

*Lalique Group hat im 2019 eine Kapitalerhöhung durchgeführt und 1 200 000 neue Aktien ausgegeben. Der Bruttoerlös aus der Emission betrug CHF 48 Mio. und wurde vornehmlich zur Refinanzierung der Glenturret Whisky Akquisition verwendet.*







# BUSINESS MODEL AND STRATEGY

As a successful niche player in the luxury goods sector, Lalique Group, which is celebrating its 20<sup>th</sup> anniversary this year, specializes in the creation, development, marketing and global distribution of branded products. Its business areas comprise perfumes, cosmetics, crystal, jewellery, high-end furniture and lifestyle accessories, art, gastronomy and hospitality, as well as single malt whisky.

LALIQUE



**ultrasun**  
Professional Protection

**GRÈS**  
PARIS

SAMOURAÏ



*Brioni*  
ROMA

**THE GLENTURRET**  
SINGLE MALT SCOTCH WHISKY

### GROUP HISTORY

Founded in 2000, the Company initially focused on perfumes and then expanded into cosmetics with the acquisition of the Ultrasun brand in 2007. In 2008, the Group acquired Lalique, which has a long tradition in the glass-making industry and is associated with high quality and craftsmanship, having developed specialized production processes over the last century. Today, Lalique Group leverages its diversified portfolio of brands, state-of-the-art production facilities and management expertise to pursue its growth strategy. Lalique Group holds 95% of the capital of Lalique SA, while the remaining shares are held by private investors.

### NEW BUSINESS

In December 2019, Lalique Group entered into an exclusive licence agreement with the prestigious luxury fashion brand Brioni. Under the agreement, Lalique Group will create and distribute a range of exclusive perfumes for the house of Brioni, which is part of the Kering Group.

Together with Swiss entrepreneur Hansjörg Wyss, Lalique Group acquired The Glenturret in March 2019. The Glenturret is Scotland's oldest working distillery of single malt whisky.

### BRAND PORTFOLIO

Lalique Group's portfolio includes the following brands (in chronological order):

- Parfums Samouraï (licence acquired in 2000; brand acquired in 2007)
- Parfums Grès (licence acquired in 2001; brand acquired in 2007)
- Jaguar Fragrances (licence acquired in 2002)
- Ultrasun (brand acquired in 2007)
- Lalique (brand acquired in 2008)
- Bentley Fragrances (licence acquired in 2011)
- The Glenturret (brand acquired in March 2019)
- Brioni (licence acquired in December 2019)

**SINCE ACQUIRING THE LALIQUE BRAND IN 2008, THE COMPANY HAS MADE SIGNIFICANT INVESTMENTS WITH THE AIM OF TRANSFORMING IT FROM A CRYSTAL MANUFACTURER INTO A DESIRABLE LIFESTYLE BRAND.**

In addition to its group headquarters in Zurich, Switzerland, the Group has its Lalique offices in Paris, as well as two industrial sites, a perfume filling and logistics centre in Ury, France and a glass manufacture in Wingen-sur-Moder, France. The Group also maintains representative offices in the United Kingdom, Germany, the United States, China, Japan and Singapore.

# BUSINESS MODEL

The Group has the following strengths to support future growth and long-term shareholder value: a diversified product portfolio of well-positioned brands in the perfume, cosmetics, crystal and jewellery sectors, as well as in the fine-spirits industry. The Company has established a strong competitive position as a niche player in industries led by multinational companies.

## 1. LALIQUE BRAND

Lalique's offering includes a broad range of lifestyle products, from art to decorative pieces, from architecture to interior design, and from jewellery to fragrances and hotel-restaurants.

## LALIQUE TO BECOME A DIVERSIFIED LIFESTYLE LUXURY BRAND.

Since acquiring the Lalique brand in 2008, the Company has made significant investments with the aim of transforming it from a crystal manufacturer into a desirable lifestyle brand. Lalique distinguishes itself from its competitors through its diversified offering, know-how in product design and the ability to produce elaborate and sophisticated items.

The Group's Interior Design Studio in Paris offers tailor-made crystal designs for architectural projects. Lalique also creates limited editions of artworks in collaboration with renowned artists and designers.

### Co-branding

Lalique's marketing strategy also includes collaborations with other high-end brands which enable the Company to gain access to the partner brand's customer base.

The programme includes partnerships with houses such as Steinway & Sons, Singapore Airlines, Peugeot, McLaren, The Macallan, Vodka Beluga and Patrón Tequila. The products are sold through Lalique's own distribution channels as well as those of the respective co-branding partners.

## 1.1. CRYSTAL DECORATIVE ITEMS

Lalique can draw on its century-spanning know-how in traditional glassmaking. It conducts the complex manufacturing process, requiring up to 40 different steps, with the help of its team of expert artists and craftsmen. The factory workforce represents 25 professions, from precision mechanics to ceramics.

Lalique was awarded the prestigious label of "Entreprise du Patrimoine Vivant" ("Living Heritage Company"), a mark of recognition conferred by the French government to reward French firms for the excellence of their traditional and industrial skills. A particular highlight is the casting of sculptures using the lost-wax process. Lalique's expert glassmakers are among the very few still to master this difficult, artistic technique.

## 1.2 INTERIOR DESIGN

The Paris-based Lalique Interior Design Studio offers architects and designers an exclusive range of high-end interior designs using crystal, glass and the spatial dimension in creative combination. Superlative crystal glassmaking expertise, creative dynamism and technical flair all come together at the Studio. Lalique offers its clients the luxury of made-to-measure objects to satisfy even the most extravagant requests. The creative possibilities are endless.

High-end furniture items and home accessories are created with the participation of internationally renowned designers and architects such as Green & Mingarelli Design and Pierre-Yves Rochon. The resulting products are manufactured in close cooperation with top producers. Examples of bespoke luxury architectural projects are the Mikimoto flagship store in Tokyo and the Georges V hotel in Paris.

## SIX MAIN PILLARS OF THE PRODUCT RANGE

<b>DECORATIVE ITEMS</b>	<b>INTERIOR DESIGN</b>	<b>JEWELLERY</b>	<b>FRAGRANCES</b>	<b>ART</b>	<b>GASTRONOMY/ HOSPITALITY</b>
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### 1.3 JEWELLERY

Lalique combines its experience and specialization in crystalware with the sophisticated skills of its workshops. Its manufacturing processes enable product customization upon request. Lalique markets its jewellery products through renowned dealers, department stores and its own network of boutiques and stores.

The streamlined catalogue has a clear focus and is undergoing continuous development to attract new customers.

### 1.4 FRAGRANCES

Lalique has been manufacturing perfume bottles since the early 20<sup>th</sup> century and launched its first perfume in 1992. Many more perfume lines have been added since then and Lalique Parfums has become a renowned fragrance brand, thanks also to its highly sought-after crystal editions. The portfolio includes perfumes, home fragrances, crystal limited editions and exclusive collections. Their bottles, whether made from glass or crystal, have fascinated collectors for generations. Lalique is using exceptional raw materials and the scents are presented in unique flacons.

### 1.5 ART

Lalique Art places the expertise of Lalique at the service of major contemporary artists, designers with flair, and cultural foundations; the aim is to create unique and exceptional works of art. Lalique Art offers artists new inspirations and motifs, using the interplay of light, transparency, colour and contours. This extraordinary encounter between art and crystal inspires new forms of creative expression.

Lalique Art has collaborated with Damien Hirst, Anish Kapoor, Arik Levy, Yves Klein Archives, Rembrandt Bugatti, George Lam, Zaha Hadid and, most recently, with Chinese artists Han Meilin and Lou Zhenggang.

**THE THREE HOTELS AND RESTAURANTS ARE IDEAL SHOWCASES, PROVIDING AN EXCLUSIVE AMBIENCE IN WHICH TO EXPERIENCE THE LALIQUE LIFESTYLE.**

### 1.6 GASTRONOMY/HOSPITALITY

Lalique launched gastronomy and hospitality activities in September 2015. It runs the Villa René Lalique luxury hotel and associated restaurant led by chef Jean-Georges Klein and executive chef Paul Stradner, which holds two Michelin stars. The hotel is located in Wingen-sur-Moder, France, near the glassworks. The original villa built by René Lalique celebrates its centenary in 2020. In July 2017, the Group acquired Château Hochberg, a four-star hotel with a brasserie-style restaurant close to the Lalique Museum.

In 2018, a sumptuous Lalique hotel and restaurant opened its doors at Château Lafaurie-Peyraguey in the Bordeaux region. The château is owned by Lalique Group's main shareholder Silvio Denz and operates under the Lalique brand on a licensing basis. Six months after its opening, chef Jérôme Schilling was awarded a first star by the Guide Michelin 2019.

The three hotels and restaurants are ideal showcases, providing an exclusive ambience in which to experience the Lalique lifestyle.

**THE LAUNCH OF A FIRST BRIONI FRAGRANCE IS PLANNED FOR THE FOURTH QUARTER OF 2020.**

### 2. PERFUMES

The current Lalique Beauty brand portfolio consists of a number of perfume brands, including Jaguar Fragrances, Bentley Fragrances, Parfums Grès and Parfums Samourai. In December 2019, Lalique Group announced an exclusive partnership with Brioni. The launch of a first Brioni fragrance is planned for the fourth quarter of 2020.

The development lead time for new products at Lalique Beauty generally takes four to six months for special editions and line extensions, and twelve to eighteen months for new product lines. This makes the company an industry leader in terms of time to market. Lalique Beauty operates with lean structures and therefore benefits from shorter decision-making processes than many of its competitors.

Lalique Beauty ensures quality control along the entire vertical value chain. International distribution is organized via a worldwide network of independent distribution partners and agents. In this way, the most effective partner for the commercialization of each market and brand can be selected to ensure the greatest possible market penetration.

Lalique Beauty Services is the Group's world production and logistics hub for perfumes. It is a full-service provider for perfume production: research, manufacture, maceration, filling, conditioning, warehousing and shipping. Lalique Beauty Services also provides related logistics services such as warehousing of components and end-products, and the dispatch of finished goods to worldwide destinations.

The entire Lalique Beauty Services facility is certified to ISO 22716 (Cosmetic Good Manufacturing Practices).

### 3. ULTRASUN

Ultrasun manufactures multifunctional skincare products combining UV protection with, for example, ingredients against ageing or unwanted pigmentation.

Ultrasun is constantly launching innovative, advanced UV protection products, driven by in-house formulation expertise, strong marketing and sales experience in cosmetics/dermatology and external Swiss manufacturing support. The brand commands a leadership position in the market thanks to its unmatched formulations, which are free of many controversial ingredients.

## ULTRASUN IS CONSTANTLY LAUNCHING INNOVATIVE, ADVANCED UV PROTECTION PRODUCTS.

After Western Europe, international expansion is focussed on countries with a high awareness of the need for daily UV protection (e.g. China, Hong Kong, Japan, Taiwan and South Korea) and regions with all-year-round sunshine (e.g. Middle East).

### 4. SINGLE MALT WHISKY: THE GLENTURRET

On 29 March 2019, the Group announced the acquisition of The Glenturret, Scotland's oldest working single malt whisky distillery, together with Swiss entrepreneur Hansjörg Wyss. Operating since at least 1763 based on available historical records, The Glenturret uses a largely hand-crafted process to make single malt Scotch whisky in the super-premium segment. The distillery is located in Perthshire in the Highlands of Scotland, within easy reach of Edinburgh and Glasgow.

## THE GROUP WILL FURTHER DEVELOP THE GLENTURRET BUSINESS BY LEVERAGING BOTH BRANDS AND ITS INTERNATIONAL NETWORK, AS WELL AS IMPLEMENTING JOINT INITIATIVES IN PRODUCT DESIGN, DISTRIBUTION AND HOSPITALITY.

# STRATEGY

The long-term business strategy includes the following:

## **Control of value chain**

The Group has two state-of-the-art production facilities for its crystal and perfume products. The Group controls the majority of the value chain, which creates a higher degree of independence from third parties and allows increased flexibility to meet market demands. The Company's lean organization enables quick decision-making, efficient product development processes and, as a result, short time to market.

## **Lalique: pursuing growth and diversification**

Lalique Group has invested substantially in the crystal sector, resulting in higher productivity at the Wingen-sur-Moder factory and, crucially, in the optimization of the supply chain.

The distribution channels have been expanded, partly by opening proprietary boutiques in strategic markets, but also by increasing the number of partner-managed points of sale. These may be operated by independent franchisees or distributors and are an especially strong presence in the emerging markets. Alongside this investment and expansion, the main objective remains to increase awareness of Lalique as a contemporary luxury and lifestyle brand by pursuing its strategy of diversification across six key areas of activity: decorative items, interior design, jewellery, fragrances, art, and gastronomy/hospitality.

## **Lalique Beauty: pursuing growth and expanding the brand portfolio**

The Group intends to grow organically on the one hand and achieve external growth on the other. In pursuing organic growth, the Company intends to continue to develop and market new products and collections within its existing brand portfolio, primarily in the perfume business. Central factors governing this process are the level of strategic fit with existing activities and products, as well as the potential to build up a perfume or cosmetic brands. The Group intends to also foster its growth by pursuing a digital strategy in order to link the offline and online customer experience and thereby increase the global awareness and penetrate new sales channels. To this end, the Group intends to improve the current Lalique website and include an optimized e-commerce site with an enhanced display on mobiles and tablets.

## **The Glenturret distillery: a share in the fast-growing single malt whisky business**

In March 2019, Lalique Group acquired a 50% stake in The Glenturret. The Glenturret is a lean and efficient organization with a highly skilled and expert staff. Currently, The Glenturret distillery has a stock of more than 1 000 000 litres of maturing whisky that is ageing in various types of cask at different strengths, the oldest of which was distilled back in 1987. These stocks will allow the blending of high-end single malts with an impressive range of age statements up to and including 30 years old, as well as various special editions and "The Master Blender's Choice" limited editions, ensuring a broad and consistent range of whiskies that will be marketed in the super-premium segment. New distributors have been selected for key whisky markets allowing Glenturret's unique brand to be handled by partners that truly understand its value.

Following the acquisition of the distillery, production increased immediately from 170 000 to 215 000 litres of alcohol, with a further capacity increase planned over time to 500 000 litres that will allow The Glenturret to enlarge its distribution network while remaining a niche super-premium brand.

Planned activities to develop the Glenturret brand by leveraging the Group's capabilities include the design of The Glenturret whisky bottles by Lalique and the creation of limited-edition whisky decanters in Lalique crystal, as well as joint marketing activities. Furthermore, the successful visitor centre with its café-restaurant offers a wide range of opportunities to leverage the Lalique and Glenturret brands. The visitor centre is being renovated in the spirit of Lalique, with a shop-in-shop due to open in the course of 2020. In addition, brand-building activities are planned for The Glenturret to include co-branding projects with other renowned Scottish brands in the gastronomy and hospitality sector in particular.

In line with its diversification strategy, the Group sees significant potential in further developing The Glenturret in the high-end single malt whisky market. This is forecast to be one of the fastest-growing categories in the spirits industry, with retail value growth of over 8% per annum and even stronger prospects for Asia.







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“IT IS TIMELESS MODERNITY THAT IS MOST CHARACTERISTIC OF LALIQUE.”



LALIQUE

**LALIQUE DECORATIVE ITEMS**

Brand acquired **2008**

Share of company revenue **28%**

**Timeless creations of desire**

The Group has developed a dedicated process for producing elegantly decorated works in crystal that covers the entire procedure from original idea to finished product. Over the years, Lalique has become a byword for expertise and craftsmanship and a synonym for excellence, masterfully using the contrast between brilliant and satin-finished crystal. Lalique collections are composed of timeless creations that have become classics and others that will undoubtedly follow suit.

The 2019 Aquatique collection plunges into an aquatic world. Nature has always been a major source of inspiration for René Lalique, one of whose favourite themes was fauna. With the Aquatique collection, Lalique captures the graphic power of fighting fish and the powerful and symbolic expressions of ornamental fish such as koi carp.

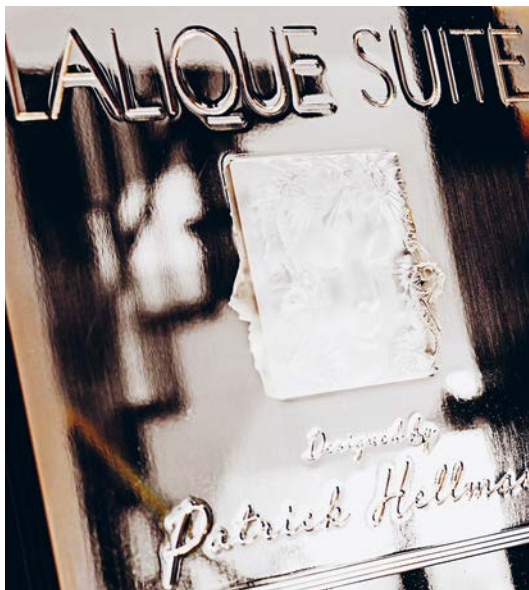
The new 2020 collection takes us to a universe where floral romanticism contrasts with mineral strength. With the Botanica collection, Lalique captures the ornamental and symbolic power of peony, lily of the valley, orchid and cherry blossom.

**Images** (left and right): With the Botanica Collection, Lalique captures the ornamental and symbolic power of peony, lily of the valley, orchid and cherry blossom.



*Vermorel*  
COGNAC-TYPE  
VERMOREL  
PILVAGES  
MAISON FONDÉE EN 1820  
VERMOREL





“CUSTOM-MADE  
CRYSTAL DESIGNS  
FOR ARCHITECTURAL  
PROJECTS.”



## LALIQUE

### LALIQUE INTERIOR DESIGN

Brand acquired **2008**

Share of company revenue **8%**

The Paris-based Lalique Interior Design Studio offers architects and designers an exclusive range of high-end interior designs using crystal glass and space in creative combination. The most innovative creations are made to order for the interior design of private residences, restaurants, luxury hotels, yachts and many other settings.

In addition to offering bespoke architectural projects, Lalique Interior Design Studio is a source of inspiration for interior designers. Samples of crystal or glass and crystal panels with various finishes are available to integrate the material libraries of interior design firms. Placed in mood boards upstream of projects, crystal takes its rightful place in the creative genesis of a decor.

### A thoroughly Parisian experience

Opened in June 2019, the Lalique Suite by Patrick Hellmann at the Prince de Galles, the five-star hotel in Paris, is representative of this dynamic: conceived by the famous fashion designer in collaboration with the Lalique Interior Design Studio, the Suite showcases interior panels and crystal inserts which define both the volumes and the spirit of the place. The Suite extends over 180 square metres. Each room is adorned with Lalique crystal, including not only decorative objects and lighting, but also panels and crystal motifs integrated into the interior design.

**Images** (left): The bar: detail of two panels with female motifs created in 1928 by René Lalique for the Orient Express. (right): The bedroom, where you can discover the Coutard wall panel.



**“LALIQUE COMBINES  
ITS EXPERIENCE IN  
CRYSTALWARE WITH  
THE SOPHISTICATED  
SKILLS OF ITS  
WORKSHOPS.”**

**LALIQUE**

**LALIQUE JEWELLERY**

Brand acquired **2008**

Share of company revenue **2%**

**A brilliant mix of materials**

The Lalique jewellery collections continue to showcase a perfect blend of iconic designs and fashionable pieces.

For the final line in Lalique's collaboration with the Paris Opera, La Flûte Enchantée fine jewellery collection, Mozart's Magic Flute has inspired five jewels in black and white, like a musical score with light, bouncing notes. The Aréthuse costume jewellery collection reinvented itself in 2019 in an unprecedented rendition designed to celebrate the Paris Opera. This new version interpreted with Art Deco lines in black crystal and red resin refers to the mysterious lake of the Opéra Garnier and the iconic colour of its performance hall.

2019 has also been the year of the first-ever men's jewellery collection under the name L'Homme Alpha. This male collection plays on a striped motif like a military tag and expresses the Lalique man's style: seductive, sophisticated, singular.

In 2020, Lalique jewellery opens a new floral chapter with the Pivoine collection. This ode to flowers offers multiple wearing options, all infused with a femininity that is as sophisticated as it is minimalist.

**Images** (left): The Peony and Aréthuse Collection.

(right): In the Collection inspired by Mozart's Magic Flûte, Lalique plays with contrasts between brightness and the deepest dark.









**“WITH SOLEIL LALIQUE, THE HOUSE CELEBRATES THE SUN AND THE FREE-SPIRITED WOMEN WHO LOVE IT.”**

LALIQUE

**LALIQUE PARFUMS**  
 Brand acquired **2008**  
 Share of company revenue **11%**

**The essence of the Lalique Lifestyle**

Lalique added Soleil Lalique to its feminine fragrance portfolio in June 2019 as a celebration of the sun and the free-spirited women who love it. The new feminine line draws the inspiration for its softly rounded bottle from the pattern created by the sun’s rays. The compelling floral and oriental essence of Eau de Parfum and vibrant colours of Soleil Lalique attract a younger, more assertive audience which can identify with the core values of the Lalique brand: timeless modernity and a constant quest for creativity. A community fired up by a vibrant tagline: #IAMTHESUNCHILD.

Soleil Lalique is also offered in an ultra-exclusive Limited Edition of 20 signed and numbered Parfum 1500 ml crystal flacons adorned with rays of gold (23.5 carats).

**Born of a ceaseless quest for excellence**

Lalique has been manufacturing perfume bottles since the early 20<sup>th</sup> century and launched its first perfume, Lalique de Lalique, in 1992. Today, the offering includes top-of-the-range feminine and masculine fragrances, exclusive collections and crystal limited editions, a “bath & body” collection and home fragrances. All these scents are composed by the best perfumers using exceptional raw materials and presented in unique flacons inspired by the work of René Lalique and modernized by the Lalique Creative Studio.

**Images** (left): The Soleil Lalique Crystal Edition. (right): Soleil Lalique EDP and the exclusive Collection Les Compositions Parfumées.

“THANKS TO LALIQUE ART AND ITS PARTNERSHIPS, THE BRAND REACHES NEW TARGET GROUPS.”



LALIQUE

**LALIQUE ART**  
Brand acquired **2008**  
Share of company revenue **2%**

**Where art and crystal meet**

In 2019, Lalique placed the expertise of its master craftsmen at the service of Chinese artist Han Meilin, distinguished UNESCO Artist for Peace. This collaboration led to the creation of pandas Yuan-Yuan and Meng-Meng, named after Yuan-Meng, the first panda to be born in France, at Beauval Zoo (Loir-et-Cher) in 2017.

This same year, Lalique Art also presented a collaboration with Arik Levy: RockStone 40. These sculptures in pure crystal come in four colours found in nature: amber, blue, green and clear. In January of the following year, Lalique Art presented the second chapter of this collection.

The new series draws inspiration from the aurora borealis and features four new colours: dark grey, sky green, aurora mauve, and lime.

Another highlight was the launch of the Tandriallah vase by architect Elizabeth de Portzamparc in January 2020, the third edition of the Crystal Architecture collection.

Finally, Lalique Art presented a series of six unique pieces, Sun&Moon, by artist Lou Zhenggang. For the first time, an abstract canvas takes shape in Lalique crystal. In these exceptional pieces, the Chinese artist pays tribute to the life cycle around two heavenly bodies, the Sun and the Moon.

**Images** (left): Tandriallah vase by Elisabeth de Portzamparc; the Panda Collection by Han Meilin; the colourful RockStone 40 by Arik Levy. (right): Sun&Moon by Lou Zhenggang.







**“THE CRAFTED ITEMS REQUIRE A COMPLEX MANUFACTURING PROCESS WITH UP TO 40 DIFFERENT STEPS.”**

*Lalique® France*

**LALIQUE CRYSTAL FACTORY**

Number of employees **230** (FTE)

Crafted items produced every year **500 000**

**Unique production process**

Lalique’s manufacturing site is located at Wingen-sur-Moder, France, and was built by the founder of Lalique in 1921 for glassmaking. Since 1945, the factory has manufactured exclusively crystal glass products. The Group has maintained the traditions and heritage of Lalique since its acquisition in 2008.

**Significant investments**

In the last ten years, the Group has invested approximately EUR 20 million in the factory. Investments have included the installation of a new electric furnace, refurbishment of the mould workshop with new equipment, including five-axis milling machines and lathes, as well as workshop

modernization, safety and environmental protection. By implementing these major improvements, the factory has reduced its environmental impact to nearly zero.

**Remarkable craftsmanship**

Lalique can draw on its century-spanning know-how in traditional glassmaking. It conducts the complex manufacturing process, requiring up to 40 different steps, with the help of its team of expert artists and craftsmen. Seven of the Group’s artisans have earned the title “Meilleur Ouvrier de France” (Best Craftsman in France), recognizing their glassmaking skills, awarded by Société Nationale de Meilleurs Ouvriers de France in 2015.

**Images** (left and right): The precision of the designs, the purity of the material and the play on reflections and transparency give birth to exquisite decorative objects.

“THE HOTELS AND RESTAURANTS ARE IDEAL SHOWCASES TO SAVOUR THE LALIQUE LIFESTYLE.”



# LALIQUE

## GASTRONOMY/HOSPITALITY

Established 2015

Share of company revenue 4%

### A passion for savoir-faire and savoir-vivre—the art of living

Lalique’s expertise and heritage in art, interiors, decorative objects, tableware, perfume and jewellery is inextricably linked to the art of fine dining and cuisine.

The world of Lalique lifestyle is perfectly exemplified by the four-star hotel Château Hochberg and the Villa René Lalique—a five-star hotel with six exclusive suites and a restaurant, which holds two Michelin stars. The latest addition to the ideal showcases is Château Lafaurie-Peyraguey, a member of the Relais & Châteaux

collection and five-star hotel in the Bordeaux region, which is owned by Lalique Group’s main shareholder Silvio Denz and operates under the Lalique brand on a licensing basis. Château Lafaurie-Peyraguey is situated in Sauternes near Bordeaux and opened in June 2018.

Our commitment and vision for the art of living is to offer guests an emotionally engaging experience to be discovered and shared.

Images (left): Every aspect of Château Lafaurie-Peyraguey is suffused with Lalique lifestyle. (right): The Lalique crystal barrique in Château Lafaurie-Peyraguey.

CHÂTEAU LAFAURIE-PEYRAGUEY

1618

2018

1<sup>er</sup> GRAND CRU CLASSÉ - SAUTERNES





  
JAGUAR

CLASSIC  
ELECTRIC SKY



“ELECTRIC SKY BELONGS TO THE AROMATIC FOUGÈRE—THE MOST MASCULINE OF FRAGRANCE FAMILIES.”



#### JAGUAR FRAGRANCES

Brand acquired **2002**

Share of company revenue **17%**

#### What's your territory? #UrbanAnimals

Jaguar Fragrances is proud to present a thrilling addition to the successful Jaguar Classic line, which defines a special territory for sophisticated urban animals: Jaguar Classic Electric Sky. The new fragrance in the signature range is sleek, built for thrills and speaks to a different kind of urban animal—it's a fresh, magnetic scent for a man always in quest of new sensations.

#### The ultimate luxury

The first Jaguar fragrance—Jaguar For Men—was launched in 2002 in the iconic green bottle. It targets the cosmopolitan, well-educated man.

Since then, For Men has become a timeless masterpiece. Jaguar Fragrances, proudly positioned as a prestige brand, symbolizes the Jaguar attributes of style, performance and modernity. The range of products is constantly being reviewed and modernized and today comprises around 25 fragrances. Products are launched in conjunction with new Jaguar car models. The masculine scents have since gained worldwide renown. All the perfumes were created for successful, self-confident men bold enough to wear a strong, masculine fragrance produced in the classic perfumery tradition.

**Images** (left and right): The successful Jaguar Classic line with Electric Sky, which is the new addition.



**“WITH PARFUMS GRÈS  
LIFE IS A STAGE,  
WHERE EVERY WOMAN  
STRIVES TO BE  
HERSELF AND LAND  
A LEADING ROLE.”**



# GRÈS

PARIS

**PARFUMS GRÈS**  
Brand acquired **2007**  
Share of company revenue **4%**

### Cabocharard chérie takes the stage

The new fragrance from Parfums Grès celebrates a very special role that combines both power and seduction. A newcomer to the Cabocharard family, Cabocharard chérie has a mellow feel, offering enhanced radiance, tenderness and an exquisite touch. It epitomizes a woman who remains as determined as ever but has understood the benefit of compromise and getting what she wants in an irresistible way.

### The iconic fragrances by Grès

Founded by Madame Grès, a fashion designer who loved dressing women, especially actresses, and who long occupied centre stage in the world of haute couture, Parfums Grès designs its fragrances like exquisite and seductive costumes that women can wrap around themselves, holding their own in the game of life and leaving the scent of a divine comedy in their wake.

The Group launched Grès fragrances in 2002 and it targets confident, chic women with a sense of vintage.

**Images** (left and right): Cabocharard is made for a woman of character who only does what she wants— full of grace, humour and sensuality.



*Elle n'en fait qu'à sa tête.*



**samourai**  
woman  
**White Musk**

eau de parfum

“PARTICULARLY POPULAR IN JAPAN AND RANKING AMONG THE COUNTRY’S BEST-SELLING PERFUMES.”



**SAMOURAI** **PARFUMS SAMOURAI**  
 Brand acquired **2007**  
 Share of company revenue **4%**

**Between power and wisdom**

Samourai fragrances appeal to sensitive and confident men and women, thanks to their unique and distinctive storytelling. The name means “servant” or “companion” and evokes the role of the Samourai as Japan’s warrior caste in the preindustrial age. The brand manifests the passion of a man for action and adventure.

The first Samourai for Men fragrance was launched in 1995 together with Alain Delon and became an international success. Since then, the Samourai fragrances have been particularly popular in Japan and rank among the country’s best-selling perfumes due to their focused product development, marketing and brand name.

Samourai has added new scents to its feminine fragrance portfolio in the past year: While Sakura Tea took its inspiration from the magnificently blossoming cherry tree, Yuzu Mitsu stands for the ultimate harmony between various fresh and sparkling notes. The slightly softer fragrance known as White Musk generates a pure, flowery aura composed of freesia, gardenia and violets. Refined sandalwood along with tonka beans and traces of musk create a warm background that provides a wonderful base.

**Images** (left and right): The brand has added new scents to its feminine fragrance portfolio in the past year: White Musk, Yuzu Mitsu and Sakura Tea. Driving Rush is a popular scent for men.



“ALTHOUGH THE TWO COMPANIES OPERATE IN DIFFERENT SECTORS, THEIR MUTUAL PASSION FOR EXCELLENCE HAS GIVEN RISE TO A UNIQUE PARTNERSHIP.”



**BENTLEY FRAGRANCES**

Licence acquired **2011**  
Share of company revenue **3%**

**Discover a new world of scent**

A quest for perfection characterizes the latest collection of fragrances Bentley Beyond—The Collection. This collection was born during three enchanting olfactory adventures to Acapulco, Goa and Java. Each fragrance has its distinctive colour scheme, from the hand-stitched leather lid that recalls the interior of a Bentley car to the colour of the fragrance set off by the transparent glass of the bottle. Created by Bentley Motors designers, the faceted bottle is inspired by the cut-glass headlights of the Continental GT.

**Precision, design and power**

Since 2011, Bentley Motors has entrusted Lalique Group with the creation of its perfumes. From that time on, the Bentley fragrances have been part of the Group's portfolio. Its aim is to establish Bentley as an English luxury brand—not only in the automobile segment. The first fragrance was released in 2013—Bentley For Men. Although the two companies operate in different sectors, their mutual passion for excellence and prestige has given rise to a unique partnership. Today, the Bentley Fragrances portfolio contains some 20 perfumes.

Images (left): Bentley For Men Intense fragrance. (right): Exotic Musk, an ambery musky composition.



BENTLEY

BEYOND  
THE COLLECTION

EXOTIC  
MUSK



FOR MEN  
INTENSE



“ THE GROUP CONTROLS THE MAJORITY OF ITS PERFUME VALUE CHAIN.”



## LALIQUE BEAUTY

### LALIQUE BEAUTY SERVICES

Number of employees **103** (FTE)

Perfume production capacity per year: **12 000 000 units**

Facility acquisition: **January 2013**

Lalique Beauty Services, headquartered in Ury, France, is a full-service provider active in the fields of perfume preparation, filling and packaging. It also provides related logistics services such as warehousing of components and end-products, and the dispatch of finished goods to worldwide destinations.

The entire Lalique Beauty Services facility is certified to ISO 22716 (Cosmetic Good Manufacturing Practices). Lalique Beauty Services operates with lean structures and therefore benefits from shorter decision-making processes.

The warehouse has a storage capacity of 12 000 pallets. Lalique Beauty Services has six production lines (one fully automated line, two automated lines, and three semi-automated lines). The maceration capacity is 90 000 litres, using tanks with a capacity of between 100 and 5000 litres. Since the acquisition in 2013, the Group has invested approximately EUR 15 million to increase production and logistics capacities, improve security and reduce environmental impact.

**Images** (left and right): Lalique Beauty Services is a full-service provider active in the fields of perfume preparation, filling and packing.



“ULTRASUN IS FOCUSING ON FURTHER EXPANDING ITS DISTRIBUTION NETWORK IN EXISTING AND NEW MARKETS ALL OVER THE WORLD.”



**ULTRASUN**  
Brand acquired **2007**  
Share of company revenue **16%**

**Innovation and professional endorsement**

With over 25 years' experience in UV protection, Ultrason is an internationally recognized skin protection brand enjoying a strong growth trajectory.

In recent years, Ultrason's formulas and market appearance have been revised to enhance competitiveness and create a platform for further growth. A combination of in-house expertise and external Swiss manufacturing support is enabling the brand to establish a leadership position in the industry. All formulas must comply with the brand's "0% policy" that prohibits the use of controversial ingredients in any product.

The new extra-light fluid formulas are gaining even more dermatological endorsement for daily usage, generating strong demand from European and especially Asian customers. With a focus on online shopping in Asia and the associated need for content creation, Ultrason is developing its e-commerce and social media expertise.

As the first sun protection brand worldwide Ultrason's lamellar range for sensitive skin was awarded BASF's EcoSun Pass. This neutral industry label confirms that Ultrason products for sensitive skin are formulated with the best-possible standards of practice with regard to the environment.

Images (left): Ultrason's new urban UV protection mist; product group shot. (right): Ultrason advertising visual.







**“THE GLENTURRET  
IS A DISTILLATION  
OF PASSION AND  
EXPERTISE.”**

**THE GLENTURRET**  
SINGLE MALT SCOTCH WHISKY

**THE GLENTURRET**  
Brand acquired (50% stake) **2019**  
Share of company revenue **1%**

**Glenturret: passion and expertise**

The Glenturret, whose history goes back to at least 1763, is Scotland’s oldest working distillery and uses a largely hand-operated process to craft single malt Scotch whisky in the super premium segment that will be distributed in international key spirits markets. The Glenturret is located in Perthshire in the Highlands of Scotland, within easy reach of Edinburgh and Glasgow, with Loch Turret as its water source. The distillery is also home to a first-class visitor centre with an integrated shop and café-restaurant and is a well-known tourist destination that attracts more than 70 000 visitors from around the world each year.

**The gold of Scotland**

Lalique Group intends to harness synergies with its other businesses such as Lalique, including its hotels and restaurants in France’s Alsace and Bordeaux regions. For the Group, this is an ideal way to combine both fields: the gold of Scotland and the crystal of Alsace.

**Images** (left): One of The Glenturret’s six traditional dunnage warehouse. (right): The wash stills have a shape and size unique to The Glenturret Distillery.





# CORPORATE GOVERNANCE

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# CORPORATE GOVERNANCE

## PRINCIPLES

Lalique Group undertakes to comply with the principles of good corporate governance, which protects the interests of Company shareholders and other stakeholders while helping the Group achieve sustainable development. Lalique Group's corporate governance is based on its Articles of Incorporation. It follows the guiding principles of the Swiss Code of Best Practice for Corporate Governance. The information disclosed hereinafter meets the current requirements of the "Directive Corporate Governance" (DCG) issued by SIX Swiss Exchange.

## GROUP STRUCTURE AND SHAREHOLDERS

### Group structure

Lalique Group SA, with its registered corporate headquarters at Grubenstrasse 18, 8045 Zurich, Switzerland, is the parent company of Lalique Group. It is a limited company (Aktiengesellschaft, société anonyme), pursuant to art. 620 et seq. of the Swiss Code of Obligations. The shares of Lalique Group SA (ticker symbol: LLQ) were listed on the BX Bern eXchange from 19 September 2007 until 24 June 2018, and have been traded on the SIX Swiss Exchange since 25 June 2018 under Swiss Security Number 3381329, ISIN CH0033813293.

Lalique Group is a niche player in the creation, development, marketing and global distribution of luxury goods. Its business areas comprise perfumes, cosmetics, crystal, jewellery, high-end furniture and living accessories, along with art, gastronomy and hospitality as well as single malt whisky.

Founded in 2000, the Company initially focused on perfumes and then expanded into cosmetics with the acquisition of the Ultrasun brand in 2007. A major milestone was the acquisition of the house of Lalique in 2008, which has a long tradition in the glass-making industry and is associated with high quality and craftsmanship having developed specific production processes over the last century. Today, the Group leverages its diversified portfolio of brands, state-of-the-art production facilities and the experience of its management to pursue its growth strategy.

The Group had 732 employees as of 31.12.2019. In addition to its headquarters in Zurich, Switzerland, it has an office in Paris, as well as a perfume filling and logistics centre in Ury, France, a crystalware factory in Wingen-sur-Moder, France, and a whisky distillery in Perthshire, Scotland. The Group also maintains representational offices in the United Kingdom, Germany, the United States, China, Japan and Singapore.

The list of principal consolidated subsidiaries, their domiciles, share capital and the Group's shareholding is presented in the Notes to the Consolidated Financial Statements, Note 27. With the exception of the parent company, the companies included in the scope of consolidation are unlisted.

### Significant shareholders

As of 31 December 2019, a total of 874 shareholders (previous year: 681) were entered in the share register. To the knowledge of the company, the following were the only shareholders holding more than 3% of the share capital of Lalique Group SA as at 31 December 2019:

SHAREHOLDER	NUMBER OF SHARES	%
Silvio Denz	4 197 000	58.29
Dharampal Satyapal Limited	884 000	12.28
Hansjörg Wyss	453 918	6.30
MAG Seven Ltd	240 000	3.33

## CAPITAL STRUCTURE

### Ordinary share capital

As of 31 December 2019, the share capital amounted to CHF 1 440 000 (31 December 2018: CHF 1 200 000) and consisted of 7 200 000 registered shares with a nominal value of CHF 0.20 each (31 December 2018: 6 000 000 registered shares with a nominal value of CHF 0.20 each). All of the issued shares are registered shares. There are no preference rights or similar rights attached to the shares. As of 31 December 2019 the company held 15 000 treasury shares (31 December 2018: 0). At this time there were no cross-shareholdings with other companies.

The market capitalization of the Company at 31 December 2019 was CHF 279 360 000.



**Conditional and authorized share capital**

Pursuant to article 3a of the Articles of Incorporation, the Company has a conditional share capital of CHF 50 000 corresponding to 250 000 shares with a nominal value of CHF 0.20 each. The conditional share capital is available for the exercise of options or subscription rights that the Company or Group entities would grant to employees, including members of the Board of Directors. The pre-emptive rights of the shareholders are excluded in relation to the maximum of 250 000 shares with a nominal value of CHF 0.20 each. The issuance of new shares may take place at a price below their market value. The Board of Directors shall determine the details of the terms of the relevant issue. After their acquisition, the new shares will be subject to the transfer restrictions set out in article 5 of the Articles of Incorporation.

As of 31 December 2019 the Company had no authorized share capital.

**Changes in capital**

In CHF	31.12.2017	31.12.2018	31.12.2019
Ordinary share capital	1 000 000	1 200 000	1 440 000
Conditional share capital	50 000	50 000	50 000
Treasury shares (number)	13 500	0	15 000

At the ordinary Annual General Meeting on 24 May 2019 shareholders approved the creation of authorized capital up to a maximum nominal amount of CHF 240 000 by issuance of a maximum of 1 200 000 registered shares. On 25 June 2019 the Group announced a rights issue from the authorized capital. Existing shareholders were granted subscription rights entitling them to purchase one new Lalique Group share at a subscription price of CHF 40 for every five shares held. On 10 July 2019 the ordinary share capital of Lalique Group SA was increased by CHF 240 000 through the issue of 1 200 000 new registered shares. The issuance of a total of 1 200 000 new shares with a nominal value of CHF 0.20 each increased the issued share capital of Lalique Group SA to CHF 1 440 000, divided into 7 200 000 shares.

**Participation certificates and profit-sharing certificates**

Lalique Group SA has not issued any non-voting equity securities, such as participation certificates (Partizipationsscheine, bons de participation) or profit-sharing certificates (Genussscheine, bons de jouissance).

**Dividend-right certificates**

Other than the registered shares, there are no dividend right certificates.

**Limitations on transferability and nominee registrations**

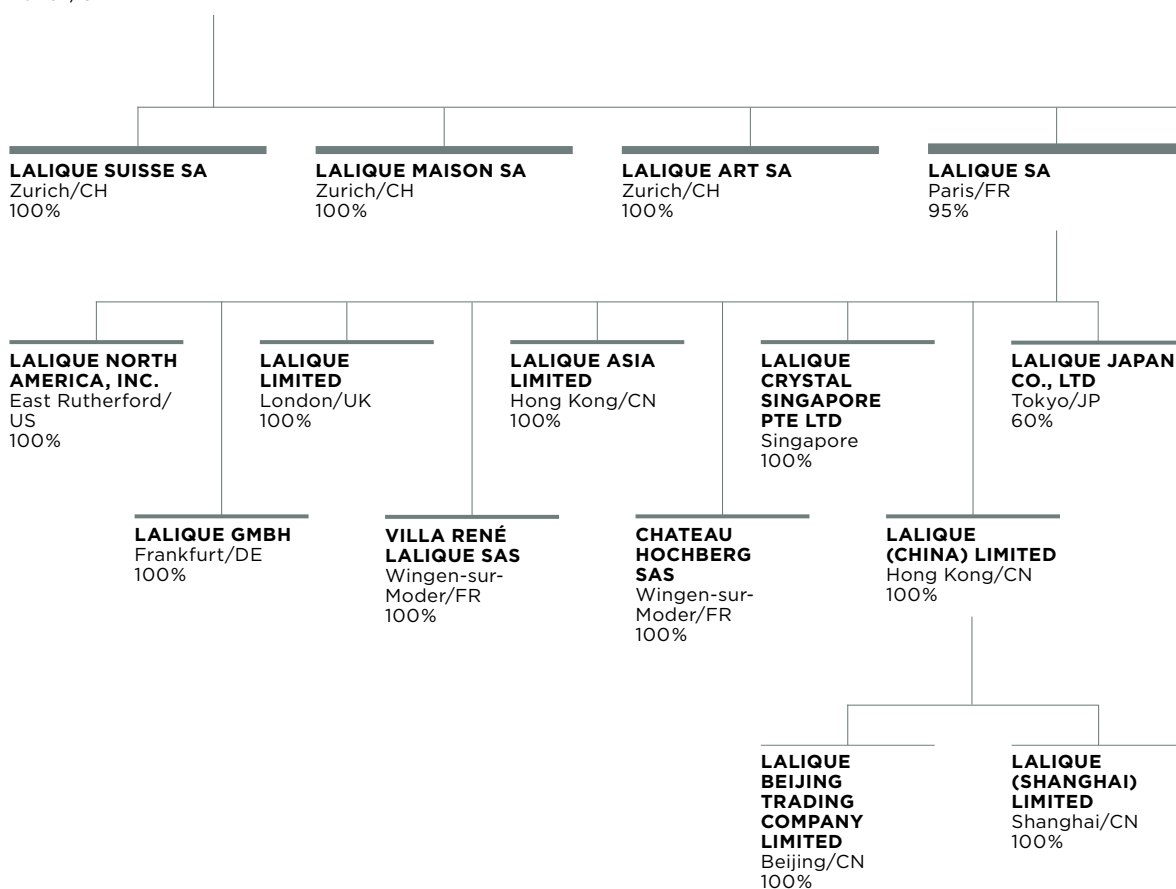
The transferability of the shares of Lalique Group is not subject to any restrictions as a matter of principle. Owners of shares are entered in a share register. The company must be notified of any changes. The persons entered in the share register are deemed to be the shareholders in relation to the company. The entry in the share register requires evidence of the share acquisition. The company may cancel any relevant entry in the share register that was made on the basis of false information. Limitations on transferability and nominee registrations may be changed by a positive vote of the absolute majority of the share votes represented at a shareholders' meeting.

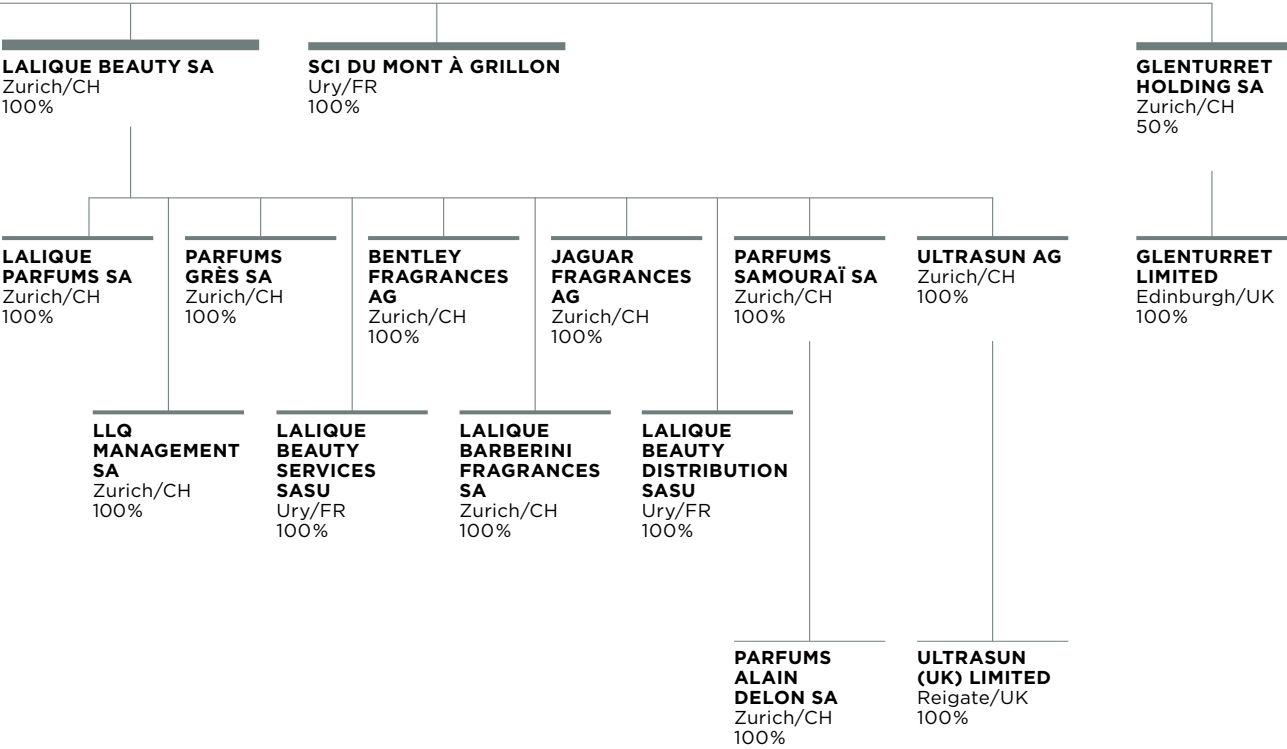
**Convertible bonds and options**

There are no bonds or warrants outstanding that are convertible into shares of Lalique Group SA.

## LEGAL GROUP STRUCTURE

**LALIQUE GROUP SA**  
Zurich/CH





## BOARD OF DIRECTORS



**Denz, Silvio, Executive Chairman of the Board of Directors, is a dual Swiss and Italian citizen currently residing in Switzerland.**

Silvio Denz founded Lalique Group SA, formerly known as Art & Fragrance SA, in 2000. He is currently serving the Group as Executive Chairman of the Board of Directors. He is also Chairman of the Board of Directors and CEO of Lalique SA. Moreover, he is the major shareholder in the Company. Before Silvio Denz set up the business with the incorporation of Art & Fragrance SA, he owned and managed Alrodo AG, a perfume distribution company and family business, as Chief Executive Officer. Alrodo was subsequently sold to Marionnaud in 2000.

Besides his commitment to the Group, he is also active in international art trading and the management of various vineyards. He currently holds further board memberships at Lalique Asia Limited in China, Glenturret Holding SA, Ciron SA, Art & Terroir SA in Switzerland and Chocoladenfabriken Lindt & Sprüngli AG, among others.



**Weber, Roland, Vice-Chairman of the Board of Directors, is a Swiss citizen residing in the United Arab Emirates since 2007.**

Roland Weber joined Lalique Group SA, formerly known as Art & Fragrance SA in 2000. He has been a member and the Vice-Chairman of the Board of Directors since 2003. From 1994 to 2000, Roland Weber collaborated with Silvio Denz and served as Chief Executive Officer and delegate of the board of directors of Alrodo AG. Prior to that, he gained experience in sales and marketing, firstly as a manager for Jaguar Cars Switzerland at Emil Frey Group from 1985 to 1988 and secondly as Director of Perfumes for Yves Saint Laurent, Switzerland and Austria, from 1988 to 1993. Roland Weber holds a master's degree in business administration from the University of St. Gallen (HSG).

In 2002, he founded Retail Factory SA, Switzerland's largest agency for retail spaces, to which he still actively contributes. Besides his commitment to the Group, he has also made several smaller investments in various fields and been active in the real estate sector for more than 15 years.



**von der Weid, Roger, Delegate of the Board of Directors and CEO, is a Swiss citizen currently residing in Switzerland.**

Roger von der Weid joined the Group as Chief Executive Officer and member of the Board of Directors in 2006. Prior to his commitment to the Group, he served as Managing Director at a Swiss trust company for two years. Before this engagement, he practised as a lawyer for two major Swiss corporate law firms from 1998 to 2004. Roger von der Weid earned his master of law at Duke University School of Law, North Carolina (USA) in 1998 and was admitted to the bar in 1996. Furthermore, he became a federally certified tax expert in 2002 and graduated with an executive master in corporate finance from IFZ Financial Services Institute in 2006.

He is a member of the board of directors of Lalique SA in France, Lalique Asia Limited in China, Lalique North America in the USA, Lalique China in China, Lalique (UK) Limited in the UK as well as Lalique Beauty SA, Art & Terroir SA, Ultrasun AG, Glenturret Ltd and Ciron SA in Switzerland, among other Group companies.



**Denz, Claudio, member of the Board of Directors and Head of Digital, is a dual Swiss and Italian citizen currently residing in Switzerland.**

Claudio Denz has served as a member of the Board of Directors since 2011. Besides this engagement, he is Head of Digital. Before he took on the above-mentioned responsibilities, he worked in the areas of marketing, branding and product management at Art & Fragrance SA, with various assignments at Lalique North America and Lalique London between 2005 and 2011. In 2008, Claudio Denz graduated from the Commercial Minerva School, Switzerland.

Claudio Denz holds several board memberships, including Ermitage Estate AG, Madox Group AG, Noir Gastronomie AG and Denz Weine AG, among other Group companies, all of which are based in Zurich, Switzerland.



**Kollros, Jan, member of the Board of Directors, is a Swiss citizen currently residing in Switzerland.**

Jan Kollros studied mechanical engineering and industrial management at ETH Zurich. He gained professional experience in various international industrial groups. Since 2005 he has worked for adbodmer AG, a multi-family office in Horgen, near Zurich. From 2009 until 2019 he was a Managing Partner at adbodmer AG, with responsibility for the operational management of the company. In 2019, adbodmer was acquired by the Swiss-based Bellevue Group. Jan Kollros joined the Group Executive Board, heading the Bellevue Private Markets division. Furthermore, Jan Kollros currently holds board memberships at The Hess Group AG, Evatec AG and Bédât & Co SA, among others.



**Roesti, Marcel, member of the Board of Directors, is a Swiss citizen currently residing in Switzerland.**

Marcel Roesti has been a member of the Board of Directors since 2008. He previously served as VP Sales and Marketing and later as Chief Executive Officer for European fragrance operations at Takasago, a major international producer of flavours and fragrances; he also worked as Sales Manager at Essencia Essential Oils Ltd, the Swiss market leader in essential oils, for a total of 19 years. Marcel Roesti studied business administration in Cambridge and Sheffield and attended the Givaudan Perfumery School. The International Federation of Essential Oils Aromas and Trade honoured him with a Diploma in Perfumery. Currently, he also acts as Chief Executive Officer and is the owner of Mont-Blanc Resourcing M. Roesti, a consulting company specializing in the creation and development of perfume and cosmetic products. In addition, Marcel Roesti holds a board membership at Lalique SA in France.

## BOARD OF DIRECTORS

### Members of the Board of Directors

The duties and responsibilities of the Board of Directors of Lalique Group are defined by the Swiss Code of Obligations and the Company's Articles of Incorporation and Organizational Regulations. The Board of Directors consisted of six directors as at 31 December 2019. Three members of the Board of Directors are non-executive directors.

The following table summarizes the constitution of the Board of Directors as of 31 December 2019, as well as their position and year of appointment to the Board.

NAME	NATIONALITY	PLACE OF RESIDENCE	YEAR OF APPOINTMENT	YEAR OF BIRTH	POSITION
Denz, Silvio	Switzerland/Italy	Switzerland	2007	1956	Executive Chairman
Weber, Roland	Switzerland	United Arab Emirates	2003	1957	Vice-Chairman
von der Weid, Roger	Switzerland	Switzerland	2006	1970	Delegate and CEO
Denz, Claudio	Switzerland/Italy	Switzerland	2011	1988	Member and Head of Digital
Kollros, Jan	Switzerland	Switzerland	2017	1978	Member
Roesti, Marcel	Switzerland	Switzerland	2008	1946	Member

### Other activities and vested interests

With the exception of the positions listed above, none of the directors holds any material permanent management or consultancy function or engages in any activities of relevance to corporate governance in:

- governing or supervisory bodies of important organizations, institutions or foundations under private or public law;
- a permanent management or consultancy capacity for important interest groups;
- a public or political office.

### Rules in the Articles of Incorporation on the number of permitted activities pursuant to art. 12 para. 1 item 1 of the Ordinance against Excessive Compensation in Listed Stock Companies (OaEC)

The members of the Board of Directors may only assume the following maximum number of mandates in management or administrative bodies of entities and organizations: up to five additional mandates in listed entities, up to ten mandates in non-listed entities, up to ten mandates in charity organizations, associations or foundations and other non-profit organizations. Exceeding these restrictions by one mandate in the short term is permitted. Several mandates in different entities under uniform control are considered as one mandate. There is no restriction for mandates in entities which are directly or indirectly controlled by the Company as well as entities which are not obliged to obtain entry in the commercial register or a corresponding foreign register.

### Elections and organization of the Board of Directors

The shareholders' meeting of the Company elects the members of the Board of Directors, the Executive Chairman of the Board of Directors, as well as the members of the remuneration committee. The remuneration committee may only consist of members of the Board of Directors. The Board of Directors may appoint a Vice-Chairman of the Board of Directors. The term of office of each member of the Board of Directors is one year.

The Executive Chairman presides over the Board of Directors. Furthermore, the Board of Directors appoints the members of the Executive Board.

The Board of Directors takes the view that the current dual functions of three members of the Board of Directors, Silvio Denz as Chairman of the Board of Directors and CEO of Lalique SA, Roger von der Weid as CEO of Lalique Group and Claudio Denz as Head of Digital are to the benefit of Lalique Group, facilitating efficient leadership and an excellent flow of information between shareholders, the Board of Directors and the Executive Board.

### Definition of areas of responsibility

The Board of Directors has the following non-transferable and inalienable duties and competencies as required by law: the Board of Directors is ultimately responsible for the management of the Company. Accordingly, pursuant to the legal concept of the Swiss Code of Obligations, the Board of Directors has both executive and supervisory functions.

The ultimate management responsibilities include (i) issuing the Organizational Regulations (règlement d'organisation, Organisationsreglement), (ii) appointment and removal of the persons entrusted with the management and the representation of the Company, (iii) issuing principles for accounting and financial reporting, (iv) decisions and motions put to the shareholders' meeting, (v) determination of the strategy, and (vi) establishment of the organization.

Supervising and monitoring the senior management includes

- (a) establishing a suitable system of internal controls and receiving regular reports on the progress of business; and
- (b) preparing the annual report and approving the annual financial statements and the half-year financial statements.

The Board of Directors is also responsible for preparing the shareholders' meeting and carrying out the shareholders' resolutions. Further, the Board of Directors must notify the court in case of capital loss and over-indebtedness.

Subject to the non-transferable and inalienable powers and duties mandatorily reserved to the Board of Directors pursuant to the Swiss Code of Obligations, as well as subject to the duties and competencies retained by the Board of Directors or delegated to one of the committees according to the Articles of Incorporation and the Organizational Regulations, the Board of Directors delegated the operational management activities to the members of the Executive Board.

The Board of Directors is quorate if the majority of the members is present and passes resolutions with the majority of votes cast. No such quorum is necessary for establishing resolutions in connection with share capital increases and amending the Articles of Incorporation in this context. In case of a tie, the Executive Chairman has the deciding vote.

If no member of the Board of Directors requests a verbal debate, resolutions may also be passed by way of circular resolutions. Such resolutions have to be included in the minutes of the Board of Directors' meetings. The signatory powers of the members of the Board of Directors follow the entry in the commercial register. Currently, the members of the Board of Directors have joint signatory powers.

The Remuneration Committee consists of at least two members of the Board of Directors. The current members are Silvio Denz and Roland Weber. All members of the Remuneration Committee are individually elected by the shareholders' meeting for terms of one year. Re-election is permitted. The chairperson of the Remuneration Committee is appointed by the Board of Directors (article 26 section 3 of the Articles of Incorporation).

The Remuneration Committee assists the Board of Directors in remuneration-related matters, namely by:

- verifying compliance with the principles of remuneration in accordance with the law, the Articles of Incorporation and the Organizational Regulations, as well as the resolutions of the shareholders' meeting regarding remuneration;
- proposals to the Board of Directors for the establishment of principles, assessment criteria and qualitative and quantitative objectives for remuneration within the framework of the requirements set out by law and in the Articles of Incorporation;
- calculation and proposals to the Board of Directors on the achievement of qualitative and quantitative targets for the assessment of variable remuneration;
- proposals to the Board of Directors for the amounts of fixed and variable remuneration for the members of the Board of Directors as well as the fixed and variable remuneration for the members of the Executive Board;
- proposal to the Board of Directors regarding the remuneration report;
- taking all further actions assigned to it by law, the Articles of Incorporation and the Organizational Regulations.

The Remuneration Committee is entitled to conduct investigations in all matters within its competence. In particular, it has full access, to the extent required for the fulfilment of its duties, to the employees, books and records of the Group and its subsidiaries. It may also request the services of independent advisors and experts to the extent required for the accomplishment of its duties.

### Information and control instruments vis-à-vis the Executive Board

During every meeting of the Board of Directors the CEO reports on the general course of business. Deviations from the expected course of business and significant occurrences are reported. The members of the Board of Directors receive monthly reports on the development of gross sales in the different business lines, quarterly consolidated profit and loss statements, as well as weekly treasury updates.

The Board of Directors is briefed directly by the CEO on the ongoing strategic and operational projects and the results achieved. Besides information relating to the annual budget, the Board of Directors is also given a projection of the expected annual results once or twice a year.

Furthermore, the Executive Chairman of the Board of Directors maintains close contact with the CEO and the members of the Executive Board. The course of business and all major issues of corporate relevance are discussed at regular meetings. The Executive Chairman of the Board of Directors is closely involved with the Company and focuses his attention primarily on strategic issues and projects. Each member of the Board of Directors can request information on the course of the Company's business from persons entrusted with management of the Company. Any unexpected incidents must be reported to the members of the Board of Directors, either by the CEO or the Executive Chairman, without delay.

## EXECUTIVE BOARD

### Members of the Executive Board

In accordance with Swiss Law, the Articles of Incorporation and the Organizational Regulations, and subject to those affairs that lie within the responsibility of the Board of Directors by law, the Articles of Incorporation and the Organizational Regulations, the Board of Directors has delegated operational management to the Executive Board.

### OPERATIONAL STRUCTURE

#### BOARD OF DIRECTORS LALIQUE GROUP

Silvio Denz, Executive Chairman;  
Roland Weber, Vice-Chairman; Claudio Denz, Member; Jan Kollros, Member; Marcel Roesti, Member; Roger von der Weid, Delegate and CEO

#### AUDITORS

Ernst & Young AG

#### GROUP CEO

Roger von der Weid

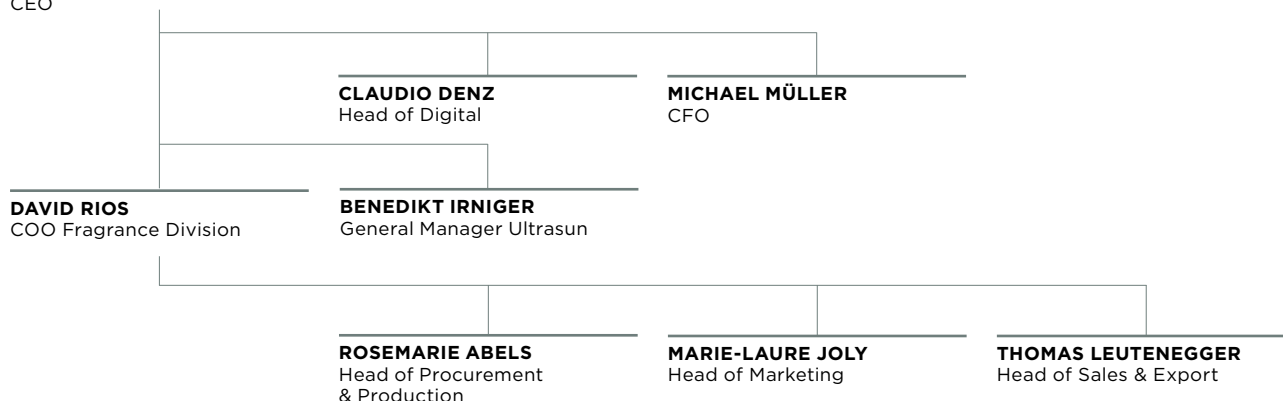
#### GROUP CFO

Alexis Rubinstein

Besides the functions of Group CEO and Group CFO, the Executive Board of the Group is split into an Executive Board of the Beauty division and an Executive Board of the Lalique division. The Beauty division Executive Board and the Lalique division Executive Board together are defined as the Executive Board.

As of 31 December 2019, Roger von der Weid held the position of Group CEO and Alexis Rubinstein that of Group CFO. For the curriculum vitae of Roger von der Weid see "Members of the Board of Directors"; for Alexis Rubinstein see "Members of the Executive Board".



**BEAUTY DIVISION****Executive Board****ROGER VON DER WEID**  
CEO

The Beauty Division Executive Board comprises the following eight individuals:

NAME	NATIONALITY	PLACE OF RESIDENCE	YEAR OF APPOINTMENT	YEAR OF BIRTH	POSITION
von der Weid, Roger	Switzerland	Switzerland	2006	1970	CEO
Müller, Michael	Switzerland	Switzerland	2017	1978	CFO
Rios Lopez, David	Switzerland/ Ecuador	Switzerland	2015	1975	COO Fragrance Division
Abels, Rosemarie	Switzerland/ Germany	Switzerland	2010	1967	Head of Procurement & Production
Joly, Marie-Laure	France	Switzerland	2013	1969	Head of Marketing
Leutenegger, Thomas	Switzerland	Switzerland	2016	1968	Head of Sales & Export
Denz, Claudio	Switzerland/Italy	Switzerland	2011	1988	Head of Digital
Irniger, Benedikt	Switzerland	Switzerland	2013	1972	General Manager Ultrasun

For the curricula vitae of Roger von der Weid and Claudio Denz see "Board of Directors".

**Müller, Michael**, CFO, is a dual Swiss and German citizen currently residing in Switzerland. Michael Müller has served as CFO of Lalique Beauty since 2017. Before joining the Group, he worked as Head of Finance and Head of Controlling in various industries in Switzerland and Asia. Michael Müller has 16 years' experience in Finance & Consulting and holds a master's degree in business administration from the University of St. Gallen (HSG).

**Rios Lopez, David**, COO Fragrance Division, is a dual Swiss and Ecuadorian citizen currently residing in Switzerland. In 2006, David Rios Lopez joined Lalique Group SA. Before his appointment as Chief Operating Officer of the Fragrance Division in 2015, he was an Area Sales Manager and subsequently took further responsibilities as Vice-President of Sales and Head of Sales and Export. Prior to joining the Group, he worked as Business Development Manager for Elizabeth Arden International in Geneva, Switzerland, for seven years. David Rios Lopez holds a postgraduate diploma in business administration from the Université d'Angers, France, and a bachelor of arts in business administration from the Catholic University of Santiago de Guayaquil, Ecuador.

**Abels, Rosemarie**, Head of Procurement and Production, is a dual German and Swiss citizen currently residing in Switzerland. In 2010, Rosemarie Abels returned to Lalique Group SA as Head of Procurement and Production, after having worked at Intereurope GmbH and Scooter Fashion as Head of Purchasing for the previous three years. From 2001 to 2006, Rosemarie Abels had already been employed by the Group as Head of Procurement. Besides her current position as Head of Procurement and Production, Rosemarie Abels acts as Managing Director (*directrice générale*) for Lalique Beauty Services, Ury, France (since February 2014). Rosemarie Abels graduated in industrial management.

**Joly, Marie-Laure**, Head of Marketing, is a French citizen currently residing in Switzerland. Marie-Laure Joly joined Lalique Group SA in 2013 as Head of Marketing in charge of the management and development of the Group's perfume brands. In 2016, the areas of trade and retail marketing were added to Marie-Laure Joly's areas of responsibility. Prior to her engagement for the Group, she worked in marketing for various international companies including Triumph, La Prairie, Rochas, Dior and Hermès. She has a total of 25 years' experience in the luxury goods industry. Marie-Laure Joly holds a master's degree in fashion and art marketing from IFM, Paris (1992), and a bachelor in international business.

**Leutenegger, Thomas**, Head of Sales & Export, is a Swiss citizen currently residing in Switzerland. Thomas Leutenegger joined Lalique Group SA in 2016 in his current function as Head of Sales & Export. Prior to his engagement with the Group he worked as Regional Manager for Rado S.A. (Swatch Group) in Lengnau, Switzerland for eight years. Previously, he worked for Calida AG as Head of Wholesale until 2009, for Prionics AG, Schlieren, in the role of Area Director from 2004 to 2007 and in various national and international capacities within the Unilever Group from 1995 to 2003. Thomas Leutenegger holds a master's degree in business administration from the University of St. Gallen (HSG).

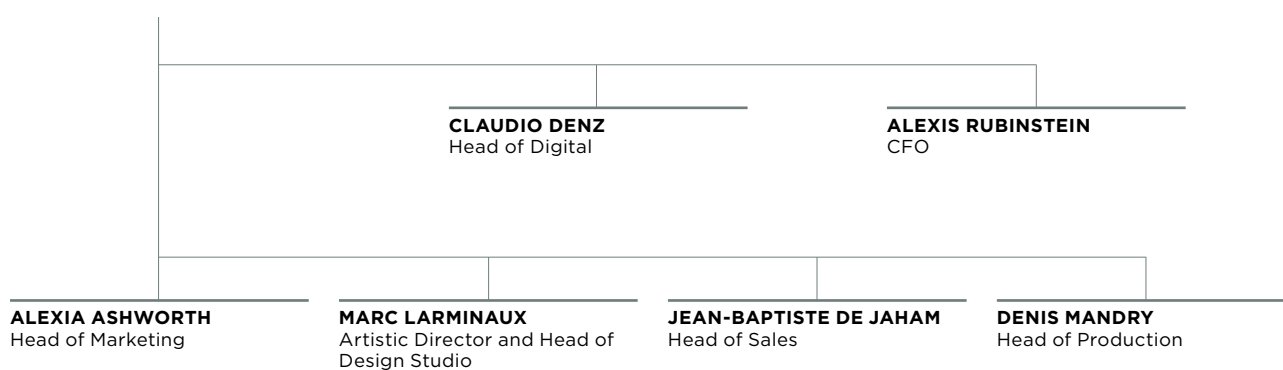
**Irniger, Benedikt**, General Manager Ultrasun, is a Swiss citizen currently residing in Switzerland. Benedikt Irniger joined Ultrasun in March 2013 as General Manager, after having worked for seven years for Kraft Foods (today: Mondelez) and seven years for Johnson & Johnson in brand/product management, sales and trade marketing roles in the FMCG and OTC sector. Benedikt Irniger graduated in business administration from the University of St. Gallen (HSG).

**LALIQUE DIVISION****Executive Board****SILVIO DENZ**

Chairman of the Board of Directors &amp; CEO

**ROGER VON DER WEID**

Managing Director



The Lalique Division Executive Board comprises the following eight individuals:

NAME	NATIONALITY	PLACE OF RESIDENCE	YEAR OF APPOINTMENT	YEAR OF BIRTH	POSITION
Denz, Silvio	Switzerland/Italy	Switzerland	2007	1956	Chairman and CEO
von der Weid, Roger	Switzerland	Switzerland	2006	1970	Managing Director
Rubinstein, Alexis	France	France	2014	1981	CFO
Mandry, Denis	France	France	2008	1963	Head of Production
Larminaux, Marc	France	France	2013	1976	Artistic Director and Head of Design Studio
De Jaham, Jean Baptiste	France	France	2016	1967	Head of Sales
Ashworth, Alexia	France	France	2005	1978	Head of Marketing
Denz, Claudio	Switzerland/Italy	Switzerland	2011	1988	Head of Digital

For the curricula vitae of Silvio Denz, Roger von der Weid and Claudio Denz see "Board of Directors".

**Rubinstein, Alexis**, Group CFO served as Chief Financial Officer of the Lalique division from 2014, before being nominated Group CFO in 2017. Before his commitment to the Group, he worked as a financial auditor specializing in due diligence from 2003 to 2008. Afterwards, Alexis Rubinstein spent over six years as Auditing Director and was working on various consulting missions, particularly in external financial interim management and industrial controlling. He gained a master's degree in finance from IPAG Business School Paris in 2003.

**Mandry, Denis**, Head of Production, is a French citizen currently residing in France.

Denis Mandry has managed the Lalique crystal factory since February 2008. Prior to taking this position he was employed at the factory in various positions from April 1990, first as Head of Methods and subsequently as manager in charge of the industrialization of products. Prior to joining the Group, Denis Mandry worked as Quality Manager and Purchasing and Logistics Manager at Schneider Industrie Industrielle from 1987 to 1990. Denis Mandry holds an engineering degree from the National School of Engineers, Metz, France.

**Larminaux, Marc**, Artistic Director and Head of Design Studio, is a French citizen currently residing in France. Marc Larminaux joined Lalique in 2002 as a Junior Designer, took further responsibilities over the years as a Senior Designer before being appointed Head of Design Studio in 2013 and Artistic Director in 2016. Marc Larminaux previously worked as a Graphic Designer in London for Keenan Design and as a Freelance Digital and Multimedia Designer for UNESCO. He holds a BTS in Ceramics and Glass Design from ENSAAMA (Olivier de Serres), Paris and a master's degree in industrial design from Central Saint Martins College, London.

**De Jaham, Jean-Baptiste**, Head of Sales, is a French citizen currently residing in France.

Jean-Baptiste De Jaham is Head of Sales, responsible for Lalique's international sales operations. Before joining Lalique in 2016, he worked at Yves Delorme's subsidiary in Charlottesville, USA, as Retail Sales Director (2006 to 2008) and later worked as International Sales Director in Paris (2013 to 2016). Prior to this, he worked as Sales Director and Area Manager for Hermès, Paris, France (1997 to 2006), and as Area Manager for LVMH Group, Paris, France (1991 to 1997). Jean-Baptiste De Jaham holds a degree in finance and marketing from ACI in Paris, France and from Esucomex Santiago, Chile.

**Ashworth, Alexia**, Head of Marketing, is a French citizen currently residing in France.

Alexia Ashworth is the international Head of Marketing for Lalique Decorative Objects, Interior Design and Jewellery. She joined Lalique in 2005 as Product Manager, took further responsibilities as Head of Operational Marketing before she was appointed international Head of Marketing in January 2014. She previously worked in marketing positions at Christian Dior Couture and Guerlain. Alexia Ashworth holds a master's degree in business law from the University of Paris II Assas Panthéon and graduated from Sciences Po, Paris.

#### **Other activities and vested interests**

With the exception of the positions listed above, none of the members of the Executive Board holds any material permanent management or consultancy function or engages in any activities of relevance to corporate governance in:

- governing or supervisory bodies of important organizations, institutions or foundations under private or public law;
- a permanent management or consultancy capacity for important interest groups;
- a public or political office.

#### **Rules in the Articles of Incorporation on the number of permitted activities pursuant to art. 12 para. 1 item 1 of the Ordinance against Excessive Compensation in Listed Stock Companies (OaEC)**

The members of the Executive Board may only assume the following maximum number of mandates in management or administrative bodies of entities and organizations subject to the approval of the Executive Chairman: up to two additional mandates in listed entities, up to two mandates in non-listed entities, up to two mandates upon instruction of the Company in entities which are not directly or indirectly controlled by the Company, and up to ten mandates in charity organizations, associations or foundations and other non-profit organizations.

Several mandates in different entities under uniform control are considered as one mandate. There is no restriction for mandates in entities which are directly or indirectly controlled by the Company as well as entities which are not obliged to obtain entry in the commercial register or a corresponding foreign register.

#### **Management Contracts**

The company has not entered into any management contracts with third parties that fall within the scope of subsection 4.4 of the SIX Directive on Information relating to Corporate Governance.

## COMPENSATION, SHAREHOLDINGS AND LOANS

In accordance with the Swiss Code of Obligations and the SIX Directive on Corporate Governance, the compensation and shareholdings of members of the Board of Directors, as well as the members of the Executive Board and any loans extended to them, are presented and discussed in the separate “Compensation Report”.

## SHAREHOLDERS' PARTICIPATION

### Voting rights restrictions and representation

Holders of registered shares are registered on request in the Company's share register, subject to their signature of a written statement expressly confirming that they have acquired the shares in their own name and for their own account. All shareholders entered in the share register with voting rights are entitled to attend and vote at the General Meeting of Shareholders. Each registered share entitles the holder to one vote. No restrictions on voting rights exist. Shareholders may arrange to be represented at the General Meeting of Shareholders by a person authorized in writing, the management representative, the independent proxy or a portfolio representative by means of a written power of attorney. No legal quorum is stipulated.

### Quorums required by the Articles of Incorporation

Unless otherwise stipulated by mandatory law or by provisions contained in the Articles of Incorporation, the General Meeting of Shareholders passes its resolutions and confirms elections by an absolute majority of the votes represented. Abstentions are disregarded for the purpose of assessing a majority.

### Convocation of the general meeting of shareholders

Ordinary General Meetings are convened by the Board of Directors and must be held annually within six months of the close of the Company's fiscal year.

Extraordinary General Meetings shall take place as necessary, in particular in those cases stipulated by law. Those Meetings are called by the Board of Directors or, if necessary, by the auditors or a liquidator.

Invitations to the General Meeting of Shareholders are issued in writing at least 20 days in advance, together with an announcement in the Company's official publication medium, the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt, SHAB/Feuille Officielle Suisse du Commerce, FOOSC)

For organizational reasons, only those shareholders entered in the share register on the day before invitations are sent may attend the General Meeting of Shareholders. Shareholders are entitled to receive dividends and to lay claim to the rights stipulated in the Swiss Code of Obligations.

In view of the updated measures to combat COVID-19 that were announced by the Swiss Federal Council on 16 March 2020, the 2020 Annual General Meeting will be limited to what is legally required and it is expected to take place without shareholders attending in person. Shareholders are requested to authorize the independent proxy to exercise voting rights on their behalf.

### Inclusion of items on the agenda

The invitation to the General Meeting contains the agenda items, petitions by the Board of Directors and petitions by shareholders who have convened the General Meeting or requested the inclusion of an item in the agenda.

### Entries in the share register

Shareholders will be registered with a right to vote in the share register of Lalique Group SA until the record date set by the Board of Directors for each shareholders' meeting. The register date for the Ordinary General Meeting is specified in the invitation and is set approximately two weeks before the meeting. Only shareholders who hold shares registered in the share register with a right to vote at a certain date—or their representatives—are entitled to vote. Unless other cut-off dates are stipulated by the Board of Directors, no entries in the share register are permitted as from the date of dispatch of the invitations to the General Meeting until the day after the date of the meeting.

## CHANGES OF CONTROL AND DEFENCE MEASURES

### Duty to make an offer

According to the Swiss Financial Market Infrastructure Act (FMIA), shareholders or a group of shareholders acting in concert who acquire more than 33.3% of the voting rights of a company domiciled in Switzerland and listed on an exchange in Switzerland are required to issue a public offer to acquire all listed equity securities of that company.

The Articles of Incorporation of Lalique Group SA do not allow for an opting-up or opting-out clause.

### Clauses on changes of control

There are no change-of-control agreements with members of the Board of Directors or the Management Board or other executives.

## AUDITORS

### Duration of the mandate and term of office of the lead auditor

The General Meeting of Lalique Group SA appointed Ernst & Young AG (CHE-491.907.686) in Zurich as its statutory auditor for the first time in 2007. According to the Articles of Incorporation of the Company, the auditors must be re-appointed or confirmed each year by the General Meeting. Daniel Zaugg, a Swiss certified accountant, is the lead auditor and held this position for the audit of the 2019 financial statements.

### Auditing fees

The fees of Ernst & Young AG for professional services related to the audit of the Group's annual accounts for the year 2019 were CHF 331 600. This amount includes fees for the audit of Lalique Group SA and its subsidiaries, and of the consolidated financial statements.

### Additional fees

In addition, for the year 2019, Ernst & Young rendered services related to Lalique Group's capital increase, approved by the General Meeting on 24 May 2019, as well as for the integration of the acquired whisky distillery The Glenturret and other services for a total of CHF 117 450.

### Information instruments pertaining to the external audit

Supervision and control of auditors' performance is exercised by the whole Board of Directors. Before the interim audit, auditors prepare an audit plan. Based on an analysis of current business and audit risks, the main points to be audited are proposed in this plan. The scope of the audit is defined in an engagement letter.

The report on the final audit for the annual financial statement is dispatched to all members of the Board of Directors after the end of each reporting year. It is discussed with the auditors prior to approval of the annual report.

Auditors' direct access to the Board of Directors is guaranteed at all times. The auditor meets with the executive member of the Board of Directors and CEO during the year on an ad-hoc basis.

## INFORMATION POLICY

Lalique Group undertakes to pursue an open, transparent and consistent information policy, publishing half-year and annual results in compliance with the requirements of the SIX Swiss Exchange. In addition to the detailed information published in conjunction with the General Meeting of Shareholders, the company also provides information on current events and developments through press releases, which are archived on the company website at [www.lalique-group.com](http://www.lalique-group.com). As a company listed on SIX Swiss Exchange, Lalique Group complies with the rules governing ad-hoc publicity, i.e. it is obligated to disclose potentially price-sensitive events and developments. The CEO is responsible for communication with investors. The official publication medium of Lalique Group is the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt, SHAB/ Feuille Officielle Suisse du Commerce, FOOSC).

E-mails can be sent to [investor-relations@lalique-group.com](mailto:investor-relations@lalique-group.com) at any time.

### Events calendar

- Annual General Meeting: 8 May 2020
- Publication of Half-Year Results 2020: 9 September 2020



# FINANCIALS

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# CONSOLIDATED INCOME STATEMENT

IN EUR THOUSANDS	2019	2018
Revenue from contracts with customers	141 795	133 879
Other operating income	1 679	2 541
<b>Revenue and other operating income</b>	<b>143 474</b>	<b>136 420</b>
Material costs, licences and third-party services	-61 703	-57 587
<b>Gross result</b>	<b>81 771</b>	<b>78 833</b>
Salaries and wages	-35 521	-32 618
Other operating expenses	-30 034	-32 448
<b>EBITDA</b>	<b>16 216</b>	<b>13 767</b>
Depreciation and amortization/impairment	-14 829	-7 693
<b>EBIT</b>	<b>1 387</b>	<b>6 074</b>
Financial income	61	26
Financial expenses	-1 887	-1 343
Net foreign exchange differences	-105	921
<b>Group profit/loss before taxes</b>	<b>-544</b>	<b>5 678</b>
Income taxes	1 637	-512
<b>NET GROUP PROFIT</b>	<b>1 093</b>	<b>5 166</b>
of which attributable to:		
Non-controlling interests	-2 351	-1 035
Owners of the parent company	3 444	6 201
Earnings per share basic/diluted (in EUR)	0.52	1.09



# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

IN EUR THOUSANDS	2019	2018
<b>NET GROUP PROFIT</b>	<b>1 093</b>	<b>5 166</b>
Foreign currency translation	3 717	597
<b>Items that can be reclassified subsequently to the income statement, net of tax</b>	<b>3 717</b>	<b>597</b>
Remeasurements of pension plans	-571	170
Tax on remeasurements of pension plans	104	-32
<b>Items that cannot be reclassified subsequently to the income statement, net of tax</b>	<b>-467</b>	<b>138</b>
<b>Other comprehensive income, net of tax</b>	<b>3 250</b>	<b>735</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>4 343</b>	<b>5 901</b>
of which attributable to:		
Non-controlling interests	-1 754	-1 119
Owners of the parent company	6 097	7 020

# CONSOLIDATED BALANCE SHEET

## ASSETS

IN EUR THOUSANDS	31.12.19	31.12.18 RESTATED	01.01.18 RESTATED
Cash and cash equivalents	48 845	15 336	16 252
Trade accounts receivable	21 070	17 698	15 723
Inventories	82 790	67 603	63 533
Other receivables	9 679	8 356	7 084
<b>Total current assets</b>	<b>162 384</b>	<b>108 993</b>	<b>102 592</b>
Property, plant and equipment	77 915	54 561	51 631
Intangible assets	93 031	67 832	67 294
Other non-current assets	5 459	5 199	5 114
Deferred tax assets <sup>1</sup>	4 025	409	1 584
<b>Total non-current assets</b>	<b>180 430</b>	<b>128 001</b>	<b>125 623</b>
<b>TOTAL ASSETS</b>	<b>342 814</b>	<b>236 994</b>	<b>228 215</b>

## LIABILITIES AND EQUITY

IN EUR THOUSANDS	31.12.19	31.12.18 RESTATED	01.01.18 RESTATED
Bank overdrafts	41 623	41 785	45 568
Trade accounts payable	15 953	14 179	10 838
Income tax liabilities	1 737	1 805	1 416
Other current liabilities	31 667	17 094	16 069
<b>Total current liabilities</b>	<b>90 980</b>	<b>74 863</b>	<b>73 891</b>
Other non-current liabilities	4 149	3 265	4 291
Provisions	159	208	397
Non-current financial liabilities	36 947	14 820	33 679
Defined benefit obligation	5 712	4 855	4 836
Deferred tax liabilities <sup>1</sup>	12 687	9 559	11 435
<b>Total non-current liabilities</b>	<b>59 654</b>	<b>32 707</b>	<b>54 638</b>
<b>Total liabilities</b>	<b>150 634</b>	<b>107 570</b>	<b>128 529</b>
Share capital	1 204	988	816
Capital reserves	85 378	46 039	20 798
Retained earnings/other reserves <sup>1</sup>	85 276	81 036	75 592
<b>Total equity attributable to owners of the parent company</b>	<b>171 858</b>	<b>128 063</b>	<b>97 206</b>
Non-controlling interests <sup>1</sup>	20 322	1 361	2 480
<b>Total equity</b>	<b>192 180</b>	<b>129 424</b>	<b>99 686</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>342 814</b>	<b>236 994</b>	<b>228 215</b>

# CONSOLIDATED CASH FLOW STATEMENT

IN EUR THOUSANDS	2019	2018 RESTATED
Group profit/loss before taxes	-544	5 678
Depreciation and amortization/impairment	16 120	8 816
Change in defined benefit obligation	177	-81
Change in provisions	-53	-191
Financial income	-61	-26
Financial expenses	1 887	1 343
Net foreign exchange differences	105	-921
Other non-cash income/expenditure	15	-176
<b>Cash flow from operations before change in net current assets</b>	<b>17 646</b>	<b>14 442</b>
Decrease (+)/increase (-) in trade accounts receivable	-2 813	-1 447
Decrease (+)/increase (-) in inventories	-1 114	-2 507
Decrease (+)/increase (-) in other receivables	-1 503	- 992
Increase (+)/decrease (-) in trade accounts payable	1 467	3 136
Increase (+)/decrease (-) in other current liabilities	-1 133	-1 791
Interest paid	-1 236	-754
Tax paid	-1 870	-922
Interest received	3	3
<b>Cash flow from operating activities</b>	<b>9 447</b>	<b>9 168</b>
Investments in subsidiaries net of cash acquired	-29 003	-
Investments in property, plant and equipment	-7 764	-9 243
Investments in other non-current assets	-108	-
Sale of property, plant and equipment	297	599
Investments in intangible assets	-823	-1 390
<b>Cash flow from investing activities</b>	<b>-37 401</b>	<b>-10 034</b>
Capital contribution from shareholders	42 212	6 659
Capital contribution from NCI shareholders	20 780	-
Reduction in shareholder loans	-13 488	-2 061
Receipt of/increase in shareholder loans	22 255	-
Receipt of/increase in NCI shareholder loans	835	-
Repayment of short-term loan of Glenturret Limited	-7 281	-
Purchase of treasury shares	- 551	-
Sale of treasury shares	-	589
Net cash flow from bank overdrafts <sup>1</sup>	-1 264	-4 690
Repayments/outflows current financial liabilities	-3 000	-2 288
Repayment of principal amount of lease liabilities	-8 759	-1 038
Proceeds/inflows other non-current liabilities	12 716	4 491
Repayments/outflows other current liabilities	-1 465	-
Dividend payment	-2 657	-2 165
<b>Cash flow from financing activities</b>	<b>60 333</b>	<b>- 503</b>
Exchange differences on cash and cash equivalents <sup>1</sup>	1 130	453
<b>DECREASE/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>33 509</b>	<b>-916</b>
Balance of cash and cash equivalents as at 01.01. <sup>1</sup>	15 336	16 252
Balance of cash and cash equivalents as at 31.12. <sup>1</sup>	48 845	15 336

<sup>1</sup> Restatement of bank overdrafts as financial liabilities rather than cash and cash equivalents

# SEGMENT REPORTING FOR THE 2019 FINANCIAL YEAR

The table below contains information on the revenues and results, and on the assets and liabilities of the Group's business segments.

IN EUR THOUSANDS	LALIQUE <sup>1</sup>	ULTRASUN	JAGUAR	GRÈS	OTHER BRANDS <sup>1</sup>	HOLDING AND ELIM. <sup>2</sup>	GROUP
<b>Revenue and other operating income</b>							
Revenue from contracts with external customers	78 868	21 709	23 306	5 583	12 606	-277	141 795
Revenue from transactions with other segments	513	-	25	127	6 098	-6 763	-
Other operating income <sup>5</sup>	911	61	11	2	513	181	1 679
Other operating income with other segments	790	1	1	2	1 330	-2 124	-
<b>Total revenue and other operating income</b>	<b>81 082</b>	<b>21 771</b>	<b>23 343</b>	<b>5 714</b>	<b>20 547</b>	<b>-8 983</b>	<b>143 474</b>
<b>EBIT</b>	<b>-6 898</b>	<b>4 087</b>	<b>3 650</b>	<b>892</b>	<b>722</b>	<b>-1 066</b>	<b>1 387</b>
Financial result							-1 931
Group profit before taxes							- 544
Income tax expenses							1 637
<b>NET GROUP PROFIT</b>							<b>1 093</b>
<b>Assets and liabilities</b>							
Segment assets	192 009	22 646	18 592	11 649	83 055	14 863	342 814
Segment liabilities	160 636	8 082	10 574	4 398	37 716	-70 772	150 634
<b>Other segment information</b>							
<b>Investments</b>							
Property, plant and equipment <sup>3</sup>	9 342	36	7	25	7 817	19	17 246
Intangible assets <sup>4</sup>	139	182	95	-	24 988	160	25 564
<b>Depreciation and amortization</b>							
Property, plant and equipment	11 512	305	252	59	1 785	28	13 941
Intangible assets	181	249	80	18	357	3	888
<sup>1</sup> Operating revenue other brands:							
Parfums Samourai					5 593		
Bentley Fragrances					3 903		
Parfums Alain Delon					55		
Lalique Beauty Distribution					1 419		
Lalique Beauty Services					7 676		
Glenturret					1 901		
Total operating revenue other brands					20 547		
<sup>2</sup> The "Holding + elim." segment covers the holding and management companies, and eliminations. The segment's assets mainly include cash and cash equivalents, long-term receivables of the holding and management companies, and eliminations between the segments. Segment liabilities mainly comprise current liabilities, loans and eliminations.							
<sup>3</sup> The Property, plant and equipment investments of other brands include investments in the perfume production facility in Ury of EUR 1 950 thousand and fixed assets of acquired subsidiaries of EUR 4 707 thousand.							
<sup>4</sup> Intangible assets of other brands include intangible assets of acquired subsidiaries of EUR 22 231 thousand.							
<sup>5</sup> In 2019, other operating income derived to a large extent from the conclusion of two court disputes. Lalique Beauty Services obtained a compensation of EUR 523 thousand and Lalique SA EUR 280 thousand.							

# SEGMENT REPORTING FOR THE 2018 FINANCIAL YEAR

The table below contains information on the revenues and results, and on the assets and liabilities of the Group's business segments.

IN EUR THOUSANDS	LALIQUE	ULTRASUN	JAGUAR	GRÈS	OTHER BRANDS <sup>1</sup>	HOLDING AND ELIM. <sup>2</sup>	GROUP
<b>Revenue and other operating income</b>							
Revenue from contracts with external customers	79 386	17 426	22 202	4 678	10 273	- 86	133 879
Revenue from transactions with other segments	454	-	3	87	5 791	-6 335	-
Other operating income <sup>4</sup>	2 484	4	29	12	12	-	2 541
Other operating income with other segments	737	- 21	- 49	- 11	1 379	-2 035	-
<b>Total revenue and other operating income</b>	<b>83 061</b>	<b>17 409</b>	<b>22 185</b>	<b>4 766</b>	<b>17 455</b>	<b>-8 456</b>	<b>136 420</b>
<b>EBIT</b>	<b>-1 742</b>	<b>2 171</b>	<b>2 954</b>	<b>874</b>	<b>1 595</b>	<b>222</b>	<b>6 074</b>
Financial result							-396
Group profit before taxes							5 678
Income tax expenses							-512
<b>NET GROUP PROFIT</b>							<b>5 166</b>
<b>Assets and liabilities</b>							
Segment assets <sup>5</sup>	163 594	18 703	16 235	10 789	29 719	-2 046	236 994
Segment liabilities <sup>5</sup>	119 479	6 976	10 788	3 511	26 893	-60 077	107 570
<b>Other segment information</b>							
<b>Investments</b>							
Property, plant and equipment <sup>3</sup>	5 983	176	135	34	3 543	158	10 029
Intangible assets	960	253	17	41	150	112	1 533
<b>Depreciation and amortization</b>							
Property, plant and equipment	5 158	95	143	56	1 244	10	6 706
Intangible assets	236	365	56	8	319	3	987
<sup>1</sup> Operating revenue other brands:							
Parfums Samourai					5 150		
Bentley Fragrances					3 723		
Parfums Alain Delon					139		
Lalique Beauty Distribution					1 232		
Lalique Beauty Services					7 211		
Glenturret					-		
Total operating revenue other brands					17 455		
<sup>2</sup> The "Holding + elim." segment covers the holding and management companies, and eliminations. The segment's assets mainly include cash and cash equivalents, long-term receivables of the holding and management companies, and eliminations between the segments. Segment liabilities mainly comprise current liabilities, loans and eliminations.							
<sup>3</sup> The Property, plant and equipment investments of other brands include investments in the perfume production facility in Ury of EUR 3 372 thousand.							
<sup>4</sup> In 2018, as a result of successful outcome of a legal procedure initiated by Lalique SA in France, the Group recognized an additional other operating income of EUR 2.4 million, which is attributable to Lalique segment.							
<sup>5</sup> The Group has restated the comparative period as at 31 December 2018 for the correction of an error in deferred taxes.							

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

IN EUR THOUSANDS	SHARE CAPITAL	CAPITAL RESERVES	TREASURY SHARES	ACCUMU- LATED FOREIGN CURRENCY TRANS- LATION	RETAINED EARNINGS	TOTAL EQUITY OWNER OF PARENT	NON-CON- TROLLING INTERESTS	TOTAL EQUITY
<b>BALANCE AS AT 01.01.2018</b>								
<b>AS PUBLISHED</b>	<b>816</b>	<b>20 798</b>	<b>-277</b>	<b>-3 898</b>	<b>75 771</b>	<b>93 210</b>	<b>2 270</b>	<b>95 480</b>
Correction of an error <sup>1</sup>	-	-	-	-	3 996	3 996	210	4 206
<b>BALANCE AS AT 01.01.2018</b>								
<b>RESTATED<sup>1</sup></b>	<b>816</b>	<b>20 798</b>	<b>-277</b>	<b>-3 898</b>	<b>79 767</b>	<b>97 206</b>	<b>2 480</b>	<b>99 686</b>
Net Group profit	-	-	-	-	6 201	6 201	-1 035	5 166
Foreign currency translation	-	-	-	681	-	681	- 84	597
Remeasurement IAS 19 (incl. tax)	-	-	-	-	138	138	-	138
Other comprehensive income	-	-	-	681	138	819	-84	735
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>681</b>	<b>6 339</b>	<b>7 020</b>	<b>-1 119</b>	<b>5 901</b>
Dividend payout	-	-	-	-	-2 165	-2 165	-	-2 165
Capital contribution from shareholders	172	25 241	-	-	-	25 413	-	25 413
Sale of treasury shares	-	-	277	-	312	589	-	589
<b>BALANCE AS AT 31.12.2018</b>								
<b>RESTATED<sup>1</sup></b>	<b>988</b>	<b>46 039</b>	<b>-</b>	<b>-3 217</b>	<b>84 253</b>	<b>128 063</b>	<b>1 361</b>	<b>129 424</b>
<b>BALANCE AS AT 01.01.2019</b>	<b>988</b>	<b>46 039</b>	<b>-</b>	<b>-3 217</b>	<b>84 253</b>	<b>128 063</b>	<b>1 361</b>	<b>129 424</b>
Effect of adoption of IFRS 16 Leases	-	-	-	-	-1 306	-1 306	- 65	-1 371
<b>BALANCE AS AT 01.01.2019</b>								
<b>ADJUSTED<sup>2</sup></b>	<b>988</b>	<b>46 039</b>	<b>-</b>	<b>-3 217</b>	<b>82 947</b>	<b>126 757</b>	<b>1 296</b>	<b>128 053</b>
Net Group profit	-	-	-	-	3 444	3 444	-2 351	1 093
Foreign currency translation	-	-	-	3 135	-	3 135	582	3 717
Remeasurement IAS 19 (incl. tax)	-	-	-	-	-482	-482	15	-467
Other comprehensive income	-	-	-	3 135	- 482	2 653	597	3 250
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 135</b>	<b>2 962</b>	<b>6 097</b>	<b>-1 754</b>	<b>4 343</b>
Dividend payout	-	-2 657	-	-	-	-2 657	-	-2 657
Capital contribution from shareholders	216	41 996	-	-	-	42 212	-	42 212
Contribution from NCI/ acquisition	-	-	-	-	-	-	20 780	20 780
Purchase of treasury shares	-	-	-551	-	-	-551	-	-551
<b>BALANCE AS AT 31.12.2019</b>	<b>1 204</b>	<b>85 378</b>	<b>- 551</b>	<b>- 82</b>	<b>85 909</b>	<b>171 858</b>	<b>20 322</b>	<b>192 180</b>

<sup>1</sup> The Group has restated the balance at 31 December and 1 January 2018 for the correction of an error in deferred taxes

<sup>2</sup> Adjusted opening balance of retained earnings at 1 January 2019 by cumulative effect of adopting IFRS 16

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REFERENCE SOURCE AND CONTACT  
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Lalique Group SA  
Grubenstrasse 18  
CH-8045 Zurich  
Tel. +41 43 499 45 00  
Fax +41 43 499 45 01  
info@lalique-group.com  
www.lalique-group.com

Or scan the following QR code with your smartphone or tablet:



CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS  
This report contains forward-looking statements based on current assumptions and projections made by management. Such statements are subject to known and unknown risks, uncertainties and other factors which may cause the actual results and performance of Lalique Group to differ from those expressed in, implied or projected by the forward-looking information and statements. The information published in this report is provided by Lalique Group SA and corresponds to the status as of the date of publication of this report.

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**Lalique Group**

Grubenstrasse 18

CH-8045 Zurich

Switzerland

Tel. +41 43 499 45 00

Fax +41 43 499 45 01

[info@lalique-group.com](mailto:info@lalique-group.com)

[www.lalique-group.com](http://www.lalique-group.com)