



LALIQUE
GROUP

Annual Report 2021

LONG VERSION

Made by excellence



Cover

The Lalique factory—craftsmen in the hot-glass workshop filling a mould before pressing.

This spread

Changing the pot at the Lalique factory.



**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.

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Letter to shareholders

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Brief an die Aktionäre

ROGER VON DER WEID
Chief Executive Officer

SILVIO DENZ
Executive Chairman of the Board of Directors

Dear shareholders and friends of Lalique Group

2021 was a year of ongoing uncertainty regarding the impacts of the Covid-19 pandemic, although the economic situation improved compared to the prior year. 2022 has brought new fears, with the Russian invasion of Ukraine creating shockwaves and calling into question aspects of international politics that previously seemed beyond doubt. There are also questions about economic developments—especially with inflation reaching levels not seen for many years and sharp rises in energy prices in particular.

At Lalique Group, we are convinced that the breadth of our business represents a strength—especially also when faced with economically challenging conditions. Over the last two years, we were able to successfully overcome difficulties related to the corona pandemic thanks to the committed efforts of our employees and our diversified business model. We have shown that from a strategical standpoint, we are well positioned to master a global crisis such as the corona pandemic. At the same time, the pandemic has accelerated various internal plans and projects and has led to changes in certain processes and ways of working. Viewed overall, Lalique Group is emerging from this challenging period even stronger than before.

Following the losses we sustained in 2020 as a result of the pandemic, our business gradually recovered in 2021. The Lalique segment displayed especially strong growth momentum, generating even higher sales than before the pandemic. This included a pleasing performance by Lalique Parfums in particular, as well as most of the Group's other perfume brands. The Glenturret whisky business also delivered a significant increase in sales, while sales of Ultrasun sunscreen products remained below the prior year.

Financial results

Lalique Group generated pleasing sales growth in 2021, with total sales of EUR 142.0 million, an increase of 28% compared to the previous year and virtually in line with the pre-pandemic level recorded in 2019.

Our continued disciplined cost management, as well as higher business volumes, were reflected on the cost side. Personnel costs totalled EUR 34.6 million in 2021, an increase of 21% compared to the prior year. Other operating expenses increased by 6% to EUR 21.8 million, excluding the litigation provision of EUR 2.4 million recorded in the prior year in connection with legal proceedings in France. Depreciation, amortisation and value adjustments of EUR 14.2 million were 10% lower than in the prior year, excluding the non-cash impairment charge of EUR 4.3 million before tax on Lalique's brand value recorded in 2020.

Liebe Aktionärinnen und Aktionäre, liebe Freunde des Unternehmens

Das Jahr 2021 blieb von Unsicherheiten hinsichtlich der Auswirkungen der Covid-19-Pandemie geprägt, wobei sich die Konjunkturlage gegenüber dem vorangegangenen Jahr wieder verbesserte. Das Jahr 2022 hat uns mit neuen Sorgen konfrontiert: Die russische Invasion in der Ukraine hat Schrecken ausgelöst und vermeintliche Gewissheiten in der internationalen Politik in Frage gestellt. Auch bezüglich der Wirtschaftsentwicklung gibt es Fragezeichen, insbesondere, weil die Inflation auf lange nicht mehr gesehene Werte gestiegen ist und sich vor allem Energie zuletzt stark verteuert hat.

Bei Lalique Group sind wir überzeugt, dass die Breite unseres Geschäfts auch unter wirtschaftlich herausfordernden Bedingungen eine Stärke ist. Die Herausforderungen rund um die Corona-Pandemie konnten wir dank dem engagierten Einsatz unserer Mitarbeiterinnen und Mitarbeiter und unserem diversifizierten Geschäftsmodell über die letzten beiden Jahre hinweg gut bewältigen. Es hat sich gezeigt, dass wir strategisch so stark aufgestellt sind, dass wir eine globale Krise wie die Corona-Pandemie meistern können. Die Pandemie hat auch diverse interne Vorhaben und Projekte beschleunigt sowie gewisse Prozesse und Arbeitsweisen im Guten verändert. So geht Lalique Group insgesamt gestärkt aus dieser herausfordernden Zeit hervor.

Nach den deutlichen pandemiebedingten Einbußen im Jahr 2020 konnte sich unser Geschäft im vergangenen Jahr schrittweise erholen. Einen besonders starken Wachstumsimpuls lieferte das Segment Lalique, das sogar einen höheren Umsatz als in der Zeit vor der Pandemie erzielte. Dabei entwickelte sich vor allem Lalique Parfums sehr erfreulich, ebenso wie die meisten weiteren Parfums-Marken der Gruppe. Ein starkes Umsatzplus verzeichnete auch das Whisky-Geschäft von The Glenturret, während der Umsatz mit Sonnenschutzprodukten von Ultrasun noch unter dem Vorjahresergebnis blieb.

Finanzielles Ergebnis

Der Gesamtumsatz von Lalique Group stieg im Jahr 2021 erfreulicherweise auf EUR 142,0 Mio. Er lag damit um 28% höher als im Vorjahr und erreichte praktisch wieder das Vor-Pandemie-Niveau von 2019.

Die Aufwandseite reflektiert ein fortgesetzt diszipliniertes Kostenmanagement sowie das erhöhte Geschäftsvolumen. Der Personalaufwand lag 2021 mit EUR 34,6 Mio. um 21% über dem Vorjahr. Die übrigen betrieblichen Aufwendungen beliefen sich auf EUR 21,8 Mio., entsprechend einem Anstieg von 6% ohne Berücksichtigung der im Vorjahr verbuchten Rückstellung von EUR 2,4 Mio. für ein Rechtsverfahren in Frankreich. Die Abschreibungen und Wertberichtigungen betragen EUR 14,2 Mio. und lagen damit um 10% unter Vorjahr, wenn man die damals verbuchte nicht-liquiditätswirksame Wertminderung von EUR 4,3 Mio. vor Steuern auf dem Markenwert von Lalique nicht berücksichtigt.

Earnings before interest and taxes (EBIT) totalled EUR 9.6 million in 2021, compared to EUR -5.9 million in the prior year, excluding the litigation provision recorded during that period and the brand impairment charge. The EBIT margin was 6.8% in 2021, far exceeding the pre-pandemic level (2019: 1.0%, or 1.8% excluding one-off costs incurred in connection with the acquisition of The Glenturret). We were also able to return to profitability with a net Group profit of EUR 6.8 million (2020: EUR -15.0 million, including the two exceptional items).

Information on the results of each business segment can be found in the Segment Reporting section on page 22 of the Financial Report.

Dividend and Annual General Meeting

After no dividend was distributed in the prior year, the Board of Directors will propose to the Annual General Meeting of 2 June 2022 that a dividend of CHF 0.40 per share be distributed for the 2021 financial year. It is planned that half of the distribution will take the form of an ordinary dividend, with the other half being paid out of capital contribution reserves (free of Swiss withholding tax).

Marcel Roesti, a member of the Board of Directors of Lalique Group since 2008, will not stand for re-election at the forthcoming Annual General Meeting. Philippe Vidal will be proposed for election as a new member of the Board of Directors. Philippe Vidal is a French citizen with a long career at the French banking group Crédit Industriel et Commercial, where he held various leadership positions—including serving as a member of the Executive Board and, most recently, as Deputy CEO until 2021. Chairman Silvio Denz and all other members of the Board of Directors will stand for re-election for a further term of office of one year.

Das Betriebsergebnis (EBIT) belief sich im Jahr 2021 auf EUR 9,6 Mio. gegenüber EUR -5,9 Mio. im Vorjahr, ohne Berücksichtigung der damals erfolgten Rückstellung für das Rechtsverfahren und des Marken-Impairments. Die EBIT-Marge lag 2021 bei 6,8% und damit deutlich über dem Vor-Pandemie-Niveau (2019: 1,0% bzw. 1,8% ohne damals angefallene einmalige Kosten im Zusammenhang mit der Glenturret-Akquisition). Es ist uns auch gelungen, zu einem positiven Konzernergebnis von EUR 6,8 Mio. (2020: EUR -15,0 Mio., einschliesslich der beiden ausserordentlichen Faktoren), zurückzukehren.

Für die Ergebnisse der einzelnen Geschäftssegmente verweisen wir auf die Segmentsberichterstattung auf Seite 22 des Finanzberichts.

Dividende und Generalversammlung

Nach dem letztjährigen Dividendenverzicht wird der Verwaltungsrat der Generalversammlung vom 2. Juni 2022 für das Geschäftsjahr 2021 die Ausschüttung einer Dividende von CHF 0.40 je Aktie beantragen. Die Ausschüttung ist je hälftig als ordentliche Dividende und als Zahlung aus der Kapitaleinlagereserve (ohne Abzug der Verrechnungssteuer) geplant.

Marcel Roesti, Mitglied des Verwaltungsrats von Lalique Group seit 2008, wird sich an der kommenden Generalversammlung nicht mehr zur Wiederwahl stellen. Als neues Verwaltungsratsmitglied wird Philippe Vidal vorgeschlagen. Philippe Vidal ist französischer Staatsbürger und hat eine lange Karriere in Führungspositionen bei der französischen Bankengruppe Crédit Industriel et Commercial durchlaufen, wo er Mitglied der Geschäftsleitung und zuletzt bis 2021 Deputy CEO war. Alle übrigen Verwaltungsräte und Silvio Denz als Präsident stellen sich für eine weitere Amtsdauer von einem Jahr zur Wiederwahl.

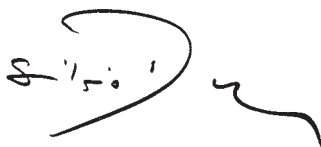
Outlook

The global economic environment in 2022 will continue to be impacted by uncertainty—primarily due to geopolitical tensions following the Russian invasion of Ukraine and the related economic sanctions.

Lalique Group will also continue seizing selected product launches and projects in the current year to further strengthen its portfolio. They include the new perfume licencing agreement with the global fashion brand Superdry that was announced on 12 April 2022, with the launch of the first fragrances planned for spring 2024. The Group also wants to continue seizing opportunities to promote the Lalique brand through the world of experiences offered by its gastronomy and hospitality business, which was expanded last year to include the Hotel & Restaurant Lalique—Château Lafaurie-Peyraguey and The Glenturret Lalique Restaurant and now comprises four gastronomic establishments. In March 2022, the Hotel & Restaurant Lalique—Château Lafaurie-Peyraguey was awarded a second Michelin star and the new The Glenturret Lalique Restaurant received its first Michelin star only seven months after opening.

Excluding unforeseeable events, Lalique Group expects to generate high single-digit sales growth in percentage terms for the full year 2022. In terms of its medium term targets, the Group expects the achievement of the profitability targets, set in 2019 (mid single-digit sales growth in percentage terms in local currencies and a gradual increase in the EBIT margin from 9% to 11%) to be delayed by around two years due to the Covid-19 situation.

We will continue to tread our path going forward, creating a highly attractive offering for our clients based on our brands and products. We wish to thank our employees for their enormous dedication and our partners for our great collaboration, which is founded on trust. We also wish to express our gratitude to our shareholders for the trust they have shown us.



SILVIO DENZ
Executive Chairman of the Board of Directors

Ausblick

Das weltwirtschaftliche Umfeld ist auch im laufenden Jahr von Unsicherheiten geprägt, insbesondere angesichts aktueller geopolitischer Spannungen aufgrund der russischen Invasion in der Ukraine und damit verbundener Wirtschaftssanktionen.

Lalique Group wird auch im laufenden Jahr ausgewählte Produkteinführungen und Projekte vorantreiben, um ihr Portfolio weiter zu stärken. Hierzu gehört die am 12. April 2022 bekannt gegebene neue Parfüm-Lizenzvereinbarung mit dem global etablierten Fashion-Brand Superdry, wobei die Lancierung des ersten Dufts im Frühling 2024 geplant ist. Zudem will die Gruppe auch weiter Chancen nutzen, um die Bekanntheit der Marke Lalique durch die Erlebniswelt des Gastronomie- und Hotelleriebereichs zu fördern, der im vergangenen Jahr mit dem Hotel-Restaurant Lalique von Château Lafaurie-Peyraguey und dem The Glenturret Lalique Restaurant auf vier exklusive Betriebe erweitert wurde.

Unvorhersehbare Ereignisse vorbehalten, erwartet Lalique Group für das Gesamtjahr 2022 ein Umsatzwachstum im hohen einstelligen Prozentbereich. Bezüglich ihrer Mittelfristziele geht die Gruppe wie bereits früher mitgeteilt davon aus, dass die Covid-19-Situation die Erreichung der im Jahr 2019 gesetzten Profitabilitätsziele (Umsatzwachstum im mittleren einstelligen Prozentbereich in Lokalwährungen und schrittweise Steigerung der EBIT-Marge auf 9% bis 11%) um rund zwei Jahre verzögert.

Wir werden unseren Weg auch in Zukunft konsequent weiterverfolgen und konzentrieren uns darauf, mit unseren Marken und Produkten ein hochattraktives Angebot für unsere Kundinnen und Kunden zu formen. Wir danken unseren Mitarbeiterinnen und Mitarbeitern für ihr grosses Engagement und unseren Partnern für die vertrauensvolle Zusammenarbeit. Unseren geschätzten Aktionärinnen und Aktionäre danken wir für das Vertrauen.



ROGER VON DER WEID
Chief Executive Officer

2021 at a glance

KEY FIGURES 2021/2020 Kennzahlen 2021/2020

142.0
110.7

Revenue in EUR million
Betriebserlös in
Millionen EUR

9.6
-12.6

EBIT in EUR million
EBIT in Millionen EUR

6.8
-15.0

**Net group profit in
EUR million**
Konzernergebnis in
Millionen EUR

702
678

Number of FTEs
Mitarbeitende
(Vollzeitäquivalente)

700

Lalique points of sale
Verkaufspunkte Lalique

13 500

Beauty Division points of sale
Verkaufspunkte Beauty Division

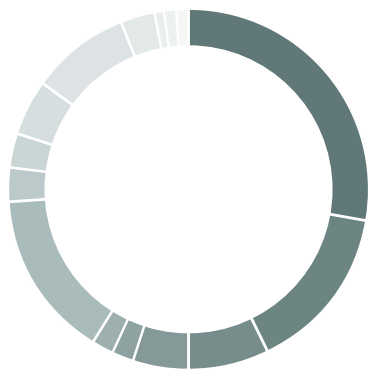
KEY FIGURES IN EUR MILLION Kennzahlen in EUR Millionen	2021	2020
Revenue Betriebserlös	142.0	110.7
EBIT	9.6	-12.6
Net group profit Konzernergebnis Gruppe	6.8	-15.0
Equity Eigenkapital	188.5	174.8
Net debt Nettoverschuldung	41.0	44.9
Equity ratio Eigenkapitalquote	50.87%	46.17%
EBIT margin EBIT-Marge	6.8%	-11.3%

SHARE STATISTICS Aktienkennzahlen		2021	2020
Earnings per share Ergebnis pro Aktie	EUR	1.14	-1.76
Equity per share Eigenkapital pro Aktie	EUR	26.18	24.28
Share price high Höchstkurs Aktie	CHF	41.00	40.00
Share price low Tiefstkurs Aktie	CHF	32.80	21.20

REVENUE BY REGION IN EUR MILLION Umsatzerlös nach Regionen in EUR Millionen

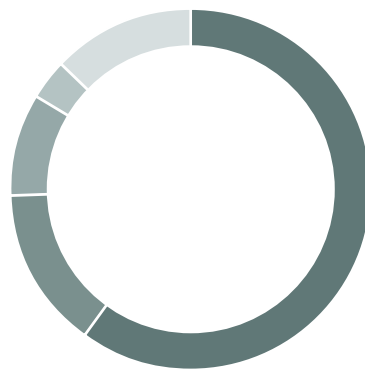


OPERATING REVENUE BY BUSINESS IN %
Betriebserlös nach Geschäftsbereichen in %



- 28 Lalique Decorative Items
- 15 Lalique Fragrances
- 7 Lalique Interior Design
- 5 Lalique Hospitality
- 2 Lalique Jewellery
- 2 Lalique Art
- 15 Jaguar Fragrances
- 3 Parfums Samourai
- 3 Parfums Grès
- 5 Bentley Fragrances
- 9 Ultrasun
- 3 Glenturret
- 1 Brioni
- 1 Lalique Beauty Services
- 1 Lalique Beauty Distribution

OPERATING SEGMENT IN EUR MILLION
Geschäftssegmente in EUR Millionen



- 85.2 Lalique
- 20.7 Jaguar Fragrances
- 13.2 Ultrasun
- 4.9 The Glenturret
- 18.0 Other brands¹

¹ "Other brands" segment covers the Samourai, Grès, Bentley and Brioni brands, as well as Lalique Tamer Beauty, Lalique Beauty Distribution, Lalique Beauty Services and Holding & Elimination.

A woman with long, wavy, dark hair is the central figure, looking slightly upwards and to the right. She is wearing a light-colored, possibly linen, button-down cardigan over a top. She holds a clear, faceted glass perfume bottle with both hands in front of her. The background is a soft-focus field of tall grass or wheat under a warm, golden sunset sky. The overall mood is serene and natural.

A sustainable fragrance experience

LALIQUE

Smell the wild

The new fragrance Soleil Vibrant embraces Lalique's sustainability strategy linking back to wild nature. It is designed to capture the exotic sun, bringing to life the most beautiful treasures in nature's untamed profusion. The fragrance is made from socially responsible and sustainably sourced ingredients.

Riechen Sie die Wildnis

Der neue Duft Soleil Vibrant verkörpert die Nachhaltigkeitsstrategie von Lalique und stellt eine Verbindung zur wilden Natur her. Das Produkt riecht nach Sommer und Sonne, ist warm, wild und sinnlich. Der Duft wurde aus sozial verantwortlichen und nachhaltig gewonnenen Inhaltsstoffen hergestellt.



First gourmet experience within a Scottish distillery

The
GLENTURRET
 HIGHLAND SINGLE MALT
 SCOTCH WHISKY

The Glenturret takes centre stage

Scotland's Oldest Working Distillery celebrates an exceptional year in 2022 with 31 international awards, success at a groundbreaking Sotheby's auction, a collaboration with Scotland's most renowned hotel, Gleneagles, and becoming Scotland's first distillery to offer fine dining, with the launch of The Glenturret Lalique Restaurant. The restaurant is headed up by Chef Mark Donald and was awarded one Michelin star in February 2022, within just seven months of opening.

The Glenturret steht hoch im Kurs

Schottlands älteste noch in Betrieb stehende Destillerie feiert ein aussergewöhnliches Jahr 2022: Die Destillerie hat insgesamt bereits 31 internationale Auszeichnungen erhalten, konnte einen bahnbrechenden Erfolg bei einer Sotheby's-Auktion verzeichnen und arbeitet mit einem der renommiertesten Hotels in Schottland, dem Gleneagles, zusammen. Das Glenturret Lalique Restaurant wird von Küchenchef Mark Donald geleitet und wurde im Februar 2022, nur sieben Monate nach der Eröffnung, mit einem Michelin-Stern ausgezeichnet.





Centennial celebrations

LALIQUE

A close-up photograph capturing the moment of crystal polishing. A hand is visible on the left, holding a clear crystal glass. The glass is being pressed against a large, rotating metal wheel on the right. The contact point is surrounded by a shower of bright orange and red sparks, creating a dramatic, high-contrast scene. The background is dark, making the sparks and the reflective surfaces of the glass and metal stand out.

100 years ago, a flame was lit in Wingen-sur-Moder...

This year, Lalique is celebrating 100 years of manufacturing at Wingen-sur-Moder, a century in which the company has produced unique objects and exceptional works of art, sought after by collectors and epitomizing a distinctly French "art of living".

To celebrate its century in style, the Wingen-sur-Moder factory this year produced an exceptional bottle containing a new Lalique fragrance, and a beautiful spirit decanter.

100-jähriges Know-how

Seit 100 Jahren stellt die Lalique Kristallmanufaktur Produkte in Wingen-sur-Moder her. Die einzigartigen Objekte und aussergewöhnlichen Produkte sind auch bei Sammlern sehr beliebt.

Zur Feier des Jubiläums produzierte die Manufaktur dieses Jahr einen aussergewöhnlichen Flakon mit einem neuen Lalique-Duft sowie eine eindruckliche Spirituosenkaraffe.

Business Model and Strategy

LALIQUE



ultrasuno
Professional Protection

GRÈS
PARIS

SAMOURAI



Brioni

The
GLENTURRET
HIGHLAND SINGLE MALT
SCOTCH WHISKY

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 lifestyle accessories, along with art, gastronomy and hospitality as well as single malt whisky.

PROFILE

The company employs approx. 700 staff, and has its headquarters in Zurich. Lalique Group generated revenue of EUR 142 million in 2021.

In addition to its headquarters in Zurich, Switzerland, the Group has offices in Paris, and operates two industrial sites in France: a perfume filling and logistics centre in Ury, Seine-et-Marne, and a glassworks in Wingen-sur-Moder, Alsace. The Group also maintains representative offices in the United Kingdom, Germany, the United States, China, Japan, Singapore and the United Arab Emirates (UAE).

The Lalique brand, from which the Group derives its name, was created in Paris in 1888 by the master glassmaker and jewellery designer René Lalique. The registered shares of Lalique Group (LLQ) are listed on the SIX Swiss Exchange.

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 glassmaking 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 private investors hold the remaining shares. 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.

Since December 2019, Lalique Group has been creating and distributing a range of exclusive perfumes for the house of Brioni. The first Brioni Eau de Parfum was launched worldwide in the first quarter of 2021. In April 2022, Lalique Group entered into an exclusive licence agreement with the British branded clothing company Superdry. The Group will exclusively create and distribute a collection of women's and men's perfumes for Superdry. The launch of the first fragrance under the new licence is planned for spring 2024.

THE GROUP'S BRAND PORTFOLIO

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

- Parfums Samourai (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 2019)
- Brioni (licence acquired in 2019)
- Fragrances for Superdry (licence acquired in 2022)

The Lalique brand, from which the Group derives its name, was created in Paris in 1888 by the master glassmaker and jewellery designer René Lalique.

GEOGRAPHIC PRESENCE

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

14 200

Global Points of Sale

Lalique division >700

Beauty division >13500

■ HEADQUARTERS**Lalique Group SA**

- Grubenstrasse 18, Zurich, Switzerland

Lalique SA

- Rue Royale 11, Paris, France

▲ MANUFACTURING SITES

- Lalique
- Lalique Beauty Services

△ THE GLENTURRET

- Whisky Distillery, The Hosh, Crieff, United Kingdom

● LALIQUE-OWNED BOUTIQUES

Europe: 12 stores

USA: 4 stores

Asia: 13 stores

□ FOREIGN SUBSIDIARIES

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

○ GASTRONOMY/HOSPITALITY**Villa René Lalique,****Wingen-sur-Moder - France**

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

Château Lalique,**Wingen-sur-Moder - France**

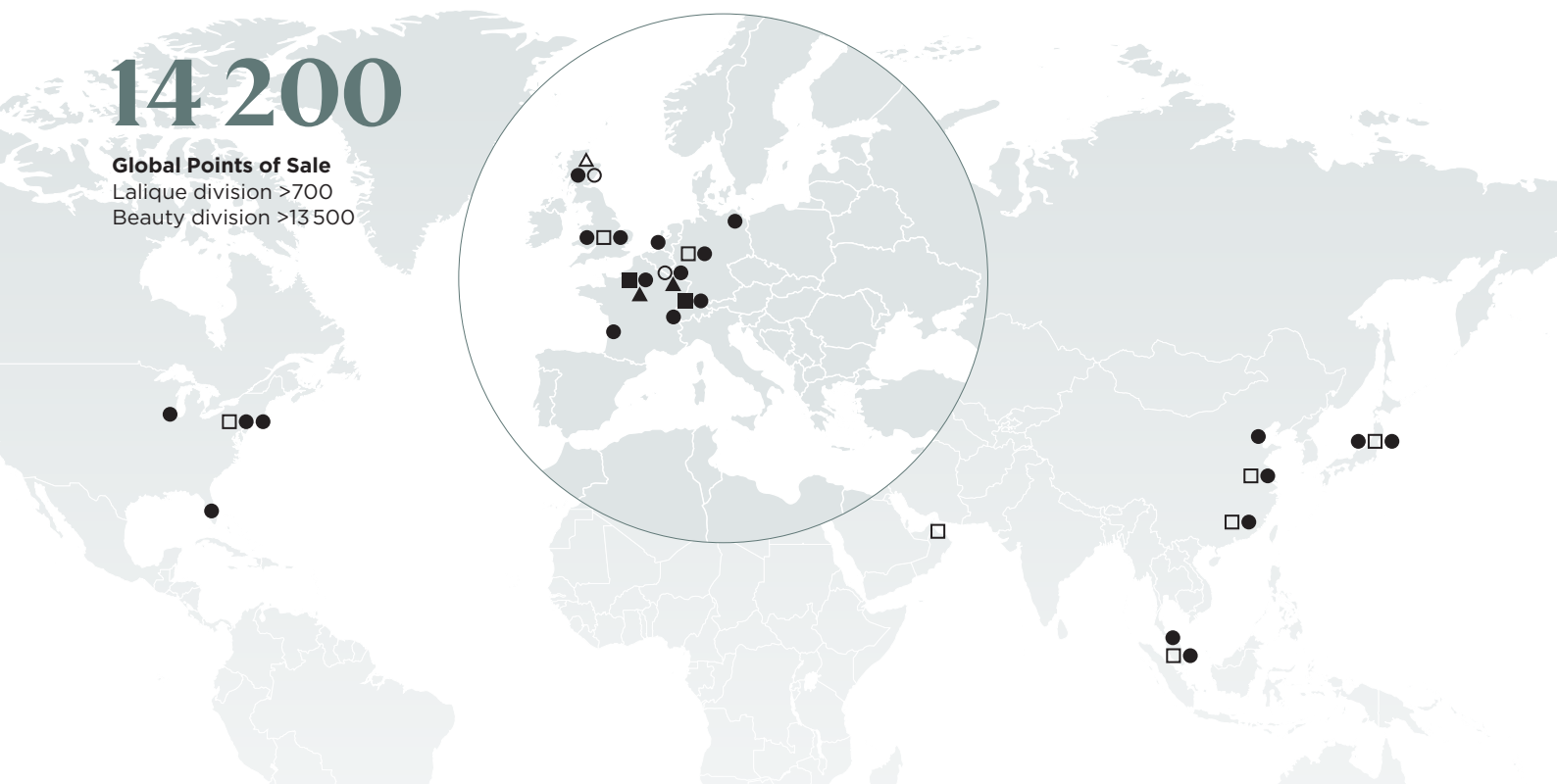
- Four-star hotel and brasserie-style restaurant

Château Lafaurie-Peyraguey,**Bommes - France**

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

The Glenturret Lalique Restaurant, Crieff, United Kingdom

- Scotland's first distillery to offer fine dining (1* Michelin)



Business Model

With a diversified product portfolio of well-positioned brands in the perfume, cosmetics, crystal and jewellery sectors and the fine spirits industry, the Group is in a strong position to support future growth and long-term shareholder value. The company has established a strong competitive position for itself as a niche player in industries primarily dominated by multinational companies.

ABOUT THE LALIQUE BRAND

The manufacturing, marketing and distribution of premium quality decorative crystalware is a specialist field with only a handful of competitors. Lalique distinguishes itself through its manufacturing methods, product design and ability to produce complex items with meticulous attention to detail. Lalique offers products that are extensively hand-crafted and created according to sophisticated designs. Furthermore, Lalique's product range is very diversified. The products are sold at over 700 points of sale via a global distribution network. Lalique owns 29 boutiques in major city centres throughout the world, with floorspace ranging from 60 to 250 m². The worldwide shipments are made from the production and logistics centre at Wingen-sur-Moder in France.

The arts and crafts are bearers of tradition and innovation, conveying the intangible heritage inherent in culture. At Lalique, the glassmaking craft has been handed down for generations, a legacy of artisanal and industrial expertise developed with dedication and precision over centuries of enterprise. This year, Lalique is celebrating 100 years of manufacturing at Wingen-sur-Moder, a century in which the company has produced unique objects and exceptional works of art, sought after by collectors and epitomizing a distinctly French "art of living". Lalique Group has preserved and developed the Lalique factory founded by René Lalique at Wingen-sur-Moder in Alsace in 1922. The workforce in Alsace counts seven Meilleurs Ouvriers de France among its numbers.

Lalique's marketing strategy also includes collaborations with other high-end brands that are leaders within their industry and share Lalique's brand values. It enables Lalique to gain access to the partner brand's customer base. The product concept merges the expertise specific to each partner to generate exclusive creations, limited editions and one-of-a-kind pieces.

One of the most recent collaborations was conceived by Damien Hirst and handcrafted by Lalique. The 'Eternal' collection is a series of sculptures and panels rendered in exquisite crystal. The partnership programme includes further collaborations 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.

The Group is continuously extending the programme and bringing in new partners.

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 and the Group continues to focus on six main pillars of the product range.

Lalique offers products that are extensively hand-crafted and created according to sophisticated designs.

SIX MAIN PILLARS OF THE PRODUCT RANGE



Decorative Items

Lalique is a master of its art and since 1888 has been the custodian of an incomparable cultural heritage, unmistakable in its Art Deco and Art Nouveau styles. The company's sole production site for its crystalware is located in Wingen-sur-Moder, Alsace, in France. 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.

The brand has a dedicated design studio which creates a lifestyle vision through a wide range of products such as panels, furniture and lighting. Lalique is a luxury brand renowned throughout the world for its expertise.



Interior Design

Through the Lalique Interior Design Studio (LIDS), the brand offers an exclusive and personal service to an expanding international clientele. Each project is defined by the high-quality materials and finishing applied to the mountings and integrated lighting systems. All Interior Design Studio projects are highly creative and will be a distinctive feature to bring any space to life. First-rate crystal glassmaking expertise, creative dynamism and technical flair all come together at the Lalique Interior Design Studio. The result is a new definition of the idea of luxury. Conceived to embrace and enhance any interior space, each design places crystal at the heart of the layout and location, true to the creative approach of René Lalique.

The most advanced designs and innovative creations are made to order for the interior decoration of homes, restaurants, luxury hotels, yachts and many other settings.



Jewellery

With impressive virtuosity, Lalique selects exceptional gemstones and materials to create stunning pieces whose beauty is enhanced by designs that draw their inspiration from nature and myths. Like the alchemists of old, who worked with base metals, Lalique transmutes materials such as precious and non-precious stones, lacquer, enamel and patina into light rather than gold. Each piece of Lalique jewellery tells a story grounded in René Lalique's avant-garde vision and legacy. Exquisite materials and technical mastery combine to express the themes, maintaining the founder's heritage through the realization of the most precious savoir-faire.



Fragrances

The Laliqne fragrances were launched in 1992 and target confident, refined and sensitive women and men. The portfolio includes perfumes, home fragrances, crystal limited editions and exclusive collections. The bottles, whether made from glass or crystal, have fascinated collectors for generations. Laliqne uses exceptional raw materials, providing its high-quality scents with a unique signature and unparalleled character.



Art

Laliqne Art places the expertise of Laliqne at the service of major contemporary artists, designers with flair, and cultural foundations. The aim is to create unique and exceptional works of art.

Laliqne Art offers artists new inspirations and motifs, using the interplay of light, transparency, colour and contour. This extraordinary encounter between art and crystal is giving rise to new forms of creative expression.

Laliqne Art has collaborated with Damien Hirst, Anish Kapoor, Terry Rodgers, Arik Levy, Yves Klein Archives, Rembrandt Bugatti's family, Zaha Hadid, Mario Botta, Han Meilin, Elizabeth de Portzamparc, Lou Zhenggang, Nic Fiddian-Green and, most recently, with James Turrell.



Gastronomy/ Hospitality

The most recent addition to the Group's restaurants collection was celebrated with the launch of The Glenturret Laliqne Restaurant in Scotland at the end of July 2021. The Glenturret Laliqne Restaurant is presided over by Head Chef Mark Donald and was awarded a Michelin star in February 2022, less than seven months after opening.

The Group launched its first gastronomy and hospitality activities in September 2015, with the opening of the Villa René Laliqne luxury hotel and associated restaurant led by chef Paul Stradner; this holds two Michelin stars. The award-winning Relais & Châteaux establishment is located in Wingen-sur-Moder, France, near the Laliqne factory. The Group also owns and operates Château Hochberg, a four-star hotel with a brasserie-style restaurant close to the Laliqne Museum, in Wingen-sur-Moder.

In 2018, a sumptuous Laliqne hotel and restaurant opened its doors at Château Lafaurie-Peyraguey in the Bordeaux region. In July 2021, the Group acquired the Château Lafaurie-Peyraguey hotel and restaurant, which had been operating under the Laliqne brand on a licensing basis since 2018. The restaurant was awarded a first star by the Guide Michelin in 2019 and only in March 2022, the Laliqne restaurant was awarded a second star in the 2022 Michelin Guide for France. The three hotels and restaurants are ideal showcases in which to enjoy an exclusive ambience befitting of the Laliqne lifestyle.

LALIQUE BEAUTY—PERFUMES

The current Lalique Beauty brand portfolio features a number of perfume brands, including Jaguar Fragrances, Bentley Fragrances, Parfums Grès, Parfums Samourai, Brioni and, most recently, fragrances for Superdry. The first Brioni scent was launched in the first quarter of 2021 and, as of 2022, the first Brioni perfume line comprises three signature fragrances. The launch of the first Superdry fragrance is planned for spring 2024.

The lead time for developing new products at Lalique Beauty is generally four to six months for special editions and line extensions, and twelve to eighteen months for completely new product lines. Each product launch is carried out with an underlying marketing plan defining advertising and promotional activities to ensure a sell-out. Furthermore, the overall brand perception is key to achieving sustainable market success.

Lalique Beauty ensures quality control, lean structures and short decision-making processes along a fully integrated value chain. International distribution is organized via the company's own sales operations in France and the Middle East region, combined with 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 maximum market penetration. Lalique Beauty Services is the Group's world production and logistics hub for perfumes—also for third-party customers. It is a full-service provider for perfume production, covering research, manufacture, maceration, filling and conditioning. 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).

ULTRASUN

Ultrasun manufactures multifunctional suncare products combining UV protection with ingredients against ageing or unwanted pigmentation, amongst others. Ultrasun regularly launches innovative, advanced UV protection products, driven by in-house formula expertise, extensive marketing and sales experience in cosmetics and dermatology, and external Swiss manufacturing support. The brand commands a strong position in the market thanks to its unmatched formulations, which are free of many controversial ingredients.

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, etc.) and regions with year-round sunshine (e.g. the Middle East).

THE GLENTURRET

Since March 2019, The Glenturret, Scotland's oldest working single malt whisky distillery, has belonged to the Group's portfolio. 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. In autumn 2020, the brand launched a new whisky range in a new bottle design. In July 2021, The Glenturret Lalique Restaurant for fine dining opened its doors and within just seven months was awarded a Michelin star.

Strategy

Long-term sustainable and profitable growth of the Group's diversified business model

As a successful niche player in the luxury goods sector, Lalique Group will continue to develop the company, following its long-term successful strategy of profitable and sustainable growth and building on its record of achieving organic and external growth.

With the acquisition of the Lalique Hotel and Restaurant Château Lafaurie-Peyraguey in July 2021 and the opening of The Glenturret Lalique Restaurant, Lalique Group has expanded its gastronomy and hospitality business, which now comprises four exclusive establishments and will help to further promote the Lalique brand.

Diversification has always been an important element of Lalique Group's strategy as it contributes considerably to minimizing risks and providing consistent growth opportunities. Diversification at Lalique Group includes aspects such as geography, market sectors, distribution channels and, increasingly, digitalization.

Digitalization opens up new opportunities

For the Group, digitalization is one of the key elements of its strategy designed to sustain a strong business model as it evolves to the next level and continuously improves its offering to customers. In parallel, digital marketing and e-commerce activities have been developed and will be further expanded for all segments. However, as part of a broad digital strategy, diversification also encompasses the penetration of new sales channels and business models to increase brand awareness and foster growth by further linking the online and offline customer experience.

LALIQUE BEAUTY

New business—expanding the brand portfolio

Lalique Group will move ahead with selected product launches and projects in the current year to further strengthen its portfolio. They include the new perfume licencing agreement with the global fashion brand Superdry that was announced on 12 April 2022, with the launch of the first fragrances planned for spring 2024.

The Group expects that the global market for fragrances and perfumes will show further growth. Major future growth catalysts are: urbanization, rising disposable income in emerging markets, and greater demand for premium fragrances. Increasingly, customers are looking for scents with a more complex structure or for products from well-known brands that offer a different buying and product experience. However, with premium products becoming the main driver behind the industry's revenue growth, the sector is increasingly sensitive to the global economic environment and the customer's disposable income. Furthermore, the overall brand perception is key to sustainable market success.

Sustainability

Sustainability is a fundamental element of Lalique Group's strategy aiming for sustainable and profitable growth of the company. The Group's ESG engagement focuses on three key areas: product management, employees and the environment. In these areas, the Group seeks to have a positive impact and aims to constantly expand its sustainability commitment along the entire value chain.

Lalique Group presents its sustainability report on page 56.

Diversification at Lalique Group includes aspects such as geography, market sectors, distribution channels and, increasingly, digitalization.

Our brands and activities





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LALIQUE

Into the blue

On the occasion of the 100th anniversary of its factory in Wingen-sur-Moder, Lalique's emblematic motifs, Bacchantes, Mossi, Languedoc and Champs-Elysées, have been given an intense blue coating. This magnetic and symbolically charged colour is an invitation to revisit the brand's iconic crystal pieces.

In expert hands

To celebrate its centenary in style, the factory is releasing two new creations this year: the exceptional Fusion flacon, containing a charming new amber Lalique fragrance, and the Gouttes d'eau decanter that pays tribute to a model designed by René Lalique exactly 100 years ago. It is also an occasion to highlight the work of glassmaking artisans and celebrate their expertise. In Wingen-sur-Moder, the creative spirit continues to glow.



Brand acquired **2008**
Share of company revenue **28%**

Left
The Water Drop decanter and the fusion flacon.

Right
Drawing inspiration from the wide avenue from which it takes its name, the Champs-Elysées bowl is adorned with a subtle design of plane tree leaves.



Lalique Decorative Items



Lalique Interior Design



LALIQUE

The Paris-based Lalique Interior Design Studio (LIDS) 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.

A unique experience among the vineyards

In 2021, LIDS created bespoke panels and doors to be installed at the very centre of the new Château Péby-Faugères winery, designed by Mario Botta, in the Bordeaux region of France. The first two compositions feature large lost-wax crystal Merles & Raisins panels. Then, throughout the reception room of the winery and down the corridors, the Merles & Raisins and Petites Bulles motifs shine with delicate reflections inside each glass door. The concept of the panels, crystal pieces combined with a glass support, brings light, evocative motifs and an extra dimension of customization to any interior design.

Brand acquired **2008**

Share of company revenue **7%**

Left and right

The Lalique panels and doors at the Péby-Faugères winery in the Bordeaux region of France.

LALIQUE

A unique style

In 2021, Lalique presented two new jewellery collections, Papillon and Vigne, and the Saint Matthew Cross. As if weightless, the Lalique Butterfly deploys its satin-finished crystal wings, dressed in blue or lagoon set on sterling silver, and in luminous peach or intense green on an 18k yellow gold-plated setting.

Highlighted by sterling silver or 18k yellow gold plate, the radiant red and amber shades of the Vigne collection evoke the hues of red or white wine.

In 1934, René Lalique was commissioned to design the interior of Saint Matthew's church, located on the Channel Island of Jersey. The centrepiece is a towering cross over three metres high, soaring above the altar. Lalique has reinterpreted this precious cultural heritage in the Saint Matthew Cross pendant in satin-finished crystal set on sterling silver.

In spring 2022, a new set of costume jewellery inspired by the leaves of the Ginkgo Biloba, a symbol of hope, love and longevity, was unveiled. Delicate, shiny crystal beads in antinea green are set on wavy and finely chiselled Ginkgo leaves, fashioned in 18k yellow gold-plated brass.



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

Left
The new Papillon and Ginkgo Biloba jewellery collection.

Right
Saint Matthew cross pendant in satin-finished crystal set on sterling silver.

Lalique Jewellery



LALIQUE

For a vibrant future

The Soleil Lalique product line focuses on female empowerment, targeting independent, confident and courageous women. The latest addition—Soleil Vibrant—pays homage to women who are not afraid to embrace their own unique and unconventional beauty. The fragrance is made from socially responsible and sustainably sourced ingredients. The perfumers took their inspiration from wild-animal prints and chose to work on a woody theme, seldom featuring in feminine scents today.

Born of a ceaseless quest for excellence

Lalique has been manufacturing perfume bottles since the early 20th 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, as well as 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 brought up to date by the Lalique Creative Studio.

Brand acquired **2008**

Share of company revenue **15%**

Left

Lalique White in Black—a woody, oriental, fresh fragrance and the crystal candle Merles & Raisins.

Right

Soleil Vibrant Lalique—the new fragrance for women: luminous and warm.





Lalique Perfumes



Lalique Art



LALIQUE

Crystal Architecture by Zaha Hadid

Star architect Zaha Hadid designed a collection for Lalique several years ago that juggles modernity and elegance. A fresh iteration has enriched the series with a vibrant new colour: bold fuchsia. Emerging like two buildings from the earth, the Visio vase reaches upwards to seemingly infinite skies. The Manifesto vase, with its more generous curves, is sublimely beautiful. And the Fontana bowl expresses the powerful dynamism of water, informed by the continuity and rhythm of waves in motion, with delicate undulations rippling the surface.

Still Water by Nic Fiddian-Green

The equestrian statue Still Water, created by sculptor Nic Fiddian-Green, has become part of Lalique's heritage. The British artist, a master of the depiction of horses' heads, shares his love of nature with the company. Following the launch of the collection in early 2021, this magnificent sculpture revealed itself in the autumn in a stunning new shade of blue crystal.



Brand acquired **2008**

Share of company revenue **2%**

Left and right

Crystal architecture by Zaha Hadid and the statue Still Water—the horse head—by Nic Fiddian-Green.

LALIQUE

100 years of manufacturing

The first furnace at the glassworks in Alsace, France, where Lalique manufactures its precious creations was lit in 1922. Since then, the Lalique factory has always managed to rise to the challenges of changing times and breathed a refreshing modernity into the world of French design and industry. Today, the factory in Wingen-sur-Moder has a workforce of 250, which combines a wide range of skills, some of them subtle and difficult techniques specific to Lalique.

Exceptional craftsmanship

In the seclusion of the workshops, which have doubled in size over the past hundred years to cover an area of 17 000 m², the artisans of Lalique create between 350 000 and 400 000 pieces each year, creations that are a source of delight to art lovers. More than 40 museums around the world house the iconic Lalique pieces from the furnaces in Alsace.

Seven of the Group's workers have been recognized by the Société Nationale des Meilleurs Ouvriers de France with the title "Meilleur Ouvrier de France" (Best Craftsman in France) for their glassmaking skills. Lalique also holds the seal of "Entreprise du Patrimoine Vivant" (living heritage company).

Over the last decade, the Group has invested more than EUR 27 million in the factory, undertaking improvements such as refurbishment of the mould workshop with new equipment, including five-axis milling machines and lathes, as well as workshop modernization, safety and environmental protection measures. A new tank furnace will be installed in 2022.

Number of employees **250 (FTE)**

Crafted items produced every year
between 350 000 and 400 000

Left and right

Striving for excellence is part of the factory's DNA; it has produced seven Meilleurs Ouvriers de France (MOF)—all winners of the prestigious national competition which recognizes exceptional dexterity and creativity. It takes ten years to become a good master glassmaker.





Lalique Crystal Factory

LALIQUE

Lalique Gastronomy/ Hospitality





LALIQUE

Best vineyard hotel in the world

The Lalique hotel and restaurant at Château Lafaurie-Peyraguey won the 2021 Villégiature prize for the world's best vineyard hotel. Since 2003, a jury composed of leading journalists from all over the world has awarded the Villégiature prize to the most beautiful hotels. In March 2022, the Lalique restaurant at Château Lafaurie-Peyraguey was awarded a second star in the 2022 Michelin Guide for France.

In July 2021, Château Lafaurie-Peyraguey was also ranked as one of the "10 most beautiful hotels in South-West France" by the magazine Yonder. This luxurious establishment, set in the region of Sauternes in the greatest terroir of Grands Crus Classés, is part of Lalique's prestigious stable of hotel-restaurants. In 2015, it joined Villa René Lalique as a member of the Relais & Châteaux collection. Château Hochberg by Lalique, also at Wingen-sur-Moder in Alsace, followed in 2016. Château Lafaurie-Peyraguey, a premier grand cru classé, is a property extending over 18 hectares at a unique location in the historic heart of the Sauternes region.

The latest addition to Lalique hospitality is The Glenturret Lalique Restaurant, located at Scotland's Oldest Working Distillery.

Established **2015**

Share of company revenue **5%**

Left and right

Château Lafaurie-Peyraguey which won the 2021 Villégiature prize for the world's best vineyard hotel.



Power and personality

Jaguar is a name that evokes power and personality, combined with outstanding design. Jaguar Fragrances is proudly positioned as a prestige brand that offers the pleasure of a dynamic fragrance experience. The perfumes elegantly symbolize the Jaguar attributes of style, performance and modernity.

New ERA, new fragrance

The first Jaguar fragrance—Jaguar For Men—was launched in 2002 in an iconic green bottle. The latest is Jaguar ERA, a trailblazing fragrance for men. Streamlined and eye-catching, ERA's bottle expresses the aspiration of today's generation for less is more in the form of refined luxury. The fragrance? A sleek, chic, offbeat fougère that strikes a cool balance between energy-infused aromatic ingredients and robust woody notes.

The Jaguar range of fragrances is constantly being reviewed and modernized and today comprises around 25 fragrances.

Jaguar-fragrances.com
#JaguarFragrances

Licence acquired **2002**
Share of company revenue **15%**

Left and right

The Jaguar ERA flacon and campaign visual:
A contemporary take on Jaguar's design philosophy.

Jaguar Fragrances



Parfums Grès





GRÈS

PARIS

Grès: from couture to perfume

Founded in 1941, the Grès fashion house has been an uncompromising leader in haute couture for several decades. Grès entered the perfume world in 1959. Over the years, the company has built a rich heritage and achieved genuine legitimacy in perfumery. Parfums Grès targets confident, chic women with a feel for vintage style. The Laliq Group acquired Grès in 2002.

Iconic fragrances by Grès

Few brands can lay claim to a fragrance like Cabochard. Now 60 years of age, it has become a legend in the perfume industry. Or one like Cabotine, launched in 1990 to win young female hearts, which has unquestionably lived up to its promise.

Brand acquired **2007**

Share of company revenue **3%**

Left and right

Parfums Grès designs its fragrances like exquisite and seductive costumes that women wrap around themselves.



Brioni



Brioni

All good things come in threes

Enveloping the wearer with an irresistible presence, the Brioni fragrances are the ideal complement to Brioni's sartorial universe and the last finishing touch to the impeccable outfit. Enriched with top-tier sustainable materials, each scent captures a different facet of the Brioni man.

Brioni Eau de Parfum Éclat

Chypre citrus woody—crafted for radiance and freshness. Inspired by a relaxed approach to life, the scent reflects an intriguing contrast of pureness and electricity.

Brioni Eau de Parfum

Woody floral aromatic—composed for sophistication and charisma. The scent reflects the ultimate signature and effortless Roman chic accompanied by irresistible temptation.

Brioni Eau de Parfum Intense

Woody ambery spicy—tailored for sensuality and richness. The scent is vibrant and long lasting. When the light falls, a festive richness brings the decadence of Rome to mind.

#TailorYourLegend
Brioni.com

Licence acquired **2019**
Share of company revenue **1%**

Left
Brioni Eau de Parfum Éclat.

Right
Brioni Eau de Parfum and Brioni Eau de Parfum Intense.

SAMOURAÏ

Power, wisdom and energy

Samouraï has added new masculine and feminine scents to its portfolio over the last few months. Nightlight for Men has a beautiful sweet touch—feeling the character of a Samouraï while being sensual. A fragrance that creates a new identity and captivates people. Very Viva is a bright scent, which makes the wearer smile—a fragrance for a lively and charming woman.

The ethos of Parfums Samouraï draws on power and wisdom, energy and spirituality, and renders homage to a proud tradition. The first Samouraï for Men fragrance was launched in 1995 together with Alain Delon and became an international success. Since then, the Samouraï 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.

Brand acquired **2007**
Share of company revenue **3%**

Left
The new fragrance Nightlight for Men.

Right
The new fragrance Very Viva for Women is a bright and light fragrance.





Parfums Samourai

samourai
woman
Very Viva

eau de parfum

A photograph of a person from behind, wearing a dark suit jacket and a white shirt. They are holding a dark perfume bottle in their right hand. The background is filled with warm, out-of-focus lights, creating a bokeh effect. The overall mood is sophisticated and elegant.

Bentley Fragrances



Precision, design and power

Handcrafted luxury, unmistakable design and breathtaking performance—a perfect combination of these elements embodied by luxury manufacturer Bentley Motors ensures a memorable driving experience. Perfumes bearing the Bentley label use fine materials such as chrome and solid glass for their masculine bottle design, as well as leather and wood for the fragrance composition, ensuring authenticity and timeless elegance.

The first Bentley fragrance was released in 2013, and today this fragrance portfolio contains some 30 perfumes.

Always with attitude

The product line FOR MEN from Bentley fragrances stands for luxury lifestyle, distinctive design and outstanding performance. The rounded form of the FOR MEN bottle recalls the lines and curves of a Bentley motorcar. The effect is most strikingly elegant in the Black Edition. The fragrance is deeply seductive, redolent of dark woods and brightened by a hint of jasmine—as consummate as an impeccably cut suit.

License acquired **2011**

Share of company revenue **5%**

Left and right

Bentley FOR MEN Black Edition—an iconic bottle, reinvented in black and silver.

LALIQUE

BEAUTY SERVICES

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—including for third-party customers.

The entire Lalique Beauty Services facility is certified to ISO 22716 (Cosmetic Good Manufacturing Practices) and has a production capacity of 12 000 000 units per annum.

The agile and adaptive processes enable Lalique Beauty Services to be responsive to the customers' needs and deliver a highly personalized and customized service.

Over the last two years, investments to improve building safety such as fire protection for existing walls, additional sprinkler systems and new loading zones for forklifts.

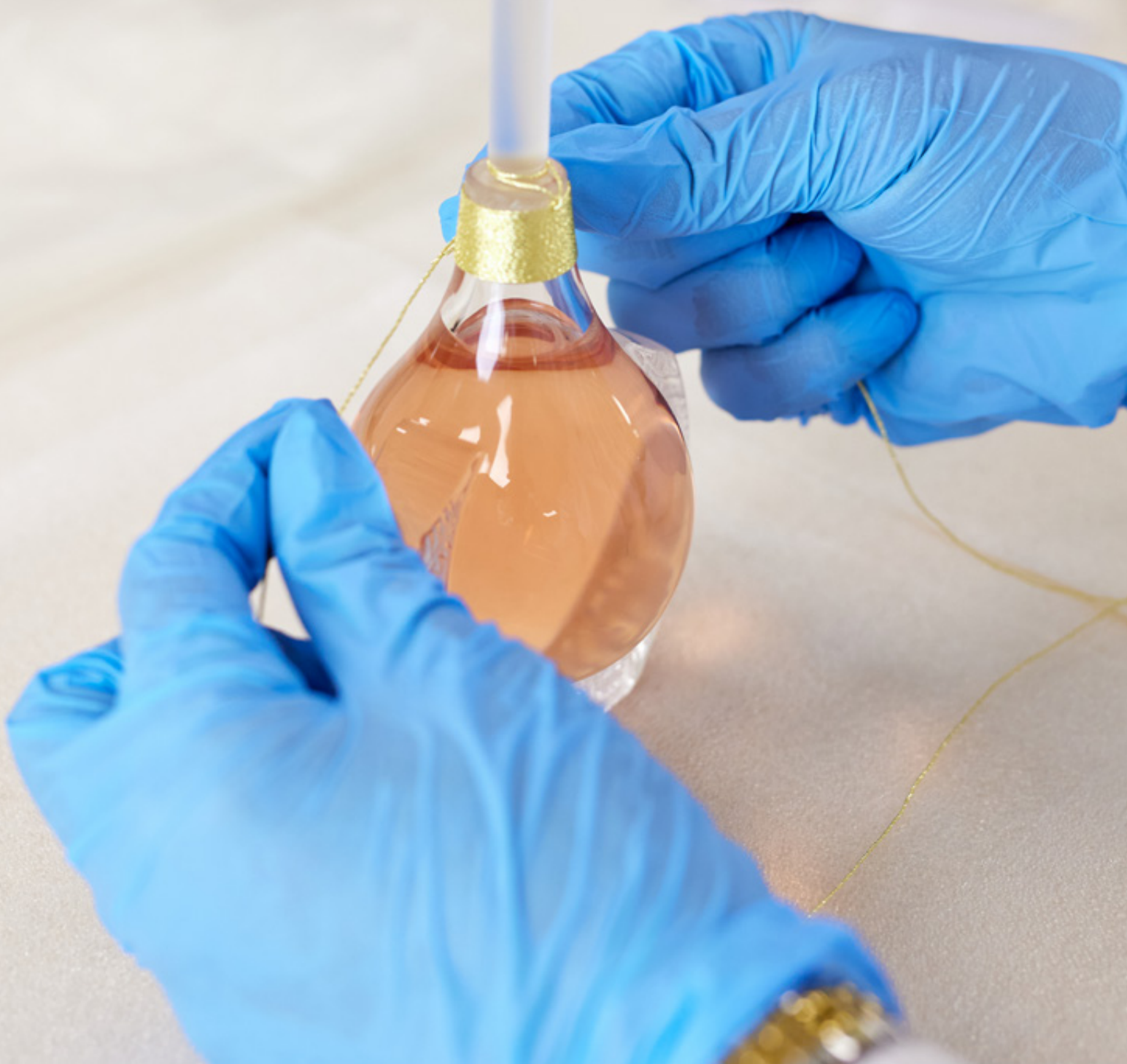
Number of employees **100 (FTE)**
 Perfume production capacity
 per year **12 000 000 units**
 Facility acquisition **January 2013**

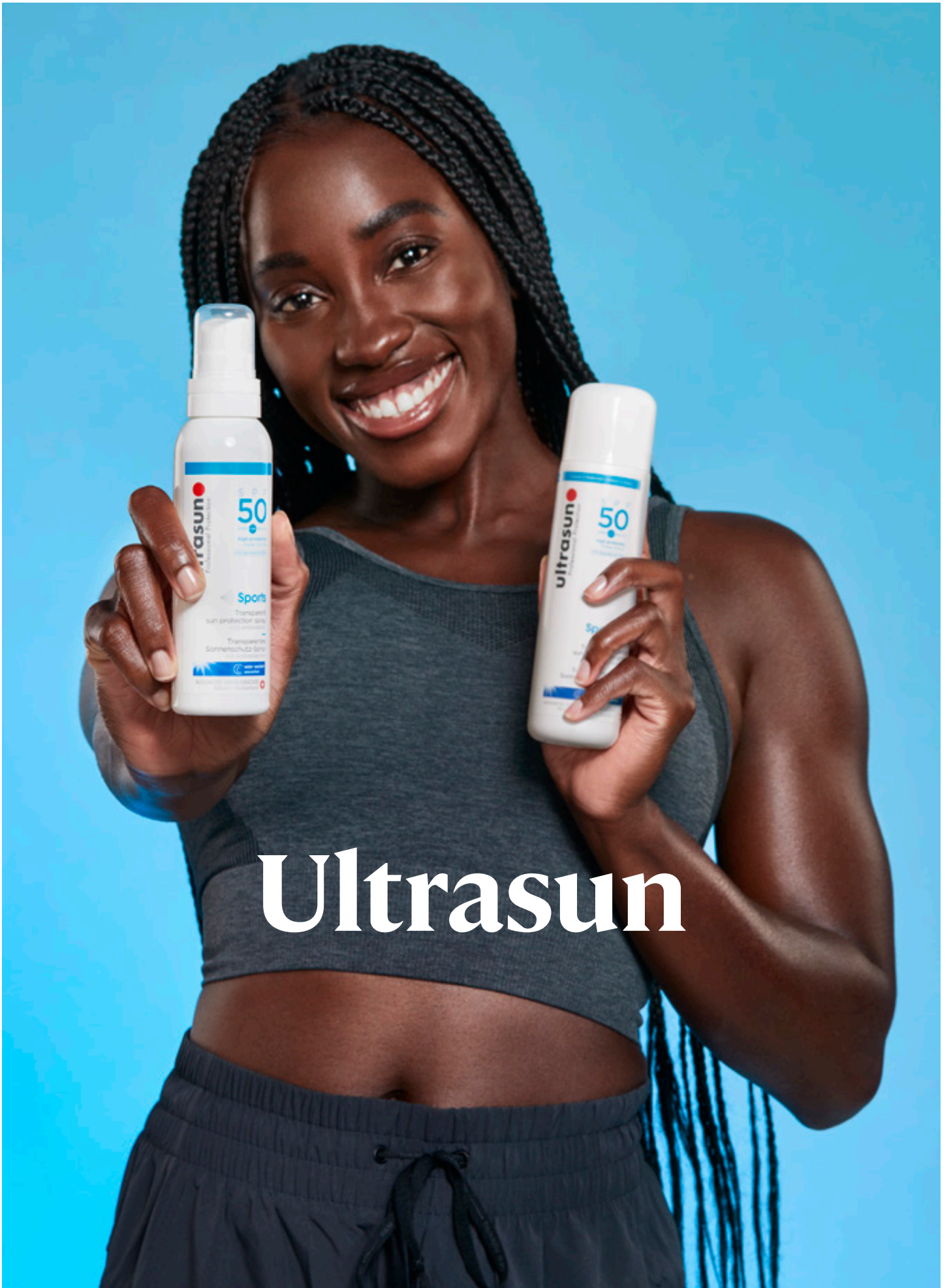
Left and right

Lalique Beauty Services is the Group's world production and logistics hub for perfumes—also for third-party customers. It is a full-service provider for perfume production: research, manufacture, maceration, filling, conditioning, warehousing and shipping.



Lalique Beauty Services





Ultrasun



ultrasun

Professional Protection

Innovation and professional endorsement

Ultrasun is an internationally recognized leader in UV protection. In 2022, the brand is celebrating its 30th anniversary.

Ultrasun has pioneered an innovative and holistic approach to protecting the skin against the full solar spectrum and strongly advocates the daily application of sun protection. All formulas must comply with the brand's "clean formula" philosophy that prohibits the use of controversial ingredients in any product.

Leadership position

Ultrasun's key range for sensitive skin performs exceptionally well in dermatological studies. It prevents skin reactions to solar radiation and is therefore well suited for use by consumers and patients with sun allergies.

A combination of in-house expertise and external Swiss manufacturing support is enabling the brand to establish a strong position in the industry. The focus on distribution through pharmacies, dermatologists and POS with trained skincare staff, combined with international expansion via leading online retailers, enables Ultrasun to convince consumers and shoppers of the brand's effectiveness in UV protection and skincare benefits.

Brand acquired **2007**

Share of company revenue **9%**

Left and right

Ultrasun delivers unique and revolutionary formulations incorporating the latest scientific advances.

The
GLENTURRET
 HIGHLAND SINGLE MALT
 SCOTCH WHISKY

Passion and expertise

The Glenturret, Scotland's Oldest Working Distillery, is located in Perthshire in the Highlands of Scotland, within easy reach of Edinburgh and Glasgow. Its water source is nearby Loch Turret. The distillery, a popular tourist destination, is home to a first-class visitor centre, with an integrated shop and café-restaurant. The visitor centre and restaurant have been renovated in the spirit of Lalique.

The Glenturret Lalique Restaurant opened at the end of July 2021, adding fine dining as a new dimension to the distillery. The restaurant, which was awarded one Michelin star in February 2022, has 50 covers and promises to deliver a unique gastronomic experience under head chef Mark Donald. A jewel in the crown for whisky lovers is the bar, which has a beautifully crafted, six-metre-long counter. Guests can choose from a selection of the finest malts in Scotland taken both from within The Glenturret archive and outside. Over 250 spectacular whiskies are available for enthusiasts to experience by the dram, as part of a curated flight or in a selection of classic cocktails.

Brand acquired (50% stake) **2019**
 Share of company revenue **3%**

Left and right

A firm desire to celebrate Scottish heritage and the shared philosophies of Lalique and The Glenturret are reflected in the first gourmet experience within a Scottish distillery, as it opens to global acclaim.





The Glenturret

A close-up photograph of a hand holding a glowing orange molten metal disc on a workbench. The background is dark and industrial, with a blurred metal object visible in the lower right. The text 'Sustainability Report' is overlaid in white serif font on the left side of the image.

Sustainability Report



- 59** Lalique Group
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Sustainability Report

Lalique Group takes responsibility for the environment and society at large, whether as a fair employer, as an actor in the luxury goods segment developing products without health risks for customers, or as a company helping to shape a sustainable future in a fast-moving world.

Dear Reader

We are aware of our responsibility to society and the environment. That's why we stand for sustainable performance along the entire value chain: as a fair employer to our employees and a responsible economic player who has healthy corporate development as a priority. In terms of environmental sustainability, we focus on the efficient use of our resources, reduce waste and use the latest technologies to reduce our impact on the climate. In 2021, we also paid particular attention to job security.

Our sustainability strategy is based on three pillars:

- Product management and sourcing
- Employees
- Environment and resources

Many consumers are sensitive to the questions of responsible consumption and a sustainable way of life. Addressing sustainability issues is a major concern of ours. In order to continually improve our performance in this respect, we invest know-how and resources by integrating all parts of the company into an effective sustainability management system. Sustainability must be integrated into the work of our teams on site and increasingly become part of the Group's DNA. We are addressing the issue together—at a strategic and operational level.

Our ESG strategy is aligned with the United Nations Sustainable Development Goals (SDGs) agenda and these goals serve as important indicators.



ROGER VON DER WEID
Chief Executive Officer

Sustainability is a key element of Lalique Group’s corporate strategy. The company attaches importance to acting sustainably. The cornerstones of the sustainability strategy comprise:

- Product management and sourcing
 - Products without health concerns
 - Sustainably and ecologically manufactured products
- Employees
 - Fair working conditions
 - Occupational health and safety
 - Employee training and development
- Environment and resources
 - Consumption of energy and resources
 - Emission of air and water pollutants
 - Recycling and waste disposal

Lalique Group has reinforced the understanding of its priorities in these areas and initiated measures to increase environmental and social sustainability. The Group has set itself the goal of steadily developing its sustainability strategy along the entire value chain and is committed to contributing to a sustainable future.

1. About Lalique Group

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 home accessories, along with art, gastronomy, hospitality and single malt whisky. Founded in 2000, the company employs some 700 staff (FTE) in 9 countries and has its headquarters in Zurich. The Lalique brand, from which the Group derives its name, was created in Paris in 1888 by the master glassmaker and jewellery designer René Lalique. The registered shares of Lalique Group SA (LLQ) are listed on the SIX Swiss Exchange.

The following chart shows a simplified Group value chain—from the sourcing of raw materials to the end-consumer.



2. Sustainability strategy

As a responsible company, Lalique Group is committed to protecting its employees, customers, partners and the environment. The Group takes this responsibility seriously and faces up to the challenges in the realm of sustainability. To create the basis for its sustainability strategy, the Group identified the most relevant issues and defined key areas of action.

In the sustainability strategy, the issues were divided into the following three fields:



Product management and sourcing

Lalique Group is committed to sustainable manufacture of environmentally friendly products that can be utilized and applied without risks to health. The focus is on products without potential health concerns.



Employees

Lalique Group strives to be an attractive employer for staff that is committed to social responsibility. To this end, the company focuses primarily on providing fair working conditions, occupational health and safety as well as the training and personal development of employees.



Environment and resources

Lalique Group takes account of its environmental impact and use of resources. The resources of primary concern are water, air and soil protection. The Group has also introduced radical recycling and waste disposal measures.

Current status

Lalique Group’s Board of Directors and Group Executive Management are unwavering in their commitment to sustainable business practices: Sustainability is firmly anchored in our corporate strategy. The impact of the COVID-19 crisis has delayed certain individual sustainability projects. As a result, it has not yet been possible to compile the data as intended, and some projects have had to be postponed. Work on these will resume in 2022. At the same time, new long-term sustainability goals are being defined to decarbonize the activities of the Group itself and operations along its supply chains.

Lalique Group also tests sustainable innovations with suppliers and other partners: in 2021, for example, the Group developed the fragrance Soleil Vibrant, which is made from socially responsible and sustainably sourced ingredients.

Sustainable Development Goals

Our ESG strategy is aligned with the United Nations’ list of Sustainable Development Goals (SDGs). These serve as important indicators. In this chapter, we have indicated where we consider specific SDGs align with the data supplied, although this is not exhaustive.







Product management and sourcing

TOPIC AREA I

- **Products without health concerns**
- **Sustainably and ecologically manufactured products**

RELEVANCE AND GOALS

Health and safety are top priorities at Lalique Group. The Group wants to develop and produce ecological and fair products for its customers. The company makes every effort to ensure that its products do not cause skin irritations or allergies or pose other risks to health. The main focus is on Ultrasun sun care products and perfumes, given that cosmetic and beauty products may provoke allergic reactions. Also, the chemical ingredients of such products may be harmful to the environment.

Lalique Group is pursuing the goal of developing its cosmetics range with products that offer added value, for example through certification. The company relies first and foremost on established industry standards that are in demand from customers and industry players. Lalique Group's cosmetic and beauty products have to meet minimum ecological and health standards and should enable a conscious consumer choice by both existing and prospective customers.

MEASURES

Product labels and memberships

Lalique Group is committed to supporting specific labels such as aha! Allergy Centre Switzerland, Natrue certification and membership of organizations like the International Fragrance Association (IFRA). That is why the company strives to continually improve and expand its range of label products wherever possible. The Group relies on fair and workable regulation that fosters the safe use and enjoyment of fragrances in accordance with IFRA guidelines. These stipulate that no products or ingredients may be tested on animals and no natural ingredients of animal origin used in the formulation of perfumes and sunscreens. Animal by-products customarily employed by the industry—of which beeswax is one example—are exempted from this rule for the time being.

For the production of its perfumes, Lalique Group works with renowned perfume houses, which strictly adhere to sustainability requirements. The Group's new products use ingredients from environmentally and socially responsible sources through traceable supply chains.

The Group's recently launched fragrances for Lalique and Brioni are free from artificial colouring, vegan, cruelty-free and mostly made in France. The alcohol used is also natural, vegan and manufactured in France from agricultural ingredients such as beetroot and wheat. It contains no genetically modified organisms (GMOs) and has not been tested on animals.

Moreover, there are standards for cosmetic products which evaluate UV filters using neutral methods. The chemical company BASF has developed a new neutral method known as the EcoSun Pass which can be used in the sun protection field to test the environmental impact of UV filters in sunscreen products. The EcoSun Pass allows transparent evaluation of eight different parameters, from biodegradability and aquatic toxicity to potential endocrine disruption. The system thus takes into account not only environmental factors for individual UV filters, but also permits a comprehensive environmental assessment of the filter systems—another step for BASF towards a more sustainable future. Ultrasun's product line for sensitive skin types was the first brand worldwide to be awarded the EcoSun Pass label by the BASF corporation. The label stands for particularly eco-friendly sunscreen protection.



Ultrasun is also marketing a product line with mineral-only, chemical-free filters that is certified by Natrue. Compared with its competitors, Ultrasun is the sun care brand that has the most sunscreen products certified by aha! Switzerland (the label of the Swiss Allergy and Asthma Association) within its line-up. aha!-labelled products and services offer customers added value by ensuring increased safety and simplifying their everyday life. Additionally, 13 out of 15 palm oil ingredients are already RSPO-certified. The RSPO (Roundtable on Sustainable Palm Oil) is an NGO established in 2004 with the objective of promoting the growth and use of sustainable palm oil products through global standards and multi-stakeholder governance.



EcoSun Pass is either a registered trademark or a trademark of BASF SE in the European Union and/or other countries.

The entire perfume filling and logistics operation of Laliq Beauty Services is ISO 22717 certified (Cosmetic Good Manufacturing Practices). This standard assesses the safety and quality standards of perfume products. It takes into account all the relevant factors along the whole supply chain, including the processing of products and the date when they are first packaged.

Laliq Beauty Services and the Laliq crystal manufacturing site are committed to upholding national and international safety standards (R.E.A.C.H. Regulation). Reach is a European Union regulation which was issued to improve the protection of human health and the environment from the potential impact of risks posed by chemicals.

ASSESSMENT AND OUTLOOK

The Group aims to empower consumers to take informed, environmentally compatible decisions. Survey findings show that consumers are willing to pay a premium for eco-friendly products. Laliq Group has set itself the goal of producing sustainable products with sustainable packaging at competitive prices and keeping consumers informed about these innovative products. For its fragrances, the Group wants to focus even more on sustainably sourced ingredients in the future, with a particular focus on the vegan range. The Group is constantly exploring other innovative and environmentally friendly initiatives.

Against this background, the Group is well on course to operating on a sustainable basis, developing appropriate products and further broadening the sustainability of its operations.

The Group aims to empower consumers to take informed, environmentally compatible decisions.



Employees

TOPIC AREA II

- Fair working conditions
- Occupational health and safety
- Employee training and development

RELEVANCE AND GOALS

Employees not only drive the implementation of the business strategy, but also represent the Group externally. Employee satisfaction and motivation are equally important and shape loyalty to the company. The modern working world is in a state of constant flux, which requires flexibility and adaptability from Lalique Group and its employees. The acquisition of new knowledge and skills and attainment of additional qualifications have a positive effect on performance, motivation and employability.

Lalique Group is conscious of its responsibility—both towards its own employees and wider society. The Group places exacting requirements on the manufacture of top-quality products, be they beauty products or luxury goods. As part of this process, employees who take responsibility and make corresponding decisions are the key to success and the Group wants to offer its employees attractive prospects. The Group focuses on the following issues:

- Acting responsibly as an employer and increasing its appeal by offering attractive working conditions and gender equality.
- Targeted personal development and continuing education as well as individual further training and internal succession planning. The retention of qualified personnel is relevant to the company's success as a manufacturer, particularly with regard to crystal glass products.
- Safeguarding employees' health, along with reduction of absences and downtime due to occupational accidents.
- Improving occupational safety and health protection: some employees at the production sites are performing physically demanding tasks.

MEASURES

Conditions of employment

The Group is committed to offering attractive conditions of employment, competitive pay and remuneration systems as well as welfare benefits, particularly at its two production sites in France (Lalique crystal in Wingen-sur-Moder and Lalique Beauty Services in Ury), as well as at its single malt whisky distillery in Scotland. The long-term retention of employees is important to Lalique Group. Staff turnover is monitored at all sites. If striking fluctuations are noted, structured interviews are conducted with departing employees and relevant measures considered. The various employee representative organizations are important stakeholders.

Occupational health and safety

Measures are focused on occupational safety and safeguarding health at all Group production sites. To ensure that employees remain healthy and motivated over the long term, Lalique Group promotes occupational safety measures and attaches great importance to prevention and early recognition.

All employees at the production sites—and particularly those newly recruited—are introduced to all relevant safety measures and regularly receive further on-the-job training in safety matters. During this further training, they are informed about the sorting and handling of waste products at all the production sites.

Employees at all production sites are provided with the necessary safety gear, work and safety clothing, ear protectors and ergonomic equipment. All employees and managerial staff in production and administration receive training and awareness-raising coaching in health protection, ergonomics, occupational safety and hygiene. Company units have their own occupational safety manuals which are regularly updated to reflect changes in occupational health and safety regulations.





To protect employees in the production units from muscle strain and back pain, further ergonomic workplaces and implements are being installed on a continuous basis to make physically demanding tasks easier and less onerous. Employees also receive awareness-raising training and instruction on an ongoing basis to prevent muscle strains and back problems. Trained personnel make up part of the medical service at the production sites and are on hand with the necessary specialist knowledge.

All investments in new working equipment by the production units are in compliance with the latest CE regulations.

Nurturing young talent and training opportunities

Structured Group-wide staff performance reviews are held once a year. These are used to plan individual training programmes. This measure is designed by the Group to reduce the turnover of local specialist staff and boost employee motivation.

Highly specific know-how and skills are required for the manufacture of crystal objects. To this end, the Group began over a decade ago to develop a dedicated internal training course (known as “École Lalique”) in collaboration with the French government agency “Pôle Emploi” and other public training and employment agencies located in the Alsace region. The aim of this training course is to teach and pass on the highly specialized know-how required for handcrafting crystalware. At any one time, École Lalique will have up to ten young school-leavers training in the art and craft of glassmaking. This specialist training is very successful and has already borne fruit: one of the trainees was awarded the title of “Meilleur Ouvrier de France”—Best Craftsman of France. Altogether seven Lalique Group artisans bear this title for their exceptional skills in glass manufacture. For some years, the relevance of training young people has been growing in importance because some of the highly specialized glass artisans at the crystal factory in Wingen-sur-Moder are nearing retirement age.

At any one time, École Lalique will have up to ten young school-leavers training in the art and craft of glassmaking.

ASSESSMENT AND OUTLOOK

Training and development activities will be further reinforced, and additional training needs will be determined in the coming year.

Performance indicators and information about headcount, sickness levels and occupational absences are recorded. Company units also conduct employee surveys to assess expectations and identify potential improvements. The Group is further working on applying and standardizing these performance indicators across all Group segments and divisions.

Occupational safety and measures to protect health are largely decentrally organized and accordingly no measurable targets have so far been defined on a Group-wide basis. Target attainment can be monitored and checked indirectly by means of performance indicators in the individual company units. This includes the number of occupational accidents and absences due to accidents and sickness. These performance indicators are recorded, collated and evaluated in the systems of the individual corporate units.

The thrust of Lalique Group’s approach is to achieve continuous improvement of employee health and safety. The Group is striving by means of systematic accident prevention to further reduce the number of occupational accidents and rate of absences.





Environment and resources

TOPIC AREA III

- Consumption of energy and resources
- Emission of air and water pollutants
- Recycling and waste disposal

RELEVANCE AND GOALS

Lalique Group considers global climate change to be one of the key indicators of resource overexploitation and depletion today. The Group has therefore adopted various measures to promote climate-conscious operations and environmentally aware product manufacture. The Group has a direct influence on the emission of greenhouse gases primarily through the energy sources used in the manufacturing facilities. Lalique Group can limit the output of greenhouse gases through the reduction of its reliance on fossil energy sources, thereby increasing energy efficiency.

Packaging protects products. However, it is only used once and quickly becomes waste. “Avoid, reduce and reuse” is therefore the approach to sustainability favoured at Lalique. It applies wherever packaging is used—in production, logistics and as part of sales operations. In specific terms, the product development and purchasing departments are focusing increasingly on the use of lighter packaging made from sustainable materials with a high recycling component.

Fresh water is a valuable resource that is coming under pressure due to increasing demand. The manufacture of crystal glass requires large volumes of water. Lalique Group is promoting sustainable practices in water consumption to preserve the quality and availability of this vital resource in the long term. Regulations to protect drinking water and conserve resources are steadily increasing in all the countries where Lalique operates. There are also increasing requirements regarding water abstraction and pre-treatment of wastewater.

Over the past years, there has been a transition from conventional cars powered by fossil fuels to electric vehicles. Lalique Group is no exception, and increasingly uses electric cars wherever possible—for example at The Glenturret, where the Group is seeking a viable alternative to the agricultural vehicle used on site.

The three Lalique restaurant-hotels in France and the recently opened Lalique restaurant at The Glenturret in Scotland also pay attention to sparing and efficient use of raw materials and foodstuffs in order to maintain the smallest possible ecological footprint.

The Group annually monitors implementation status and target attainment in respect of energy, greenhouse gas emissions, water and waste disposal at regular intervals. This will contribute to further optimization of the Group’s energy and water management and the reduction of process water output.

MEASURES

Energy consumption

The production sites do everything possible to detect further sources of cost savings in energy consumption. Modern equipment is used wherever possible and investments are made in new and environmental installations. Energy consumption is calculated at all sites and any discrepancies are rapidly revealed. In addition, an energy audit is conducted every four years, pinpointing possible sources of cost saving.

The efficient use of waste and process heat in the production centres is playing an increasingly important role. Waste heat recovery systems are already in operation.

At the Lalique crystal manufacturing plant in Wingen-sur-Moder, air compressors are deployed to improve the energy balance. They allow energy recovery for pre-heating of process water. A lot of heat is generated during the manufacture of crystal glass, and major investments have been made to enable warming of process water and heating of office space by using waste heat from furnaces.



During operational maintenance of machinery and systems, the Group attaches great importance to a systematic approach. At the perfume production site in Ury, production machinery has been replaced by more efficient systems, LED lighting installed, and the building insulation improved. Further measures include renewal and extension of the air conditioning and ventilation systems.

At The Glenturret, 80% of the internal lighting has been replaced with LED fittings, with a commitment to replacing the rest within the next two years. Around 80% of the external lighting has also been upgraded to LED. Additionally, motion sensors and timers are in place to ensure outside lights are off when not required. All the internal lighting in The Glenturret's cask warehouses is LED-based and the area is on an isolated circuit so the power can be shut off completely when not required.

The Glenturret has a large, modern production boiler, which was installed only recently. It uses natural gas to create steam and has a maintenance programme to ensure it always runs at its most efficient. The Glenturret's production processes are also designed to maximize efficiency. The electricity supply contract is due for renewal soon and the Group is working with a global energy provider to look at sustainable options for the power supply.

The Group has set itself the goal of monitoring energy consumption more systematically.

Mash tun refurbishment at The Glenturret

In 2022, a new mash tun will be installed at The Glenturret. It will allow greater production volumes at the site whilst reducing the impact on the environment. The average energy consumption when making the spirit for whisky distilling is currently 12.0 KWh/LOA (kilowatt hours per litre of alcohol). After the refurbishment of the production process, this is expected to fall to around 8.5 KWh/LOA.

The Glenturret will be implementing certain changes to the distillation process in the first half of 2022. A new and more efficient heating system will be installed inside the stills and the stillhouse is to be equipped with a pre-heating system to utilize the waste that is left after distillation (hot water at approx. 99.8° C). The energy from this will be used to increase the temperature of the next batch from 25° C to around 80° C before distilling, thus saving both energy and time.

Water consumption

For the Group, sustainable water management means analysing and optimizing operations to ensure efficient water consumption. Operational cooling processes and also the sanding process in crystal glass manufacture entail large-volume water consumption and contamination.

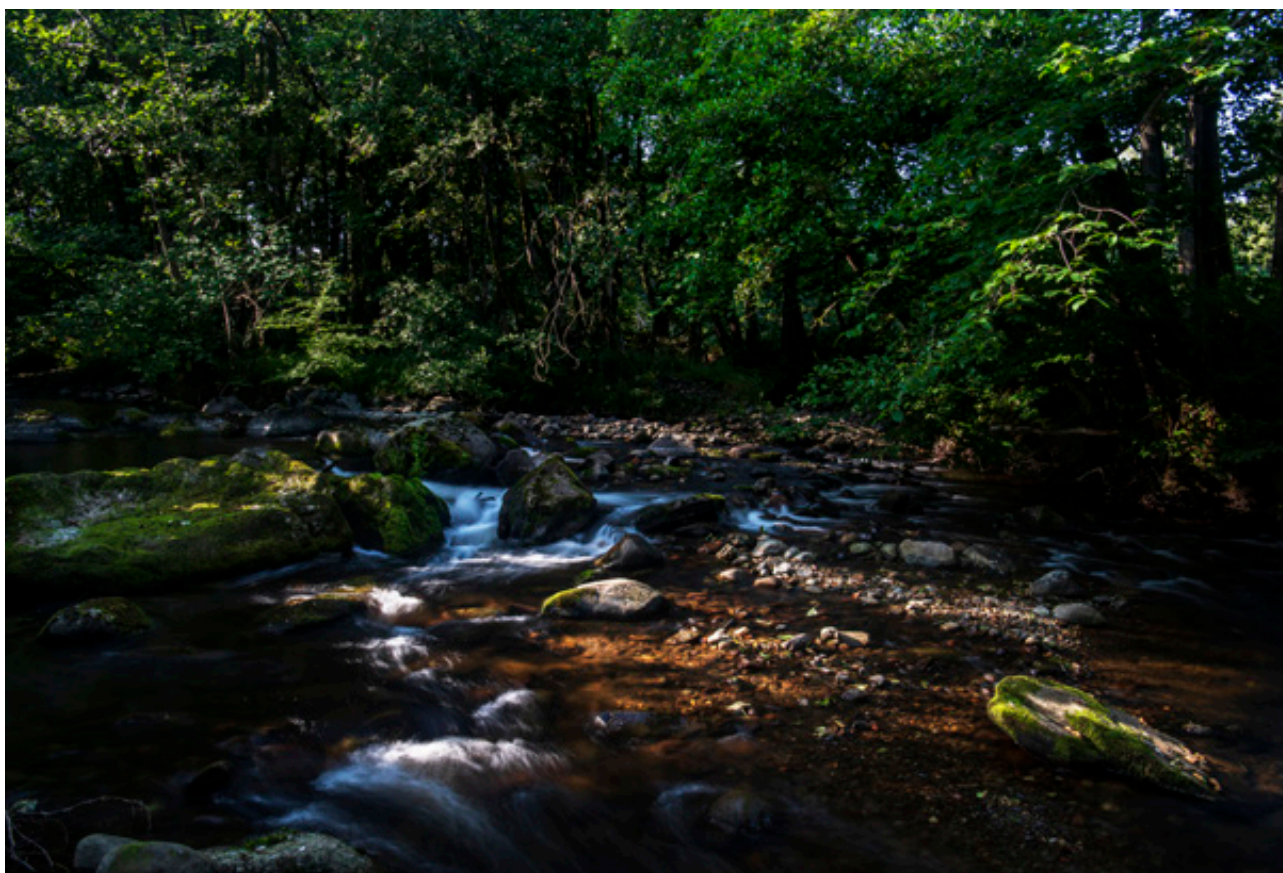
The Group has set itself the goal of recording water consumption more systematically in the future. This will facilitate the timely recognition of fluctuations in consumption and adoption of appropriate measures.

Wastewater

The crystal manufacturing site has its own wastewater treatment plant which processes industrial effluents. A new treatment plant is under construction and will become operational in the current year. The new plant will reduce pollutants in the effluent water by a further 30%.

The new acid-polishing workshop lowers the levels of water and acid consumption. The state-of-the-art installations allow constant automated monitoring of these levels. Additional external checks are carried out. The company invested a total of EUR 3.4 million in the renewal of the wastewater treatment plant and acid-polishing workshop. The Group is working steadily to further improve wastewater values and reduce the consumption of process water.

For the Group, sustainable water management means analysing and optimizing operations to ensure efficient water consumption.



Water at The Glenturret

The Glenturret has a licence to abstract water from the river to cool the stills. Approximately 500 cubic metres of water is used every day, 100% of which is returned to the river.

At the Glenturret, the changes resulting from refurbishment of the mash tun will have a major impact. The size of the mash will be increased, but less water will be used to extract the sugars. Reducing the amount of water means that less energy is required to heat it up. The sugar extraction process will consequently be 50% more efficient. As the wash (the finished product of the fermentation which goes on to be distilled) is more concentrated, less needs to be distilled. This also results in energy savings. With less water being used, less waste is generated. This natural waste can be used as a fertilizer, however there are costs associated with that which can be avoided in the future. It is also important to note that the improved efficiency of the process results in a reduction in the amount of chemical agents used.

Air pollution levels

The exhaust air from the manufacturing site at Wingen-sur-Moder contains some pollutants which have to be cleaned up. With the aim of reducing pollutant levels and purging noxious substances and airborne particles from the air, the Group has installed washing towers. Such washing towers are the most effective way of achieving a substantial improvement in the quality of exhaust air and reliably complying with legal requirements.

There are 20 washing towers currently operating in Wingen-sur-Moder. The facilities are subject to regular inspections by public authorities.

Recycling and waste management

Every production site has different requirements for waste disposal. Waste is sorted according to type and waste fractions disposed of through separate channels.

Auxiliary and operating materials are systematically used in a sustainable way. Crystal glass is recycled locally at the manufacturing site. Glass is sorted according to colour, melted down in different kilns and recycled. Other waste materials produced during daily operations, such as cardboard, wooden pallets, metal and plastic waste are disposed of sustainably in accordance with legal requirements. The same applies to industrial waste.

In 2021, The Glenturret removed plastic from its e-commerce packaging and from its export packaging for the 2022 release. Furthermore, all future dry goods purchasing must not only be plastic-free but also sourced from the closest location to reduce the carbon footprint caused by transportation. The Glenturret pursues a policy of minimizing the amount of site waste going to landfill and recycles glass, food, cardboard, paper and casks. The waste from the mashing process, the draff, is fed to local cattle with no further processing required. Further options are being investigated with a view to selling it for use in boilers.

For its fragrance portfolio, the Group works exclusively with prestigious glassmakers committed to sustainable manufacturing techniques. The flacons are recyclable and the production process ensures that no glass is wasted and the water used is completely cleaned afterwards. The raw materials used to decorate the bottles are water-based and therefore environmentally friendly. The boxes for recently launched products are recyclable and have obtained FSC (Forest Stewardship Council) certification.

The sun protection brand Ultrasun prints product information directly on the inside of the packaging, which is made of FSC paper, thereby eliminating the need to use additional paper for package inserts.

Electric cars

In recent years, there has been a transition from conventional, fossil-fuel powered cars to electric vehicles, as technological advancements together with government policies and targets lead the way to a greener future. 30% of The Glenturret's company vehicles are now electric with a target of 75% by 2024. The Group is seeking a viable alternative to the agricultural vehicle used on site. 2022 will see the installation of the first two electric-vehicle charging points at The Glenturret with plans to add to these as EV use increases.

Food waste and regional cuisine

The kitchen teams at the Group's own restaurants make every effort to avoid wasting food. Whenever possible, they use regional and seasonal produce. Food waste is reduced to an absolute minimum. The restaurants have their own kitchen gardens growing vegetables and herbs and engage in regional foraging. Lalique hotels and restaurants and the Lalique Beauty Services production plant work with regional beekeepers who manage hives on the properties. The honey produced is enjoyed by hotel and restaurant guests and used for employee gifts.

The restaurant operations do their utmost to keep food waste to a minimum. By-products and leftovers are not thrown away, but, if possible, further processed. In addition, defective and surplus production of dishes is avoided as far as possible by monitoring appropriate performance indicators and by the training of employees.

Chef Jérôme Schilling (Hotel Restaurant Lalique at the Château Lafaurie-Peyraguey domain in the Bordeaux region) is an ambassador for the Less Saves The Planet movement, which was founded in 2020 in France and has already attracted much attention. This label helps caterers and hoteliers operate their kitchens in accordance with sustainable principles.

ASSESSMENT AND OUTLOOK

Current efforts will be continued and intensified. The Group monitors the status of measures implemented and the achievement of targets in the areas of energy, greenhouse gas emissions, water and waste disposal on an annual basis. The aim is to optimize energy and waste management across the Group and further reduce the consumption of process water. The company considers itself to be heading in the right direction with the measures already adopted.

The restaurants have their own kitchen gardens growing vegetables and herbs and engage in regional foraging.

Social commitment and outlook

Lalique Group has been supporting the Look Good Feel Better foundation in Switzerland since 2021. This charity operates throughout Switzerland to organize free workshops for cancer patients. In a relaxed atmosphere, participants can learn ways of coping with the visible effects of their therapy. They receive valuable information on facial care and have an opportunity to talk to each other about their experiences. The workshops help build self-confidence and enhance enjoyment of life.

Lalique Group's goal is to make sustainability issues an even stronger part of its corporate strategy. It plans to launch new innovative products, focused on achieving sustainability and doing justice to increasing demands for sustainable products and packaging. Further discussions and joint projects with suppliers and partners are planned as a basis for realizing eco-friendly innovations together.



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 on Information Relating to 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 702 employees as at 31.12.2021. 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 glass-making 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, United Arab Emirates 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 at 31 December 2021, a total of 1 059 shareholders (previous year: 952) 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 2021 (or as at the date of their last notification under article 20 of the Stock Exchange Act):

SHAREHOLDER	NUMBER OF SHARES	%
Silvio Denz	4 202 700	58.37
Dharampal Satyapal Limited	884 000	12.28
Hansjörg Wyss	453 918	6.30
MAG Seven Ltd on behalf of Ayman, Faisal, Mohammed and Maanoun Tamer	240 000	3.33

Notifications are published on the reporting platform of SIX Exchange Regulation AG's Disclosure Office and can be found under the following weblink: <https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/>

Founded in 2000, the Company initially focused on perfumes and then expanded into cosmetics with the acquisition of the Ultrasun brand in 2007.

Capital structure

Ordinary share capital

As at 31 December 2021, the share capital amounted to CHF 1 440 000 (31 December 2020: CHF 1 440 000) and consisted of 7 200 000 registered shares with a nominal value of CHF 0.20 each (31 December 2019: 7 200 000 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 at 31 December 2021 the company held 25 207 treasury shares (31 December 2020: 15 000). At this time there were no cross-shareholdings with other companies.

The market capitalization of the Company at 31 December 2021 was CHF 285 120 000 (31 December 2020: CHF 263 520 000).

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 at 31 December 2021 the Company had no authorized share capital.

Changes in capital

IN CHF	31.12.2019	31.12.2020	31.12.2021
Ordinary share capital	1 440 00	1 440 00	1 440 00
Conditional share capital	50 000	50 000	50 000
Treasury shares (numbers)	5 000	15 000	25 207

There were no changes in capital in 2020 and 2021.

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 profitsharing 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

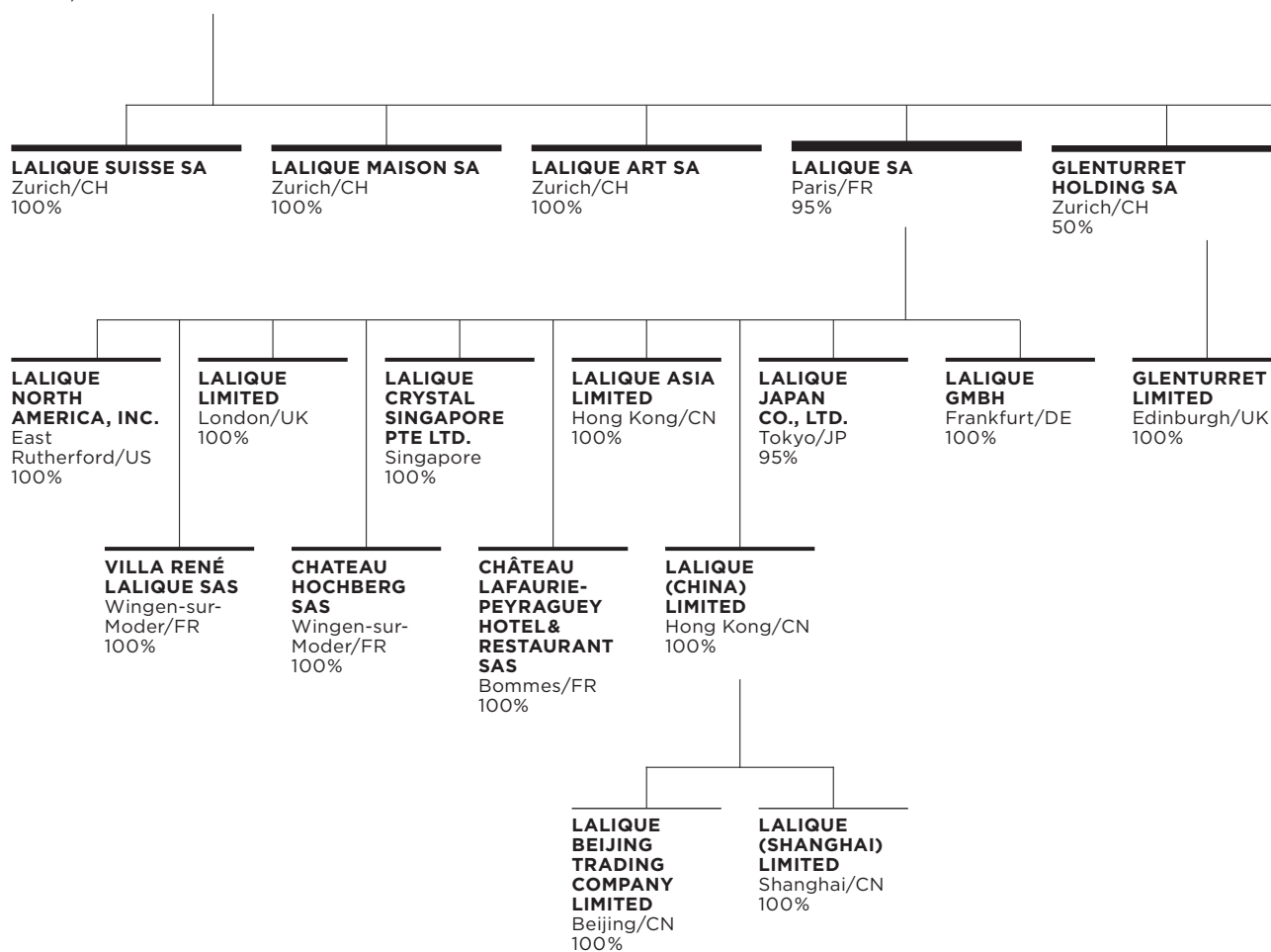
The transferability of the shares of Lalique Group is not subject to any restrictions as a matter of principle. Owners of shares are entered in a share register. The company must be notified of any changes. The persons entered in the share register are deemed to be the shareholders in relation to the 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



LALIQUE BEAUTY SA
Zurich/CH
100%

**SCI DU MONT
À GRILLON**
Ury/FR
100%

**LALIQUE
PARFUMS SA**
Zurich/CH
100%

**PARFUMS
GRÈS SA**
Zurich/CH
100%

**BENTLEY
FRAGRANCES
AG**
Zurich/CH
100%

**JAGUAR
FRAGRANCES
AG**
Zurich/CH
100%

**ART &
FRAGRANCE
SA**
Zurich/CH
100%

**LLQ
MANAGEMENT
SA**
Zurich/CH
100%

**LALIQUE
BEAUTY
SERVICES
SASU**
Ury/FR
100%

**LALIQUE
BARBERINI
FRAGRANCES
SA**
Zurich/CH
100%

**LALIQUE
BEAUTY
DISTRIBUTION
SASU**
Ury/FR
100%

**PARFUMS
SAMOURAÏ SA**
Zurich/CH
100%

ULTRASUN AG
Zurich/CH
100%

**LALIQUE
TAMER
BEAUTY
HOLDING LTD**
ABU DHABI/UA
50%

**PARFUMS
ALAIN
DELON SA**
Zurich/CH
100%

**ULTRASUN
(UK) LIMITED**
Reigate/UK
100%

**LALIQUE
TAMER
BEAUTY
TRADING LLC**
Dubai/UA
100%

Board of Directors



Silvio Denz
Executive Chairman
of the Board of Directors

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. Silvio Denz holds a commercial diploma.

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



Roland Weber
Vice-Chairman
of the Board of Directors

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. 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.



Roger von der Weid
Delegate of the Board
of Directors and CEO

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, University of Lucerne (Switzerland) 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, Madura Holding APS in Denmark as well as Lalique Beauty SA, Art & Terroir SA, Ultrasun AG, Glenturret Ltd and Ciron SA in Switzerland, among other Group companies.



Claudio Denz
Member of the Board
of Directors

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 served as Head of Digital until December 31, 2021. 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 and Denz Weine AG, among other Group companies, all of which are based in Zurich, Switzerland.



Jan Kollros
Member of the Board
of Directors

Swiss citizen currently residing in Switzerland.

Jan Kollros studied mechanical engineering and industrial management at ETH Zurich and has been a member of the Board of Directors since 2017. He gained professional experience in various international industrial groups. Since 2005 he has worked for adbodmer AG, a multi-family office specialized in direct investments 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 several board memberships at The Hess Group AG, Evatec AG and Bédat & Co SA, among others.



Marcel Roesti
Member of the Board
of Directors

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.



Sanjeev Malhan
Member of the Board
of Directors

Indian citizen currently residing in India.

Sanjeev Malhan is a chartered accountant and graduated with a Bachelor of Commerce from the University of Delhi. He has been a member of the Board of Directors since 2020. A seasoned executive, he has over 25 years' experience in finance and has worked at various Fortune 500 companies in the energy, engineering, electronics and consumer goods sectors.

Sanjeev Malhan has been Chief Financial Officer at DS Food Ltd, part of DS Group and also holds a board position at DS Food Ltd and DS Sons Pvt Ltd.

DS Group was founded in 1929 as a small perfume business and is now a broadly diversified conglomerate with headquarters in Noida, India. Its portfolio spans the food and beverage, hospitality, packaging and agriculture sectors, among others.

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 seven directors as at 31 December 2021. Five members of the Board of Directors are non-executive directors. Claudio Denz has resigned from his executive role as Head of Digital effective 31 December 2021 but will remain a non-executive director.

The following table summarizes the constitution of the Board of Directors as of 31 December 2021, 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
Malhan, Sanjeev	India	India	2020	1971	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 two members of the Board of Directors, Silvio Denz as Chairman of the Board of Directors and CEO of Lalique SA, as well as Roger von der Weid as CEO of Lalique Group 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.

In 2020 the Board of Directors decided to form a Strategy Committee to ensure a continuous monitoring of the Covid-19 crisis, in order to adapt the action plan to the necessary extent. The members of the Strategy Committee are Silvio Denz, Roland Weber, Marc Rösti, Claudio Denz and Roger von der Weid. The Strategy Committee did not hold any meetings in 2021.

Meetings of Board Committees are usually held in connection with Board meetings, with additional meetings scheduled as required. The Board of Directors receives regular reports from its Committees and the Executive Chairman, as well as from the Executive Board through the CEO and to the extent necessary through other members of the Executive Board.

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; Roger von der Weid, Delegate and CEO; Claudio Denz, Member; Jan Kollros, Member; Marcel Roesti, Member; Sanjeev Malhan, Member

AUDITORS

Deloitte 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.

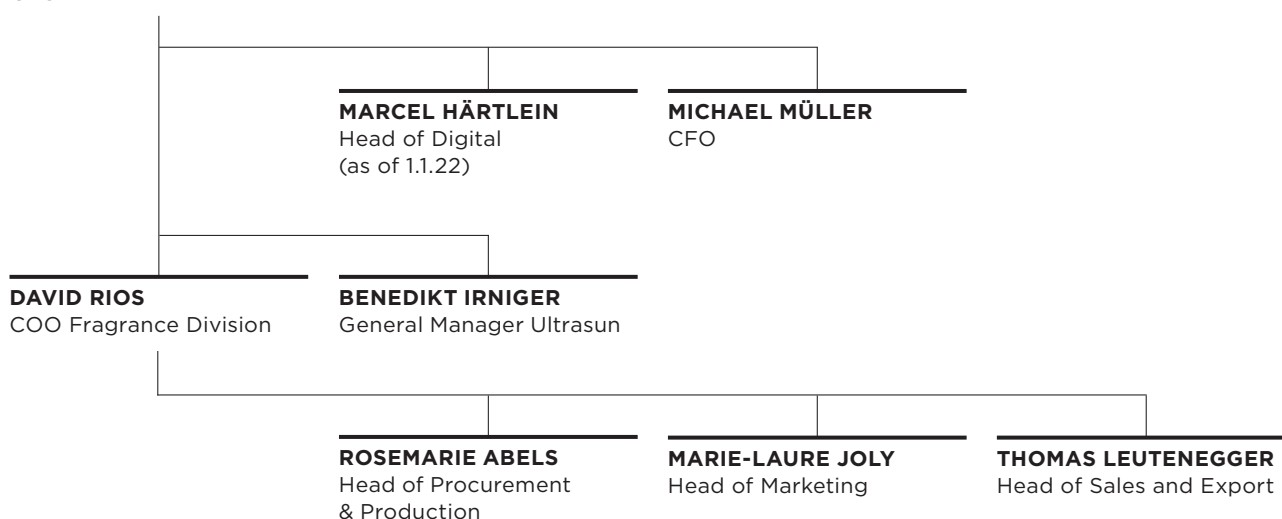
As of 31 December 2021, Roger von der Weid held the position of Group CEO and Alexis Rubinstein that of Group CFO. For the curriculum vitae of Roger von der Weid see “Members of the Board of Directors”; for Alexis Rubinstein see “Members of the Executive Board”.

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 and Export
Denz, Claudio (until 31.12.21)	Switzerland/Italy	Switzerland	2011	1988	Head of Digital
Härtlein, Marcel (as of 1.1.22)	Switzerland	Switzerland	2022	1976	Head of Digital
Irniger, Benedikt	Switzerland	Switzerland	2013	1972	General Manager Ultrasun

For the curriculum 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 18 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 Asia/Pacific for Rado S.A. (Swatch Group) in Lengnau, Switzerland. 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.

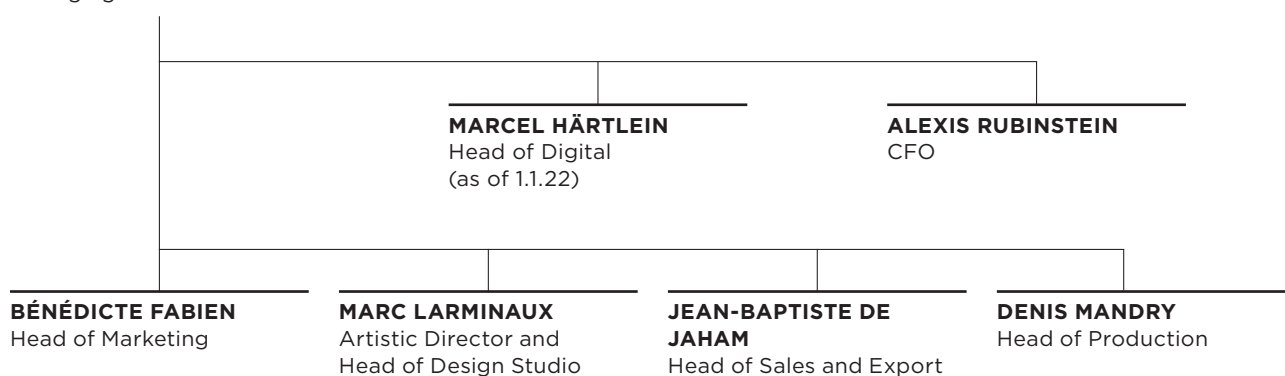
Benedikt Irniger joined Ultrasun in March 2013 as General Manager, after having worked for seven years for Kraft Foods (today: Mondelez) and seven years for Johnson & Johnson in brand/product management, sales and trade marketing roles in the FMCG and OTC sector. Benedikt Irniger graduated in business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

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

Chairman of the Board of Directors
& 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 (until 31.7.21)	France	France	2005	1978	Head of Marketing
Fabien, Bénédicte (as of 8.11.21)	France	France	2022	1978	Head of Marketing
Denz, Claudio (until 31.12.21)	Switzerland/Italy	Switzerland	2011	1988	Head of Digital
Härtlein, Marcel (as of 1.1.22)	Switzerland	Switzerland	2022	1976	Head of Digital

For the curriculum vitae of Roger von der Weid 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 worked on various consulting assignments, particularly in external financial interim management and industrial controlling. He gained a master's degree in finance from IPAG Business School Paris in 2003.

Härtlein, Marcel, Group Head Digital is a Swiss citizen currently residing in Switzerland. Responsible for Lalique's international digital strategy, he has over 20 years of experience in the areas of digital transformation, digital leadership, and change management. Before joining Lalique in 2022, he was Global Head of Digital Transformation at the Emmi Group in Lucerne, Switzerland. Before that, he spent seven years in various management roles at KPMG Switzerland. Marcel Härtlein holds a postgraduate degree in General Management from Zurich Business School, Switzerland, and has completed further education at the business schools of Harvard, USA, and IMD, Switzerland.

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 CEO of YD inc. (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.

Fabien, Bénédicte, Head of Marketing, is a French citizen currently residing in France, and joined the Group in November 2021. Prior to her engagement at the Group, Bénédicte Fabien worked in strategic marketing for a consultancy agency in Paris, where she managed projects for international companies active in the fields of fashion, luxury and beauty. Additionally, she was a part-time associate professor for six years at the Lumière University Lyon II, France. Bénédicte Fabien holds a master's degree in fashion and creation management and communication from the Lumière University II in Lion and a postgraduate certificate in fashion buying and merchandising from the London College of Fashion.

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”, which is part of the consolidated financial statements of Laliq Group’s annual report 2021.

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, FOSC)

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.

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 Laliq Group SA appointed Deloitte AG (CHE-101.377.666) in Zurich as its statutory auditor for the first time in 2020. According to the Articles of Incorporation of the Company, the auditors must be reappointed or confirmed each year by the General Meeting. Christian Krämer, a Swiss certified accountant, is the lead auditor and held this position for the audit of the 2021 financial statements

Auditing fees

The fees of Deloitte AG for professional services related to the audit of the Group's annual accounts for the year 2021 were CHF 332 480.00. This amount includes fees for the audit of Laliq Group SA and its subsidiaries, and of the consolidated financial statements.

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

Laliq 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.laliq-group.com. As a company listed on SIX Swiss Exchange, Laliq 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 Laliq 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@laliq-group.com at any time.

Events calendar

- Annual General Meeting: 2 June 2022
- Publication Half-Year Results 2022: 14 September 2022

Financials





Consolidated Financial Statements Lalique Group

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5	Consolidated statement of comprehensive income
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8	Consolidated statement of changes in equity
9	Notes to the consolidated financial statements
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Management Comment

In 2021 Lalique Group generated operating revenue of EUR 142.0 million, an increase of 28% compared to 2020 and virtually in line with the pre-pandemic level. As a result of higher business volumes, EBIT rose to EUR 9.6 million, with the EBIT margin reaching 6.8%, and net Group profit totalled EUR 6.8 million. The Board of Directors will propose a dividend of CHF 0.40 per share to the 2022 Annual General Meeting. Lalique Group expects to achieve high single-digit sales growth in percentage terms for 2022.

Lalique Group's sales in 2021 were virtually in line with the pre-pandemic level recorded in 2019. The Lalique segment displayed especially strong growth momentum, generating higher sales than in the period before the pandemic. This included a very pleasing performance by Lalique Parfums in particular, as well as most of the Group's other perfume brands. The whisky business The Glenturret also reported a significant increase in sales, while sales of Ultrasun sunscreen products remained below the prior year. Overall, the Group's operating revenue grew by 28% year on year to EUR 142.0 million (2020: EUR 110.7 million; 2019: EUR 143.5 million).

Continued disciplined cost management, as well as higher business volumes, were reflected on the cost side. Personnel costs totalled EUR 34.6 million in 2021, an increase of 21% compared to the prior year. Other operating expenses of EUR 21.8 million increased by 6%, excluding the litigation provision of EUR 2.4 million recorded in the prior year in connection with legal proceedings in France. Depreciation, amortisation and value adjustments of EUR 14.2 million were 10% lower than in the prior year, excluding the non-cash impairment charge of EUR 4.3 million before tax on Lalique's brand value recorded in 2020.

Earnings before interest and taxes (EBIT) were EUR 9.6 million in 2021, compared to EUR -5.9 million in the prior year, excluding the litigation provision recorded during that period and the brand impairment charge. The EBIT margin was 6.8% in 2021, far exceeding the pre-pandemic level (2019: 1.0%, or 1.8% excluding one-off costs incurred in connection with the acquisition of The Glenturret). Net Group profit was EUR 6.8 million (2020: EUR 15.0 million, including the two exceptional items).

Lalique Group continues to have a solid liquidity and capital position with an equity ratio of 50.9% at the end of 2021 (2020: 46.2%).

SEGMENT RESULTS

The Lalique segment recorded sales of EUR 85.2 million in 2021, an increase of 29% compared to 2020 and 5% higher than the pre-pandemic level. The perfume business generated a significant increase in sales, which rose 70%, supported in part by the realignment of distribution activities in the Middle East. The crystal business, which continued to experience a decline in sales at Lalique boutiques in a small number of markets in 2021 due to the pandemic, recorded growth of 14% but remained marginally below the level reported in 2019. The gastronomy and hospitality business also returned to a growth path in 2021, even if it was unable to reach the pre-pandemic level due to closures related to lockdown measures in the first half of the year. The increase in sales in the gastronomy business was also driven by the Hotel & Restaurant Lalique—Château Lafaurie-Peyraguey, which was acquired in July 2021 and was awarded a second Michelin start in March 2022. As business activities intensified again, this led to a 13% increase in the segment's personnel costs compared to 2020. Overall, segment costs remained largely stable compared to the prior year (excluding the litigation provision recorded during that period and the brand impairment charge) and were significantly lower than in 2019. EBIT was EUR 5.8 million, compared to EUR -6.6 million in the prior year (excluding the two exceptional items).

Ultrasun generated sales of EUR 13.2 million in 2021, down 11% compared to the prior year. This decline was partly attributable to the ongoing restrictions on holidays and travel due to the pandemic and partly due to lower demand in Middle Eastern markets. The gross margin also decreased significantly—

primarily due to higher production costs and the removal of older products that could no longer be sold. In the area of online sales, Ultrasun was able to strengthen distribution across all markets in the reporting year. With slightly lower personnel costs and largely stable total costs, profitability at EBIT level was EUR -1.1 million (2020: EUR 0.9 million).

The Jaguar Fragrances segment achieved a 30% increase in sales to EUR 20.7 million. This was driven primarily by European markets and the Middle East. While the segment's overall sales were below the pre-pandemic level (2019: EUR 23.3 million), profitability at EBIT level of EUR 3.5 million was virtually in line with the pre-pandemic level (2020: EUR 2.0 million; 2019: EUR 3.6 million).

The Glenturret segment achieved a substantial increase in sales, which grew by 271% to EUR 4.9 million in 2021, reflecting significantly higher sales of whisky. The distillery's visitor centre and shop, which have been renovated in the Lalique style and opened again for guided tours at the end of April 2021 following long periods of closure due to the pandemic, also made a good contribution to the result. In 2021, income from the tourist business was, however, still impacted by lower levels of international travel due to the pandemic. The opening in July 2021 of the new The Glenturret Lalique Restaurant, which has met with a very positive response and received its first Michelin star only seven months after opening, led to an increase in operating costs. EBIT was EUR -1.8 million (2020: EUR -2.5 million).

Among the other brands, Bentley Fragrances saw sales increase by 87%. This strong performance, which also significantly exceeded the pre-pandemic level, was driven by the successful expansion of the brand presence in international markets. In contrast, sales generated by Parfums Samouraï were slightly below the prior year (-1.5%) because of continued market restrictions due to Covid-19 protective measures in Japan. Parfums Grès reported slight growth in sales of 3% year on year but remained below the pre-pandemic level as markets such as Latin America—which are of key importance for the brand—continued to be strongly impacted by the pandemic. The first two Brioni fragrances, which were presented in spring and autumn 2021, met with a positive response from the market, and the launch of a third fragrance is currently underway. The perfume filling and logistics business Lalique Beauty Services delivered an 18% increase in sales compared to the prior year. As a result of the overall rise in sales, the segment reported an increase in EBIT to EUR 3.2 million (2020: EUR 1.5 million).

OUTLOOK

The global economic environment continues to be impacted by uncertainty in 2022—primarily due to geopolitical tensions following the Russian invasion of Ukraine and the related economic sanctions. Lalique Group will continue to systematically pursue its diversification strategy and is convinced that the breadth of its business represents a strength in economically challenging conditions.

Lalique Group will move ahead with selected product launches and projects in the current year to further strengthen its portfolio. They include the new perfume licencing agreement with the global fashion brand Superdry that was announced on 12 April 2022, with the launch of the first fragrances planned for spring 2024. The Group also wants to continue seizing opportunities to promote the Lalique brand through the world of experiences offered by its gastronomy and hospitality business, which was expanded last year to include the Hotel & Restaurant Lalique—Château Lafaurie-Peyraguey and The Glenturret Lalique Restaurant and now comprises four gastronomic establishments.

Excluding unforeseeable events, Lalique Group expects to generate high single-digit sales growth in percentage terms for the full year 2022. In terms of its medium-term targets, the Group expects the achievement of the targets set in 2019 (mid single-digit sales growth in percentage terms in local currencies and a gradual increase in the EBIT margin from 9% to 11%) to be delayed by around two years due to the Covid-19 situation.

LALIQUE GROUP

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 lifestyle accessories, along with art, gastronomy and hospitality as well as single malt whisky. Founded in 2000, the company employs approx. 700 staff and has its headquarters in Zurich. The Lalique brand, from which the Group derives its name, was created in Paris in 1888 by the master glassmaker and jewellery designer René Lalique. The registered shares of Lalique Group (LLQ) are listed on the SIX Swiss Exchange.

Consolidated Income Statement

IN EUR THOUSANDS	REF.	2021	2020
Revenue from contracts with customers	4	138 645	109 154
Other operating income	5	3 306	1 573
Revenue and other operating income		141 951	110 727
Material costs, licences and third-party services	6	-61 789	-51 600
Gross result		80 162	59 127
Salaries and wages	7	-34 554	-28 659
Other operating expenses	8	-21 763	-22 868
EBITDA		23 845	7 600
Depreciation and amortization/impairment ¹	16/17	-14 226	-20 167
EBIT		9 619	-12 567
Financial income	9	44	68
Financial expenses	9	-1 517	-1 258
Net foreign exchange differences	9	396	-1 268
Group profit before taxes		8 542	-15 025
Income taxes	10	-1 722	-1
NET GROUP PROFIT/LOSS		6 820	-15 026
of which attributable to:			
Non-controlling interests	27	-1 367	-2 402
Owners of the parent company		8 187	-12 624
Earnings per share basic/diluted (in EUR)	11	1.14	-1.76

¹ Including an impairment of EUR 4 320 thousand on Lalique Brand in 2020 (Note 16)

Consolidated Statement of comprehensive Income

IN EUR THOUSANDS	REF.	2021	2020
NET GROUP PROFIT/LOSS		6 820	-15 026
Foreign currency translation		6 874	-2 419
Items that may be reclassified subsequently to the income statement, net of tax		6 874	-2 419
Remeasurements of pension plans	19	345	99
Tax on remeasurements of pension plans		-67	-23
Items that will not be reclassified subsequently to the income statement, net of tax		278	76
Other comprehensive income, net of tax		7 152	-2 343
TOTAL COMPREHENSIVE INCOME		13 972	-17 369
of which attributable to:			
Non-controlling interests		146	-3 493
Owners of the parent company		13 826	-13 876

Consolidated Balance Sheet

ASSETS

IN EUR THOUSANDS	REF.	31.12.21	31.12.20
Cash and cash equivalents	12	48 256	66 697
Trade accounts receivable	13	17 489	15 101
Inventories	14	80 031	77 987
Other receivables	15	7 363	7 957
Total current assets		153 139	167 742
Intangible assets	16	88 121	84 818
Property, plant and equipment	17	80 293	76 671
Financial assets	18	1 050	650
Other non-current assets	18	5 481	5 451
Deferred tax assets	25	3 906	3 867
Total non-current assets		178 851	171 457
TOTAL ASSETS		331 990	339 199

LIABILITIES AND EQUITY

IN EUR THOUSANDS	REF.	31.12.21	31.12.20
Bank overdrafts	12	26 852	44 271
Trade accounts payable		18 921	17 614
Current provisions	22	820	2 526
Income tax liabilities		1 269	927
Other current liabilities	20	39 478	20 197
Total current liabilities		87 340	85 535
Other non-current liabilities	21	1 219	2 460
Non-current provisions	22	1 437	517
Non-current financial liabilities	23	35 864	58 923
Defined benefit obligation	19	5 432	5 427
Deferred tax liabilities	25	12 236	11 524
Total non-current liabilities		56 188	78 851
Total liabilities		143 528	164 386
Share capital	26	1 204	1 204
Capital reserves	26	85 378	85 378
Retained earnings	26	82 305	70 036
Total equity attributable to owners of the parent company		168 887	156 618
Non-controlling interests	27	19 575	18 195
Total equity		188 462	174 813
TOTAL LIABILITIES AND EQUITY		331 990	339 199

Consolidated Cash Flow Statement

IN EUR THOUSANDS	REF.	2021	2020
Group profit/loss before taxes		8 542	-15 025
Depreciation and amortization/impairment ¹	16/17	15 745	21 374
Early termination of lease contracts		12	500
Change in defined benefit obligation		-127	-305
Change in provisions	22	-811	2 885
Financial income	9	-44	-68
Financial expenses	9	1 517	1 258
Net foreign exchange differences	9	-396	1 268
Other non-cash items		38	-39
Cash flow from operations before change in net current assets		24 476	11 848
Decrease (+)/increase (-) in trade accounts receivable		-1 692	5 836
Decrease (+)/increase (-) in inventories		1 451	4 034
Decrease (+)/increase (-) in other receivables		2 753	1 131
Increase (+)/decrease (-) in trade accounts payable		614	1 888
Increase (+)/decrease (-) in other non- financial current liabilities		-846	-3 918
Interest paid		-1 430	-830
Tax paid		-1 149	-1 308
Interest received		3	9
Cash flow from operating activities		24 180	18 690
Investments in subsidiaries net of cash acquired	27	-4 118	-
Investments in property, plant and equipment	17	-6 643	-7 636
Sale of property, plant and equipment	17	8	100
Investments in intangible assets	16	-478	-929
Net cash flow financial assets		-402	-647
Cash flow from investing activities		-11 633	-9 112
Capital contribution from NCI shareholders	27	34	-
Reduction in shareholder loans		-	-9 345
Receipt of/increase in shareholder loans		198	-
Receipt of/increase in NCI shareholder loans		786	2 775
Purchase of treasury shares		-357	-
Net cash flow from bank overdrafts	23	-18 632	2 609
Repayment of principal amount of lease liabilities	23	-7 073	-7 956
Repayments/outflows other current financial liabilities	23	-3 194	-2 296
Proceeds/inflows other current financial liabilities	23	1 391	204
Repayments/outflows other non-current liabilities	23	-6 991	-79
Proceeds/inflows other non-current liabilities	23	1 222	23 913
Cash flow from financing activities		-32 616	9 825
Exchange differences on cash and cash equivalents		1 628	-1 551
Decrease/increase in cash and cash equivalents		-18 441	17 852
Balance of cash and cash equivalents as at 01.01.	12	66 697	48 845
Balance of cash and cash equivalents as at 31.12.	12	48 256	66 697

¹ Including an impairment of EUR 4 320 thousand on Lalique Brand in 2020 (Note 16)

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
BALANCE AS AT 01.01.2020	1 204	85 378	- 551	- 82	85 909	171 858	20 322	192 180
Net Group loss/profit	-	-	-	-	-12 624	-12 624	-2 402	-15 026
Foreign currency translation	-	-	-	-1 325	-	-1 325	-1 094	-2 419
Remeasurement IAS 19 (incl. tax)	-	-	-	-	73	73	3	76
Other comprehensive income	-	-	-	-1 325	73	-1 252	-1 091	-2 343
Total comprehensive income	-	-	-	-1 325	-12 551	-13 876	-3 493	-17 369
Acquisition of non-controlling interests	-	-	-	-	-1 366	-1 366	1 366	-
BALANCE AS AT 31.12.2020	1 204	85 378	-551	-1 407	71 992	156 616	18 195	174 813
BALANCE AS AT 01.01.2021	1 204	85 378	-551	-1 407	71 992	156 616	18 195	174 813
Net Group loss/profit	-	-	-	-	8 187	8 187	-1 367	6 820
Foreign currency translation	-	-	-	5 361	-	5 361	1 513	6 874
Remeasurement IAS 19 (incl. tax)	-	-	-	-	278	278	0	278
Other comprehensive income	-	-	-	5 361	278	5 639	1 513	7 152
Total comprehensive income	-	-	-	5 361	8 465	13 826	146	13 972
Capital contribution from NCI shareholders	-	-	-	-	-	-	34	34
Effect of capital contribution in subsidiaries with NCI	-	-	-	-	-1 200	-1 200	1 200	-
Purchase of treasury shares	-	-	- 357	-	-	-357	-	-357
BALANCE AS AT 31.12.2021	1 204	85 378	-908	3 954	79 257	168 885	19 575	188 462

Further details on equity movements can be found in Note 26, Note 27, and regarding capital management in Note 2.

Notes to the consolidated financial statements

1. INFORMATION ON THE COMPANY

These Consolidated Financial Statements of Lalique Group SA and its subsidiaries (collectively, the Group or Lalique Group) for the year ended 31 December 2021 were approved by the Board of Directors on 19 April 2022 and recommended for approval by the General Meeting of Shareholders on 2 June 2022.

Lalique Group SA (the Company or the parent) was formed on 14 April 2000 in Switzerland. The parent is domiciled at Grubenstrasse 18, Zurich.

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 lifestyle accessories, along with art, gastronomy and hospitality as well as single malt whisky. Founded in 2000, the company employs approx. 750 staff and has its headquarters in Zurich. The Lalique brand, from which the Group derives its name, was created in Paris in 1888 by the master glassmaker and jewellery designer René Lalique. The registered shares of Lalique Group (LLQ) are listed on the SIX Swiss Exchange.

In addition to its headquarters in Zurich, Switzerland and Paris, France, the Group has a manufacturing site for perfumes in Ury, France, one for crystal in Wingen-sur-Moder, France and a whisky distillery in Crieff near Edinburgh, Scotland. The Group also maintains representative offices in the United Kingdom, Germany, the United States, China, Japan, Singapore and Dubai.

2. ACCOUNTING POLICIES

The Consolidated Financial Statements of Lalique Group are prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The accounts are prepared on a historical cost basis. The Consolidated Financial Statements of Lalique Group are presented in euros (EUR). Unless otherwise stated, all figures have been rounded to the nearest EUR thousand.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

New accounting policies

The IASB has published the following new amendments to existing standards and interpretations that are effective for the 2021 financial statements:

STANDARD/ INTERPRETATION	DESIGNATION	EFFECTIVE DATE
IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform—Phase 2	1 January 2021
IFRS 16	Leases (Covid-19 Related Rent Concessions beyond 30 June 2021)	1 January 2021

Impact of the Covid-19 pandemic and Amendments to IFRS 16 (Covid-19 Related Rent Concessions beyond 30 June 2021)

Lalique Group's business was visibly affected by the novel coronavirus (Covid-19) pandemic across all the Group's segments, particularly in the first half of 2020. In response to the pandemic, a core priority consisted in cutting costs and preserving cash to compensate as far as possible for lost sales, which is reflected in the Group's Consolidated Financial Statements. In addition, the Group benefited in 2020 as well as in the first half of 2021 from governmental support schemes, such as furloughing. Business in most segments recovered well in 2021 and sales increased almost to pre-Covid-19 levels.

In May 2020, the IASB issued Covid-related Lease Concessions (Amendment to IFRS 16). The pronouncement amended IFRS 16 Leases to provide lessees with relief from assessing whether a lease concession related to the pandemic is a lease modification. Upon publication, this practical expedient was limited to lease concessions where a reduction in lease payments only affected payments originally due on or before 30 June 2021.

As lessors continue to grant Covid-related lease concessions to lessees and the impact of the pandemic is ongoing and significant, the IASB has decided to consider whether to extend the period over which the practical expedient can be applied. In 2021 the Group recognized a net relief of lease obligations of EUR 350 thousand (2020 EUR 593 thousand) presented as a lease reduction (expense reduction).

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest Rate Benchmark Reform—Phase 2

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the consolidated financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

Standards published but not yet effective

The following new or revised IFRS interpretations have been published but will only enter into force at a later date and were not applied early in the present consolidated financial statements. A final analysis of their impact on the consolidated financial statements of the Group has not yet been made.

STANDARD/ INTERPRETATION	DESIGNATION	EFFECTIVE DATE	PLANNED APPLICATION BY LALIQUE GROUP
IFRS 3	Business Combinations (Reference to the Conceptual Framework—Amendment to IFRS 3)	1 January 2022	2022 business year
IAS 16	Property, Plant and Equipment (Proceeds before Intended Use—Amendment to IAS 16)	1 January 2022	2022 business year
IAS 37	Onerous Contracts (Costs of Fulfilling a Contract—Amendments to IAS 37)	1 January 2022	2022 business year
IFRS 1	First-time Adoption of International Financial Reporting Standards (Subsidiary as a first-time adopter)	1 January 2022	2022 business year
IFRS 9	Financial Instruments (Fees in the '10 per cent' test for derecognition of financial liabilities)	1 January 2022	2022 business year
IAS 41	Agriculture (Taxation in fair value measurements)	1 January 2022	2022 business year
IFRS 17	Insurance Contracts—including amendments to IFRS 16	1 January 2023	2023 business year
IAS 1	Presentation of Financial Statements (Amendments to Classification of Liabilities as Current or Non-current including Deferral of Effective Date)	1 January 2023	2023 business year
IAS 8	Operating Segments (Definition of Accounting Estimates—Amendments to IAS)	1 January 2023	2023 business year
IAS 12	Income Taxes (Deferred Tax related to Assets and Liabilities arising from a Single Transaction—Amendments to IAS 1 and IFRS Practice Statement 2)	1 January 2023	2023 business year

Consolidation principles and consolidated companies

The Consolidated Financial Statements comprise the financial statements of Lalique Group SA and its subsidiaries as at 31 December of each financial year. The accounts of the subsidiaries are prepared using standard accounting policies and presented on the same balance sheet date as those of the parent company.

Subsidiaries are fully consolidated from the date of acquisition, i.e. from the date on which the Group effectively obtains control of the company concerned. Control is deemed to have been obtained when the following three principal criteria have been met: the Group has power over the company, the Group is exposed or has rights to variable returns from its involvement with the company, and the Group has the ability to affect those returns through its power over the company.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangements with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The entities are deconsolidated as soon as control ceases. All intra-Group balances, revenues and expenses, and unrealized gains and losses from intra-Group transactions are fully eliminated.

The Group accounts for common control business combinations by applying the pooling of interest method. The assets and liabilities of the acquired business are reflected at their carrying amounts. No new goodwill is recognized as a result of such a business combination. Instead, the difference between the amount of consideration transferred and the net assets received is recognized in equity. Business combinations under common control are accounted for using the pooling of interests method, in which a receiving company measures assets and liabilities received using the book values (carrying amounts) of those assets and liabilities determined by applying IFRS accounting standards. Costs incurred in the course of a business combination under common control are recognized as expenses.

Business combinations, other than businesses under common control, are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at fair value on the acquisition date, including any non-controlling interests. For each business combination, the acquirer measures the non-controlling interest in the acquiree, either at fair value or at the proportionate share of the acquiree's identifiable net assets. Costs incurred in the course of a business combination are recognized as expenses.

Foreign-currency translation

The functional currency of the parent company Lalique Group SA is Swiss francs (CHF). The Consolidated Financial Statements are presented in euros (EUR), because the euro is the currency in which most revenue and costs of the Group occur, and the main part of the Group's assets and liabilities are in EUR. Each of Lalique Group's subsidiaries determines its own functional currency based on the primary economic environment in which it operates.

Transactions denominated in foreign currencies are translated at the exchange rate applicable at the time of the transaction. Monetary balance sheet items are translated at the year-end rate, with any currency gains/losses recognized directly in the income statement. Non-monetary balance sheet items are translated at the historical rate.

For the purpose of preparing the Consolidated Financial Statements, with regard to the annual accounts of all subsidiaries whose functional currency is not EUR, the assets and liabilities are translated at the year-end rate, whereas the income statement items are translated at the average rate for the year. Currency translation differences are recognized in other comprehensive income and accumulated in equity under "Retained earnings/other reserves"; in the case of loss of control over a subsidiary, such differences are reclassified to the income statement.

The following EUR exchange rates were used:

	2021	2020
CHF		
Year-end rate (balance sheet)	0.9649	0.9221
Average rate for the year (income statement)	0.9250	0.9345
USD		
Year-end rate (balance sheet)	0.8830	0.8141
Average rate for the year (income statement)	0.8454	0.8770
GBP		
Year-end rate (balance sheet)	1.1911	1.1054
Average rate for the year (income statement)	1.1629	1.1250
HKD		
Year-end rate (balance sheet)	0.1132	0.1050
Average rate for the year (income statement)	0.1088	0.1131
SGD		
Year-end rate (balance sheet)	0.6528	0.6146
Average rate for the year (income statement)	0.6197	0.6356
CNY		
Year-end rate (balance sheet)	0.1386	0.1247
Average rate for the year (income statement)	0.1310	0.1270
JPY		
Year-end rate (balance sheet)	0.0077	0.0079
Average rate for the year (income statement)	0.0077	0.0082
AED		
Year-end rate (balance sheet)	0.2404	NA
Average rate for the year (income statement)	0.2301	NA

Risks arising from currency fluctuations are explained in greater detail in the section entitled “Financial risk management”.

Significant judgements, estimates and assumptions

All estimates and assumptions are reviewed on an ongoing basis and are based on past experience and expectations concerning future events that appear reasonable given the circumstances. Naturally, the resulting estimates often depart from the subsequent actual circumstances. The key estimates and assumptions that may cause volatility with regard to the carrying amounts of assets and liabilities in the coming financial year are discussed below.

Impairments on intangible assets

Lalique Group reviews its intangible assets (e.g. brand values) annually for impairment in accordance with accounting principles, a process which requires that the underlying cash-generating units (CGUs) be assessed. Lalique Group has established itself as a brand builder with several brands in its portfolio. As such, the financial information reported is allocated and managed on the basis of these brands and CGUs. Estimated factors such as volumes, selling prices, sales growth, gross profit margins, operating costs, as well as investments, market conditions and other economic factors are based on assumptions that management regards as reasonable. A planning period of five years is normally used for brand impairment tests.

The Group's CGUs all have significant headroom with the exception of "Lalique", to which an intangible brand asset of EUR 39 169 thousand is allocated as at 31 December 2021.

Further details on this subject can be found in Note 16.

Pension schemes

The expense from defined post-employment benefit plans is determined on the basis of actuarial calculations. The actuarial evaluation is carried out on the basis of assumptions regarding discount rates, future increases in wages and salaries, mortality and future pension increments. Due to the long-term nature of such plans, these estimates are subject to material uncertainties. Further details on this subject can be found in Note 19.

Provisions

Provisions are recognized whenever Lalique Group has a legal or constructive obligation arising from a past event, the future settlement of which will probably lead to an outflow of funds that can be reliably determined. Restructuring costs are charged to the operating result of the period in which management undertakes to carry out the restructuring, insofar as the costs can be estimated with sufficient reliability and the measures were specified and communicated satisfactorily. Further details on this subject can be found in Note 22.

Leases

The application of IFRS 16 requires the Group to make judgments that affect the valuation of the lease liabilities and the valuation of right-of-use assets (see Note 24). These include determining the contract term and the interest rate used for discounting of future cash flows. The Group has a number of contracts that include extension or termination options. The Group applies judgement in determining whether it is reasonably certain to exercise an extension option and not to exercise a termination option.

The Group cannot readily determine the interest rate implicit in the lease, therefore it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow, over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Group estimates the IBR, using the credit spread of Lalique Group SA received for commercial financing adjusted by the specific duration and country risk factor of each contract, observed on country bond valuations of the period when the lease contract commences or is modified.

Consolidation of Glenturret Holding SA and its subsidiaries

Lalique Group SA holds 50% of Glenturret Holding SA's voting rights. The remaining 50% is held by another investor. Nevertheless, the Group considers that it controls Glenturret Holding SA (and its subsidiary, Glenturret Ltd) because the Group has the right to nominate the Chairman of the Board and also the Executive Management, which is responsible for the management of Glenturret Ltd and as a result has the right to direct its relevant activities based on the agreement with the other investor.

Consolidation of Tamer Beauty Holding Limited

Lalique Beauty SA holds 50% of Lalique Tamer Beauty Holding Limited. The remaining 50% is held by a business partner of the Group. Nevertheless, the Group considers that it controls the newly founded Lalique Tamer Beauty Holding Limited (and its subsidiary, Lalique Tamer Beauty Trading LLC) because the Group has the right to nominate the Chairman of the Board and also the Executive Management, which is responsible for the management of Lalique Tamer Beauty Trading LLC and as a result has the right to direct its relevant activities based on the agreement with the other investor.

Accounting and valuation principles

Revenue recognition

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. On-invoice rebates are offset against the amounts payable by the customer. The Group has concluded that it acts as a principal in its revenue arrangements because it controls the goods or services before transferring them to the customer.

The Group provides a few retrospective off-invoice volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. To estimate the variable consideration for the expected future rebates, the Group applies the most-likely-amount method for contracts with a single-volume threshold and the expected-value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Group then applies the requirements on constraining estimates of variable consideration and recognizes a refund liability for the expected future rebates.

The Group also enters into trademark licence and royalty arrangements, in accordance with which a customer is required to pay a sales-based royalty of a certain percentage of its gross sales associated with the trademark. The Group determined that an output-based measure is an appropriate measure of progress and applies the right-to-invoice practical expedient because the royalties due for each period correlate directly with the value to the customer of the Group's performance for each period. The Group recognizes revenue from the sales-based royalty when the customer's subsequent sales occur.

Property, plant and equipment

Property, plant and equipment are stated at acquisition cost or manufacturing cost, net of accumulated depreciation and impairment losses. Depreciation is calculated on a straight-line basis over the estimated useful life of each asset. The individual categories of property, plant and equipment are depreciated as follows:

Land	No depreciation
Buildings	30–50 years
Equipment and furnishings	3–15 years
Machinery, equipment and hardware	3–5 years
Tools	3–20 years
Vehicles	3–5 years

An item of property, plant and equipment is derecognized either on disposal or when no future economic benefits are expected from the use or disposal of the asset. The resulting gain or loss from the disposal of the asset is determined as the difference between the net proceeds from the disposal and the carrying amount of the asset and is recognized in the income statement under other operating income in the period in which the asset was derecognized.

Residual values, useful lives and depreciation methods are reviewed at the end of each financial year and adjusted as appropriate.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases on low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Group recognizes right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease term includes the non-cancellable period of lease contracts, periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise its option. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The lease payments also include the payment of penalties for terminating the lease if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments).

The Group's right-of-use assets and lease liabilities are included in property, plant and equipment and other current liabilities and non-current financial liabilities, respectively.

Intangible assets

• Intangible assets with finite useful lives

Individually acquired intangible assets are measured at their acquisition cost on initial recognition. Thereafter, they are amortized over their estimated useful lives. Laliq Group does not possess any internally generated intangible assets. The individual intangible asset categories are amortized as follows:

Creations	Using the straight-line method over three to five years
Software	Using the straight-line method over three to five years
Licence rights	Licence rights are amortized on a straight-line basis over the contractual term or the useful life. Amortization is recognized under licence expenses.

Residual values, useful lives and amortization methods are reviewed at year-end and adjusted as appropriate.

- Intangible assets with an indefinite useful life

Costs related to acquired brands are capitalized and not amortized (see Note 16). The indefinite useful lives of brands stem from the fact that brands continuously benefit from a high degree of international recognition in the relevant markets. As such, brand rights are not amortized, but tested for impairment annually or whenever there is an indication that the brand may be impaired. Their classification as “intangible assets with indefinite useful lives” is reviewed each year.

Goodwill arises in a business combination and is the excess of the consideration transferred to acquire a business over the underlying fair value of the net identified assets acquired. Goodwill represents the future economic benefits arising from a business combination that are not individually identified and recognized separately. Such goodwill is tested annually for impairment or whenever there are impairment indicators, and is carried at cost less accumulated impairment losses.

Collectibles

Occasionally the Group acquires collectibles—such as drawings, unique perfume flacons and other pieces of art—for administrative and aesthetic reasons. At initial recognition the Group measures a collectible at cost. Subsequently, the Group measures the collectible using the cost model. Because at initial recognition the residual value of a collectible is generally close to its purchase price, the depreciable amount for a collectible is generally negligible.

The collectibles do not generate cash inflows largely independent of those from other assets. Therefore, the Group tests these collectibles for impairment on the level of the cash-generating unit to which they relate, or as corporate assets.

The collectibles are presented in the balance sheet as other non-current assets.

Borrowing costs

Borrowing costs are recognized as expenses in the period in which they are incurred.

Impairment of non-financial assets

At each balance sheet date, the Group assesses whether there is an indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset as the higher of its fair value less costs of disposal and its value in use. If the carrying amount of the asset exceeds its recoverable amount at year-end, the carrying amount is reduced to its recoverable amount. The impairment loss is recognized in the income statement.

Financial assets

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Group’s business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus—in the case of a financial asset not at fair value through profit or loss—transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

Virtually all of the Group’s financial assets are recognized at amortized cost. Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in the income statement when the asset is derecognized, modified or impaired.

A financial asset is derecognized when the contractual rights to the cash flows from the asset have expired or when the Group has transferred these rights, including all risks and rewards of ownership.

Impairment of financial assets

Virtually all the Group's financial assets are trade receivables with no financing component and have maturities of less than 12 months at amortized cost and, as such, the Group applies a simplified approach for expected credit losses (ECL). Therefore, the Group does not track changes in credit risk, but instead, recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Inventories

Inventories are measured at the lower of cost and the net realizable value. The cost of purchased inventories is measured on the basis of the weighted average cost method. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. All costs incurred in bringing inventories to their present location and condition are recognized in the balance sheet as raw materials, components, finished goods and trading goods.

Cash and cash equivalents

Cash and cash equivalents include cash in bank accounts and in hand as well as short-term deposits with a maturity of less than three months, which are subject to an insignificant risk of changes in value. These are carried at their nominal value.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and lease liabilities.

After initial recognition, loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. The EIR amortization is included as financial expenses in the income statement.

A financial liability is derecognized when it is paid off, cancelled or has expired.

Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset. When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

The Group accounts for the benefit of a government guarantee, resulting in a bank loan at a below-market interest rate, as a government grant. For finance provided at below-market rates, the fair value is determined by reference to the relative fair value of the debt when fair valued in the absence of the government's guarantee.

Provisions

Provisions are created when the Group has a present (legal or constructive) obligation arising from a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably. If the effect of time value of money is material, provisions are discounted at a gross (i.e. pre-tax) interest rate that reflects, when appropriate, the risks specific to the liability. The provisions are measured on the basis of best estimates, taking into account the material risks and uncertainties.

Restructuring provisions

Restructuring provisions are recognized only when the Group has a constructive obligation, which is when there is a detailed formal plan that identifies the business or part of the business concerned, the location and number of employees affected, the detailed estimate of the associated costs, and the timeline and the employees affected have been notified of the plan's main features.

Contingent liabilities

Contingent liabilities for which an outflow of resources is not regarded as probable are not recorded in the balance sheet. However, the contingent liabilities existing as at the balance sheet date are disclosed in the Note 29.

Pension plans

Besides statutory social insurance, the companies of Lalique Group maintain various employee benefit plans in accordance with the local regulations and customs in the respective countries. These are funded either by means of contributions to legally independent foundations and establishments or by recognition as provision for employee benefit plans in the accounts of the relevant companies.

The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation on the balance sheet date, less the fair value of the plan assets. The present value of the defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds which have terms to maturity approximating the average duration of the related pension liability.

Service costs, comprising current service costs, past service costs and gains and losses on curtailments and non-routine settlements of a plan, are recognized within salaries and wages in the income statement. Net interest is calculated by multiplying the net defined benefit pension obligation or asset by the discount rate and is also recognized within salaries and wages in the income statement. Remeasurements, comprising actuarial gains and losses arising from changes/adjustments to previous actuarial assumptions, the effect of the asset ceiling, with the exception of the amounts included in net interest on the net defined benefit obligation and the return on plan assets (excluding amounts included in net interest on the net defined benefit obligation), are recognized immediately in the balance sheet with the corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the income statement in subsequent periods.

Income taxes

Current income tax liabilities and any claims for reimbursement of tax paid for the current period and earlier periods are measured at the amounts at which a payment to or reimbursement from the tax authorities is expected. This amount is calculated on the basis of the tax rates and legislation that are enacted or substantively enacted at the balance sheet date.

Deferred taxes are calculated using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the balance sheet date. Deferred taxes are calculated at the respective local tax rates.

Any tax loss carry-forwards and tax credits are only recognized as deferred tax assets to the extent that it is probable that the future profit will be sufficient to utilize the tax loss carry-forwards and tax credits. Each year, the company assesses the unrecognized tax loss carry-forwards and the carrying amount of the deferred tax assets as at the balance sheet date.

Current and deferred taxes are credited or charged directly to equity or to comprehensive income if the taxes relate to items that were credited or charged directly to equity or to comprehensive income.

Financial risk management

As an internationally oriented company, Lalique Group is exposed to the following financial risks, which are assessed on an ongoing basis and hedged where necessary. In addition to credit and liquidity risk, the Group's assets and liabilities are also subject to risks from changes in foreign currency exchange rates and interest rates.

The policy of the Group is to avoid speculative deals involving financial instruments and to strive for maturity matching where possible.

- Credit risk

Credit risk applies primarily to receivables (customers) resulting from as yet unsettled transactions. Significant concentration risk does not exist due to the nature of Lalique Group's customer portfolio. For certain trade receivables customer credit risk is mitigated by means of a credit insurance policy or by the agreement of specific payment conditions. In addition, receivables are constantly monitored.

With regard to trade accounts receivable and the Group's other financial assets, including cash and cash equivalents, rental deposits and other receivables, the maximum credit risk corresponds to the carrying amounts reported in the balance sheet.

Trade accounts receivable are non-interest-bearing and generally with maturity between 0 and 90 days, and up to 150 days in special cases, depending on the customer.

- Liquidity risk

Liquidity is monitored and controlled at Group level on an ongoing basis. In addition, liquidity trends are anticipated in order to respond quickly in the case of a surplus or shortfall. The amounts disclosed in the table are the contractual undiscounted cash flows.

The table below summarises the maturity profile of the Group's financial assets and liabilities based on contractual undiscounted payments:

IN EUR THOUSANDS	MATURING IN LESS THAN 1 YEAR	MATURING IN > 1 YEAR, < 5 YEARS	MATURING IN MORE THAN 5 YEARS	2021 TOTAL	MATURING IN LESS THAN 1 YEAR	MATURING IN > 1 YEAR, < 5 YEARS	MATURING IN MORE THAN 5 YEARS	2020 TOTAL
Assets								
Cash and cash equivalents	48 256	-	-	48 256	66 697	-	-	66 697
Trade accounts receivable	17 489	-	-	17 489	15 101	-	-	15 101
Other financial receivables	4 674	-	-	4 674	4 319	-	-	4 319
Financial assets	-	706	344	1 050	-	632	18	650
Total	70 419	706	344	71 469	86 117	632	18	86 767
Liabilities								
Bank overdrafts ¹	26 852	-	-	26 852	44 271	-	-	44 271
Trade accounts payable	18 921	-	-	18 921	17 614	-	-	17 614
Short-term liabilities NCI shareholders ²	207	-	-	207	-	-	-	-
Short-term leasing liabilities	5 518	-	-	5 518	5 741	-	-	5 741
Other current liabilities	35 444	-	-	35 444	17 583	-	-	17 583
Loans from NCI shareholders ²	-	-	4 822	4 822	-	-	3 776	3 776
Long-term leasing liabilities	-	10 496	2 977	13 473	-	10 258	3 460	13 718
Other non-current financial liabilities	-	18 682	283	18 965	-	38 304	5 758	44 062
Total	86 942	29 178	8 082	124 202	85 209	48 562	12 994	146 765

¹ This is a bank overdraft on our current account. The Group's equity ratio ensures steady, albeit long-term, amortization of the bank liability and, for this reason, liquidity risk is not expected.

² Liabilities and loans from NCI shareholders at Glenturret SA and Lalique Tamer Beauty Holding Ltd amounting to EUR 5 029 thousand (2020: EUR 3 776 thousand)

- Currency risk

Lalique Group operates around the world and is therefore exposed to currency risks in various currencies, especially with regard to the Swiss franc, the pound sterling and the US dollar. As in the previous year, the risk as at 31 December 2021 largely involved the Group's trade accounts payable and receivable, which are partly based on transactions in foreign currencies and to a lesser extent on cash and cash equivalents and bank liabilities. The Group monitors its transaction-related foreign-currency risks.

Financial assets and liabilities can be allocated on the basis of the following categories and currencies:

IN EUR THOUSANDS	2021					TOTAL	2020					TOTAL
	EUR	CHF	USD	GBP	OTHER		EUR	CHF	USD	GBP	OTHER	
Assets												
Cash and cash equivalents	16 834	11 136	12 524	6 399	1 363	48 256	19 387	30 626	10 034	4 810	1 840	66 697
Trade accounts receivable	8 971	1 579	5 250	1 575	114	17 489	7 611	1 448	5 066	634	342	15 101
Other financial receivables	1 743	807	31	292	1 801	4 674	1 207	1 030	400	193	1 489	4 319
Financial Assets	542	18	322	-	168	1 050	544	18	1	-	88	651
Total	28 090	13 540	18 127	8 266	3 446	71 469	28 749	33 122	15 501	5 637	3 759	86 768
Liabilities												
Bank overdrafts	12 082	2 486	9 250	3 034	-	26 852	25 069	16	8 289	10 897	-	44 271
Trade accounts payable	10 933	2 678	705	2 726	1 879	18 921	10 627	1 895	987	1 609	2 496	17 614
Short-term liabilities												
NCI shareholders	207	-	-	-	-	207	-	-	-	-	-	-
Short-term leasing liabilities	1 358	754	477	847	1 862	5 298	1 978	681	302	713	1 470	5 144
Other current liabilities	21 452	8 584	899	2 129	909	33 973	8 575	4 991	530	416	541	15 053
Loans from NCI shareholders	-	4 822	-	-	-	4 822	-	3 776	-	-	-	3 776
Long-term leasing liabilities	6 865	274	2 230	2 600	1 074	13 043	4 231	2 060	1 810	3 165	777	12 043
Other non-current financial liabilities	17 109	-	-	123	767	17 999	31 965	10 141	-	180	818	43 104
Total	70 006	19 598	13 561	11 459	6 491	121 115	82 445	23 560	11 918	16 980	6 102	141 005

As at 31 December 2021, the Group had no currency hedges (forward transactions) to safeguard future cash flows. The same applied as at 31 December 2020.

A change in the CHF/EUR exchange rate of +/- 5% in 2021 would have had an impact on the Group's profit before tax of EUR +/- 304 thousand (2020: EUR +/- 477 thousand) while a change in the USD/EUR exchange rate of +/- 5% in 2021 would have had an impact of EUR +/- 212 thousand (2020: EUR +/- 179 thousand), and a change in the GBP/EUR exchange rate of +/- 5% in 2021 would have affected figures by EUR +/- 160 thousand (2020: EUR +/- 567 thousand). The profit or loss impact has a corresponding impact in equity.

- Interest-rate risk

The risk of fluctuation of market interest rates as at the end of 2021, which Lalique Group is subject to, largely resulted from cash and cash equivalents and bank liabilities. Lalique Group is mainly exposed to interest-rate risks in Swiss francs and euros. Management of interest rates in connection with non-current liabilities is performed centrally; short-term interest-rate risk is normally not hedged.

Sensitivity analysis: Interest-rate risk is modelled via sensitivity analyses, which show the effect that changes in market interest rates would have on interest income and expense and on equity, provided that all other parameters remain constant. If the market interest rate on 31 December 2021 had been 1% point higher or lower, the Group's financial result or equity would have been EUR 219 thousand (2020: EUR 148 thousand) lower or higher.

- Capital management

The overriding aim of capital management in Lalique Group is to maintain an adequate equity base to retain investor, customer and market confidence and to support the future development of the core business. Dividend policy, return of capital and, if necessary, capital increases are used to maintain or adjust the equity structure.

IN EUR THOUSANDS	31.12.21	31.12.20
Share capital	1 204	1 204
Capital reserves	85 378	85 378
Retained earnings / other reserves	82 305	70 036
Total equity before non-controlling interests	168 887	156 618
TOTAL CAPITAL	331 990	339 199
Equity ratio	50.87%	46.17%

In 2021 the capital reserves remained unchanged (see also Note 26).

- Fair values

The fair value of a financial asset or liability is the value for which the relevant instrument could currently be sold or replaced. The following methods are used to calculate fair value:

- As at 31 December 2021, the fair values of cash and cash equivalents, short-term bank liabilities, trade accounts receivable and payable, current financial liabilities, other receivables and other current liabilities approximated their carrying values, because of their short-term nature.
- The fair values of non-current financial liabilities are determined on the basis of discounted cash flows. The valuation model considers the present value of expected payments.

The management assessed that the fair values of all financial assets and financial liabilities of the Group approximate their carrying amounts.

- Fair value hierarchy

Lalique Group uses the following hierarchy to determine and disclose the fair value of its financial instruments, depending on the valuation method:

- Level 1: Listed (unadjusted) prices on active markets for similar assets or liabilities.
- Level 2: Other methods using inputs which significantly affect the fair value and are based on data that can be observed directly or indirectly in the market.
- Level 3: Methods using inputs which significantly affect the fair value and are not based on observable market data.

All financial assets held in the Group measured at fair value were classified as Level 2.

3. SEGMENT REPORTING

Lalique Group has established itself as a brand builder company with several brands in its portfolio. As such, the financial information reported is allocated and managed on the basis of these brands and cash-generating units. “Lalique”, “Ultrasun”, “Jaguar” and “Glenturret” reflect the largest brands in terms of revenues, profit and/or total assets. Therefore, these four brands have been identified as reportable segments, which together account for more than 75% of Lalique’s revenue.

The non-brand-related holdings and consolidation are presented in a separate reconciling item called “Holding and eliminations”. Other brands and business activities have been combined in the residual segment “Other brands” for segment reporting purposes. This residual segment includes Lalique Group’s smaller brands (such as Parfums Samouraï, Parfums Grès, Bentley Fragrances and Brioni) as well as Lalique Group’s two perfume distribution companies (Lalique Beauty Distribution and Lalique Tamer Beauty) and a perfume production company (Lalique Beauty Services), which, despite their names, provide services to all brands and segments.

Lalique Group is divided into the following reportable operating segments:

Segment 1 – Lalique

The Lalique segment comprises all business transactions conducted under the Lalique brand. The Lalique segment develops, produces and sells a broad range of lifestyle products:

PROPORTION OF SALES BY THE PRODUCT RANGE	2021	2020
Decorative pieces	48%	54%
Perfume	28%	22%
Interior design	11%	11%
Jewellery	3%	4%
Art	3%	2%
Other diversification (incl. hotel-restaurants)	7%	7%

Segment 2—Ultrasun

The Ultrasun segment covers the Ultrasun brand. The segment develops and manufactures multifunctional skincare products with an external partner. The products are sold through various distribution channels.

Segment 3—Jaguar

The Jaguar segment covers the Jaguar brand. The segment develops, produces and distributes perfumes under the licence acquired from Jaguar.

Segment 4—Glenturret

The Glenturret segment covers the Glenturret brand. The segment develops, produces and distributes Scotch whisky from its own distillery.

Segment 5—Other brands

The ‘Other brands’ segment covers the Samouraï, Grès, Bentley and Brioni brands, as well as Lalique Tamer Beauty, Lalique Beauty Distribution, Lalique Beauty Services and the intercompany eliminations between these other brands. All are involved in the development, production and/or distribution of perfumes.

Reconciling item—Holding and eliminations

The holding company generates revenue from management fees charged to the other segments. Intra-Group transactions are carried out on an arm’s-length basis.

Segment reporting for the 2021 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	GLEN-TURRET	OTHER BRANDS ¹	HOLDING AND ELIM. ²	GROUP
Revenue and other operating income							
Revenue from contracts with external customers	81 172	13 162	20 639	4 730	19 077	- 135	138 645
Revenue from transactions with other segments	634	-	33	59	5 584	-6 310	-
Other operating income ³	2 898	19	1	140	123	125	3 306
Other operating income with other segments	525	-	-	-	1 039	-1 564	-
Total revenue and other operating income	85 229	13 181	20 673	4 929	25 823	-7 884	141 951
EBIT	5 788	-1 057	3 525	-1 783	3 238	-92	9 619
Financial result							-1 077
Group profit before taxes							8 542
Income tax expenses							-1 722
NET GROUP PROFIT							6 820
Assets and liabilities							
Segment assets	187 650	25 925	18 679	55 279	53 382	-8 925	331 990
Segment liabilities	144 729	10 680	5 043	18 796	38 750	-74 470	143 528
Other segment information							
Investments							
Property, plant and equipment ⁴	14 008	158	15	2 034	1 981	764	18 960
Intangible assets ⁵	453	195	105	33	329	1	1 116
Depreciation and amortization							
Property, plant and equipment	9 705	261	231	574	1 826	63	12 660
Intangible assets	719	197	86	167	390	7	1 566
¹ Revenue and other operating income other brands							
Parfums Samourai					4 345		
Parfums Grès					4 555		
Bentley Fragrances					6 951		
Brioni					1 394		
Lalique Tamer Beauty					957		
Lalique Beauty Distribution					1 385		
Lalique Beauty Services					9 363		
Parfums Alain Delon					-		
Elimination intercompany other brands					-3 127		
Total revenue and other operating income other brands					25 823		
² The "Holding + elim." reconciling item covers the holding and management companies, and eliminations. The reconciling item's assets mainly include cash and cash equivalents, long-term receivables of the holding and management companies, and eliminations between the segments. Liabilities mainly comprise current liabilities, loans and eliminations.							
³ In 2021, other operating income derived to a large extent from insurance claims of EUR 923 thousand, operating grants from governments of EUR 1 408 thousand (2020: EUR 618 thousand), profitable fixed asset transactions of EUR 91 thousand (2020: EUR 213 thousand) and short-term subleases of EUR 79 thousand (2020: EUR 66 thousand).							
⁴ The Property, plant and equipment investments of other brands include investments in the perfume production facility in Ury of EUR 1826 thousand. The investments of the Brand Lalique include the assets of acquired subsidiaries of EUR 5991 thousand.							
⁵ Intangible assets of Brand Lalique include intangible assets of acquired subsidiaries of EUR 308 thousand.							

Segment reporting for the 2020 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	GLEN-TURRET	OTHER BRANDS ¹	HOLDING AND ELIM. ²	GROUP
Revenue and other operating income							
Revenue from contracts with external customers	63 063	14 783	15 844	1 329	14 210	- 75	109 154
Revenue from transactions with other segments	715	-	16	-	3 707	-4 438	-
Other operating income ⁴	1 490	-	-	-	31	52	1 573
Other operating income with other segments	635	3	1	-	927	-1 566	-
Total revenue and other operating income	65 903	14 786	15 861	1 329	18 875	-6 027	110 727
EBIT	-13 343	947	2 040	-2 523	1 497	-1 185	-12 567
Financial result							-2 458
Group loss before taxes							-15 025
Income tax expenses							- 1
NET GROUP LOSS							-15 026
Assets and liabilities							
Segment assets	184 565	26 427	20 719	59 218	49 692	-1 422	339 199
Segment liabilities	170 221	11 253	10 845	22 979	37 594	-88 506	164 386
Other segment information							
Investments							
Property, plant and equipment ³	9 487	85	4	4 548	1 934	429	16 487
Intangible assets ⁵	32	128	52	366	307	70	955
Depreciation and amortization							
Property, plant and equipment	11 380	308	243	393	1 792	29	14 145
Intangible assets	5 111	292	82	81	366	90	6 022
¹ Revenue and other operating income other brands							
Parfums Samourai					4 411		
Parfums Grès					4 417		
Bentley Fragrances					3 725		
Lalique Beauty Distribution					1 123		
Lalique Beauty Services					7 969		
Parfums Alain Delon					163		
Elimination intercompany other brands					-2 933		
Total revenue and other operating income other brands					18 875		
² 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.							
³ The Property, plant and equipment investments of other brands include investments in the perfume production facility in Ury of EUR 1 770 thousand.							
⁴ In 2020, other operating income derived to a large extent from operating grants from governments of EUR 618 thousand, profitable fixed asset transactions of EUR 213 thousand and short-term subleases of EUR 66 thousand.							
⁵ Including an impairment of EUR 4 320 thousand on Lalique Brand in 2020 (Note 16).							

Geographical regions

Geographical information pertaining to segment revenue is broken down by customer location.

IN EUR THOUSANDS	2021	2020
Revenue from contracts with customers		
UK	24 280	10 677
France	16 833	14 754
USA	15 606	13 024
UAE	10 523	4 452
Germany	8 561	7 424
Switzerland	8 497	3 517
Hong Kong	6 954	8 579
Japan	6 526	6 603
Poland	5 598	11 582
China	4 924	4 430
Czech Republic	3 722	3 356
Russia	2 924	3 402
Israel	2 610	1 451
Singapore	2 482	1 161
Italy	1 394	2 132
Chile	1 295	1 146
Spain	1 260	804
Taiwan	841	744
Netherlands	530	543
Monaco	206	140
Other countries	13 079	9 233
Group	138 645	109 154

Geographical information pertaining to non-current operating assets presented below comprises property, plant and equipment, intangible assets and other non-current assets.

IN EUR THOUSANDS	31.12.21	31.12.20
Non-current assets (excl. deferred tax)		
France	93 758	89 307
UK	37 627	34 301
Switzerland	32 668	34 551
USA	4 099	3 198
Germany	2 744	2 735
Hong Kong	1 987	1 232
Japan	808	907
China	796	754
Singapore	458	605
Group	174 945	167 590

DETAILS ON THE CONSOLIDATED INCOME STATEMENT**4. REVENUE FROM CONTRACTS WITH CUSTOMERS**

IN EUR THOUSANDS	2021	2020
Revenue from sale of goods and services	136 960	107 843
Licence income/royalties	1 685	1 311
TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS	138 645	109 154

Information on the disaggregation of the Group's revenue from contracts with customers is disclosed in the segment reporting (Note 3).

5. OTHER OPERATING INCOME

IN EUR THOUSANDS	2021	2020
Other operating income	3 306	1 573
TOTAL OTHER OPERATING INCOME	3 306	1 573

Other operating income comprises non-recurring income and the result from the disposal of assets. In 2021, other operating income derived to a large extent from insurance claims of EUR 923 thousand (2020: EUR 0 thousand), operating subsidies of EUR 1 408 thousand (2020: EUR 618 thousand), property sales of EUR 91 thousand (2020: EUR 147 thousand) and short-term subleases of EUR 79 thousand (2020: EUR 66 thousand). Recharges, for example for accounting services, refunds for private expense or others, are included with an amount of EUR 433 thousand (2020: EUR 52 thousand).

6. MATERIAL COSTS, LICENCES AND THIRD-PARTY SERVICES

IN EUR THOUSANDS	2021	2020
Cost of components and finished goods	44 205	36 743
Other directly attributable production costs	10 361	9 126
Licence expenses	2 680	2 157
Commission expenses	1 422	971
Other procurement costs	3 121	2 603
TOTAL MATERIAL COSTS, LICENCES AND THIRD PARTY SERVICES	61 789	51 600

Other directly apportionable production costs mainly comprise wages and salaries of the production staff at the factory in Wingen-sur-Moder. Licence expenses arise mainly in connection with Jaguar Fragrances, Bentley Fragrances and Lalique Barberini Fragrances (Brioni brand licensee). Commission expenses relate to the mediation of transactions. The item "Other procurement costs" includes costs that are incurred in connection with the receipt and shipment of goods to/from stock, customs and freight charges related to purchasing, and lithography and plating costs, net of any supplier discount that are not directly attributable to the components or goods.

7. SALARIES AND WAGES

IN EUR THOUSANDS	2021	2020
Wages and salaries (incl. bonuses)	22 507	18 619
Social insurance and employee pension/welfare expenses	10 735	9 200
Other personnel costs	1 312	840
TOTAL PERSONNEL COSTS	34 554	28 659
Number of FTE as at 31 December	702	678

In 2021, the total personnel costs were reduced by personnel cost-saving measures and government grants for furloughing in the amount of EUR 1 206 thousand (2020: EUR 2 930 thousand).

8. OTHER OPERATING EXPENSES

IN EUR THOUSANDS	2021	2020
Advertising and promotional expenses	6 164	5 451
Administrative expenses	5 955	5 914
Rental expenses	2 736	3 310
Property insurance, levies and charges	993	754
Vehicles	153	129
Miscellaneous operating expenses	5 762	7 310
TOTAL OTHER OPERATING EXPENSES	21 763	22 868

The item "Miscellaneous operating expenses" includes travel expenses (2021: EUR 2 061 thousand; 2020: EUR 1 350 thousand), expenses for creations that are not capitalizable (2021: EUR 55 thousand; 2020: EUR 18 thousand) and various other costs. In 2021, the expenses include the cost for formation of a EUR 255 thousand provision for litigation at Lalique SA and EUR 493 thousand at Ultrasun AG (2020: EUR 2 400 thousand at Lalique SA) (Note 22).

The amount of rental expenses includes variable lease payments, payments for short-term leases, leases of low value items as well as other rental expenses for non-lease components (e.g. heating costs). In 2021, the Group recognized a net relief of lease obligations of EUR 350 thousand (2020: EUR 593 thousand) presented as a rental expense reduction.

9. FINANCIAL INCOME AND EXPENSES

IN EUR THOUSANDS	2021	2020
Financial income		
Interest on loans and advance financing	-	6
Other financial income	44	62
Total financial income	44	68
Financial expenses		
Interest on short- and long-term financial liabilities ¹	699	793
Other financial expenses	818	465
Total financial expenses	1 517	1 258
Income from exchange rate fluctuations	8 872	4 689
Expenses from exchange rate fluctuations	8 476	5 957
Net foreign exchange differences	396	-1 268
FINANCIAL RESULT	-1 077	-2 458

¹ Thereof interest expense on lease liabilities amount to EUR 272 thousand in 2021 (2020: EUR 406 thousand).

10. INCOME TAXES

The main components of income tax expenses are as follows:

IN EUR THOUSANDS	2021	2020
Current year income taxes	1 374	897
Income taxes from previous years	-35	-57
Current income taxes	1 339	840
Deferred tax income/expenses resulting from change in temporary differences	2 111	-498
Deferred tax income/expenses resulting from change in tax rates	192	281
Deferred tax expenses/income resulting from usage or capitalization respectively of deferred taxes on accumulated losses	-1 920	-622
Deferred tax expenses	383	-839
TOTAL TAX EXPENSES	1 722	1

The following breakdown shows a reconciliation of expected taxes to the actual income tax expenses:

IN EUR THOUSANDS	2021	2020
Group profit before taxes	8 542	-15 025
Expected tax rate	19.7%	21.0%
Expected tax expenses	1 683	-3 155
Income not subject to income tax	-935	-361
Effect from application of participation relief	-162	-
Income taxes from previous years	-35	-57
Effect from unaccounted tax loss and new temporary differences in the current reporting year	1 847	3 551
Effect from utilisation of unaccounted tax losses and temporary differences from previous years	-229	-31
Ex post accounting of previous unaccounted tax losses and temporary differences	-1 558	536
Ex post unaccounting of previous accounted tax losses and temporary differences	355	-
Effect of change in tax rate	192	281
Effect of revenues taxed at different rates	390	-1 783
Non-deductible expenses	213	838
Partial step-up of tax values due to Swiss tax reform	-	234
Other effects	-39	-52
TOTAL INCOME TAX	1 722	1

The expected tax rate represents the domestic ordinary income tax rate at the parent's location (Zurich, Switzerland).

11. EARNINGS PER SHARE AND DIVIDENDS

In accordance with the motion of the Board of Directors and the resolution passed at the Annual General Meeting held on 28 May 2021 in Zurich, no dividends were paid out.

		2021	2020
Average number of shares in circulation	Number	7 183 575	7 185 000
Net Group profit in favour of shareholders of Lalique Group SA	EUR thousands	8 187	-12 624
EARNINGS PER SHARE	EUR	1.14	-1.76

For the 2020 financial year, no dividend was paid out. With respect to the 2021 financial year, the Board of Directors will propose a dividend of CHF 0.40 per share at the Annual General Meeting on 2 June 2022. The dividend is planned to be paid out of the capital contribution reserve in the amount of CHF 0.20 (without deduction of withholding tax) and CHF 0.20 from voluntary retained earnings (without deduction of withholding tax, CHF 0.13 excluding tax).

DETAILS ON THE CONSOLIDATED BALANCE SHEET

12. CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS

IN EUR THOUSANDS	31.12.21	31.12.20
Cash	133	110
Bank	48 123	66 587
TOTAL CASH AND CASH EQUIVALENTS	48 256	66 697

Interest earned on assets denominated in CHF, EUR, GBP and USD was 0.00% (2020: 0.00%).

IN EUR THOUSANDS	31.12.21	31.12.20
Bank overdraft	26 852	44 271
BANK OVERDRAFT	26 852	44 271

Interest charged on liabilities in USD and GBP were between 0.65% and 1.20% (2020: 0.65%) and on liabilities in EUR was between 0.29% and 2.55% (2020: between 0.50% and 2.75%). Interest charged on liabilities in CHF was between a below-market rate of 0.00%, due to the free-of-charge guarantee made by the Swiss government to the banks, and 0.65% (2020: 0.65%).

13. TRADE ACCOUNTS RECEIVABLE

Trade accounts receivable are non-interest-bearing and generally fall due between 0 and 90 days, and up to 150 days in special cases, depending on the customer.

IN EUR THOUSANDS	TOTAL OUT- STANDING ITEMS	NOT DUE	DUE	OF WHICH OVERDUE WITHIN 60 DAYS	OF WHICH OVERDUE 61-90 DAYS	OF WHICH OVERDUE MORE THAN 91 DAYS
2021						
Of which EUR	9 368	3 780	5 588	3 328	563	1 697
Of which CHF accounts shown in EUR	1 479	1 306	173	90	82	1
Of which USD accounts shown in EUR	6 537	3 288	3 249	811	238	2 200
Of which other currencies shown in EUR	1 891	666	1 225	902	84	239
Allowance for doubtful debts	-1 786	-22	-1 764	-51	-39	-1 674
Total	17 489	9 018	8 471	5 080	928	2 463
2020						
Of which EUR	7 747	6 568	1 179	174	269	736
Of which CHF accounts shown in EUR	1 448	1 349	99	54	-	45
Of which USD accounts shown in EUR	5 848	3 483	2 365	642	150	1 573
Of which other currencies shown in EUR	1 124	297	827	704	28	95
Allowance for doubtful debts	-1 066	-12	-1 054	-16	-18	-1 020
Total	15 101	11 685	3 416	1 558	429	1 429

An impairment analysis is performed at each reporting date. If there is an indication that the Group will not be able to collect all amounts due in relation to a single position according to the original terms of the receivables, an allowance for impairment is recognized on the identified receivables. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity. The letters of credit and other forms of credit insurance are considered an integral part of trade receivables and considered in the calculation of impairment.

In addition, the Group uses a provision matrix to measure expected credit losses on open receivables that are not individually impaired. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e. by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at year-end about past events, current conditions and forecasts of future economic conditions.

IN EUR THOUSANDS	TOTAL OUT- STANDING ITEMS	NOT DUE	DUE	OF WHICH OVERDUE WITHIN 60 DAYS	OF WHICH OVERDUE 61-90 DAYS	OF WHICH OVERDUE MORE THAN 91 DAYS
2021						
Expected credit loss rate	1.6%	0.1%	3.2%	1.0%	4.0%	7.0%
Estimated total gross carrying amount at default	17 777	9 030	8 747	5 131	967	2 649
Expected credit loss	-288	-12	-276	-51	-39	-186
2020						
Expected credit loss rate	1.0%	0.1%	4.0%	1.0%	4.0%	7.0%
Estimated total gross carrying amount at default	15 255	11 697	3 558	1 574	447	1 537
Expected credit loss	-154	-12	-142	-16	-18	-108

The movements in the allowance for expected credit losses of trade receivables and contract assets during the year developed as follows:

IN EUR THOUSANDS	31.12.21	31.12.20
OPENING BALANCE	1 066	642
Formation (+)	694	513
Usage (-)	-78	-
Reversed (-)	-	-22
Currency effect	104	-67
CLOSING BALANCE	1 786	1 066

14. INVENTORIES

IN EUR THOUSANDS	31.12.21	31.12.20
Components and raw materials	23 908	22 869
Finished goods	54 907	53 713
Advance payments	1 216	1 405
TOTAL INVENTORIES	80 031	77 987

Scrapping and impairments on inventories recognized as expenditure amounted to EUR 2 126 thousand in 2021 (2020: EUR 2 281 thousand).

15. OTHER RECEIVABLES

IN EUR THOUSANDS	31.12.21	31.12.20
VAT and other tax receivables	2 689	3 638
Accrued income and prepaid expenses	3 219	2 722
Short-term rental deposits	1 115	1 348
Other receivables	340	249
TOTAL OTHER RECEIVABLES	7 363	7 957

16. INTANGIBLE ASSETS

IN EUR THOUSANDS	GOODWILL	BRANDS	LICENCE RIGHTS	CREATIONS	SOFTWARE	TOTAL INTANGIBLE ASSETS
Acquisition costs 01.01.2020	11 936	72 348	8 439	4 667	5 963	103 353
Additions ¹	-	-	-	849	106	955
Reclassification/transfers	-	-	12	-14	2	-
Disposals	-	-	-	-75	-7	-82
Exchange differences	-1 000	-904	21	-1	-73	-1 957
Acquisition costs 31.12.2020	10 936	71 444	8 472	5 426	5 991	102 269
Additions ¹	-	-	-	701	107	808
Additions from acquisition of Château Lafaurie-Peyraguey	-	-	85	665	-	750
Reclassification/transfers ²	-	-	-	371	2 330	2 701
Disposals	-	-	-8	-93	-100	-201
Exchange differences	852	1 935	364	288	106	3 545
Acquisition costs 31.12.2021	11 788	73 379	8 913	7 358	8 434	109 872
Amortization, cumulative 01.01.2020	-	-	-2 413	-3 060	-4 849	-10 322
Additions ³	-	-	-1 667	-647	-464	-2 778
Reclassification/transfers	-	-	-11	11	-	-
Disposals	-	-	-	34	7	41
Impairment	-	-4 320	-97	-33	-	-4 450
Exchange differences	-	-	16	- 15	57	58
Amortization, cumulative 31.12.2020	-	-4 320	-4 172	-3 710	-5 249	-17 451
Additions ³	-	-	-1 538	-839	-669	-3 046
Reclassification/transfers	-	-	-	-371	-27	-398
Disposals	-	-	6	93	58	157
Impairment	-	-	-	-	-37	-37
Additions from acquisition of Château Lafaurie-Peyraguey	-	-	-37	-405	-	-442
Exchange differences	-	-	-252	-199	-83	-534
Amortization, cumulative 31.12.2021	-	-4 320	-5 993	-5 431	-6 007	-21 751
NET INTANGIBLE ASSETS 31.12.2021	11 788	69 059	2 920	1 927	2 427	88 121
Net intangible assets 31.12.2020	10 936	67 124	4 300	1 716	742	84 818

¹ The additions of EUR 808 thousand (2020: EUR 955 thousand) resulted in a cash outflow of EUR 478 thousand (2020: EUR 929 thousand).

² The developed software was implemented and the capitalized costs of EUR 2 303 thousand transferred from plant under construction to immaterial assets.

³ The amortization of licence rights is recorded in licence expenses.

Brands

The multiperiod-excess-earnings method was used to test the various brand values for impairment as at 31 December 2021. At Lalique, Ultrasun, Parfums Grès, Parfums Samourai and Glenturret the values in use exceed their carrying values. Carrying values of these brands as at 31 December 2021: Lalique EUR 39 169 thousand (2020: EUR 38 868 thousand), Parfums Grès CHF 6 574 thousand (2020: CHF 6 574 thousand), Parfums Samourai CHF 1 800 thousand (2020: CHF 1 800 thousand), Ultrasun CHF 11 000 thousand (2020: CHF 11 000 thousand) and Glenturret GBP 9 400 thousand (2020: GBP 9 400 thousand). These calculations were based on a planning horizon of five or nine years and a residual value. The assumptions listed below were determined by management based on its expectations for future market development.

The following EBITDA margin development occurred and is expected for the brands:

IN %	2020	2021	2022	2026
Lalique	4.8	19.0	14.6	17.1
Ultrasun	10.5	-4.5	14.8	20.0
Parfums Grès	10.9	16.2	11.6	17.2
Parfums Samourai	34.6	38.0	33.0	33.4
Glenturret ¹	-154.4	-21.1	16.9	30.6

¹ Taking the PPA reverse on acquired stock through COGS into consideration.

The residual value incorporates a growth rate of 1.4% for Lalique, 1.5% for Ultrasun, 0.1% for Parfums Samourai, 1.7% for Parfums Grès and 1.4% for Glenturret respectively.

Estimating future cash flows is particularly challenging because of the increased economic uncertainty following the Covid-19 pandemic. Due to this increased uncertainty, the Group has decided to be more conservative in its forward projections for all brands. As a consequence, the Group has recognized an impairment charge of EUR 4 320 thousand on the Lalique brand in 2020. At 31 December 2021, the carrying amount of Lalique brand is EUR 39 169 thousand, of which Lalique SA holds EUR 32 376 thousand and Lalique Parfums SA EUR 6 793 thousand, or CHF 7 040 thousand in local currency:

IN EUR THOUSANDS	LALIQUE BRAND
Carrying value 01.01.2020	43 170
Impairment	-4 320
Exchange differences	18
Carrying value 31.12.2020	38 868
Exchange differences	301
Carrying value 31.12.2021	39 169

Furthermore, it has been assumed in the multiperiod-excess-earnings calculation that the EBITDA margin of the Lalique brand will decrease from 19.0% in 2021 to 17.1% in 2026 (2020: 4.8%). Sales increased by 29.3% compared to 2020 and by 5.1% compared to 2019.

The impairment test of the Lalique brand estimates an average growth in sales of 6.7% over the period of five years (2020: 10.3%). The discount rates have also been reviewed to reflect the current economic situation. The after-tax discount rate used within the Lalique brand impairment test is 10.7% (2020: 11.5%).

IN %	AVERAGE GROWTH IN SALES		AFTER-TAX DISCOUNT RATE	
	2021	2020	2021	2020
Lalique ¹	6.7	10.3	10.7	11.5
Ultrasun ¹	19.6	14.2	10.8	11.5
Parfums Grès ¹	3.5	9.3	10.7	11.0
Parfums Samourai ¹	2.9	8.3	9.3	9.7
Glenturret ²	28.8	280.7	9.4	8.9

¹ Calculated over the planning horizon of five years.

² Calculated over the planning horizon of nine years.

For Glenturret, a planning horizon of nine years was considered in the impairment test, as the business plan is currently based on the existing stock model and not on new increased production since the acquisition in 2019. The youngest whisky sold in Glenturret's product range is ten years old, therefore nine years is the minimum period to see the potential of the current stock and the potential of the increased capacity. Due to the business model customary in the industry, the revenues can be reasonably predicted over the planning horizon of nine years.

Sensitivity

The Group created various scenarios, with more ambitious and more conservative five-year business plans. For Lalique, the brand would be impaired by EUR 1 200 thousand in the event of a decrease in sales of 0.8% until 2027, or a decrease in EBITDA of 1.4% until 2027, or an increase in WACC of 2.7%.

At Ultrasun, Parfums Grès, Parfums Samourai and Glenturret the values in use exceed their carrying values. The Group believes that no reasonably possible changes in the key assumptions disclosed above would cause the recoverable amounts to fall below the carrying values.

Licence rights

Amortization charges in 2021 are unchanged in relation to licence agreements and rights for Jaguar Fragrances, Bentley Fragrances and Brioni brand. The amortization charges are amortized over the contractual term or the useful life of the licence and recognized under licence expenses. The residual amortization period for the Jaguar Fragrances licence rights is one year and for the Brioni brand three years. For Bentley Fragrances a new contract will be signed in 2022.

Creations

The item "Creations" comprises expenses incurred through the commissioning of external designers to create flacons and packaging, and the associated development costs. Internally incurred development costs are not capitalized. The residual amortization period is between zero and three years. In 2021, no impairment losses were recognized on creations (2020: EUR 33 thousand).

Software

The item "Software" consists of purchased IT software usage licences and the costs of specific customization of the software.

With the exception of depreciation on new licence rights, which is recognized under licence expenses, all amortization of intangible assets appears under "Depreciation and amortization" in the income statement. In 2021, there were impairment losses of EUR 37 thousand (2020: EUR 0) recognized on software.

There are no restrictions on the use of intangible assets. There are no commitments to make further payments or to take on additional intangible assets. No intangible assets serve as collateral for obligations.

17. PROPERTY, PLANT AND EQUIPMENT

IN EUR THOUSANDS	LAND, BUILDINGS	EQUIPMENT, FURNISHINGS	MACHINERY + EQUIPMENT, IT, HARDWARE, TOOLS	VEHICLES	PLANT UNDER CONSTRUC- TION	TOTAL PROPERTY, PLANT AND EQUIPMENT
Acquisition costs 01.01.2020	114 289	35 113	21 819	984	2 883	175 088
Additions ¹	8 615	4 108	1 085	53	2 626	16 487
Reclassification/transfers	- 36	64	-	-	-28	-
Disposals	-14 347	-416	-93	-26	-	-14 882
Exchange differences	-2 979	-262	-220	-5	-44	-3 510
Acquisition costs 31.12.2020	105 542	38 607	22 591	1 006	5 437	173 183
Additions ¹	7 373	2 931	721	508	1 436	12 969
Additions from acquisition of Château Lafaurie-Peyraguey	4 562	3 071	-	-	-	7 633
Reclassification/transfers ²	-377	108	136	-	-2 568	-2 701
Disposals	-4 188	-65	-141	-176	- 21	-4 591
Exchange differences	3 540	539	612	44	48	4 783
Acquisition costs 31.12.2021	116 452	45 191	23 919	1 382	4 332	191 276
Depreciation, cumulative 01.01.2020	-61 609	-18 400	-16 594	-570	-	-97 173
Additions	-9 422	-2 838	-1 713	-171	-	-14 144
Reclassification/transfers	14	-14	-	-	-	-
Disposals	12 015	378	6	24	-	12 423
Impairment	-	-	- 2	-	-	- 2
Exchange differences	2 108	176	96	4	-	2 384
Depreciation, cumulative 31.12.2020	-56 894	-20 698	-18 207	-713	-	-96 512
Additions	-7 974	-2 965	-1 519	-202	-	-12 660
Additions from acquisition of Château Lafaurie-Peyraguey	-928	-714	-	-	-	-1 642
Reclassification/transfers	378	20	-	-	-	398
Disposals	2 231	90	141	162	-	2 624
Impairment	-	-	-2	-	-	-2
Exchange differences	-2 384	-363	-420	-22	-	-3 189
Depreciation, cumulative 31.12.2021	-65 571	-24 630	-20 007	-775	-	-110 983
NET PROPERTY, PLANT AND EQUIPMENT 31.12.2021	50 881	20 561	3 912	607	4 332	80 293
Thereof carrying amount of RoU assets³	20 339	296	479	243	-	21 357
Net property, plant and equipment 31.12.2020	48 648	17 909	4 384	293	5 437	76 671

¹ The additions of EUR 12 969 thousand (2020: EUR 16 487) resulted in a cash outflow of EUR 6 643 thousand (2020: EUR 7 636 thousand).

² The developed software was implemented and the capitalized costs of EUR 2 303 transferred from plant under construction to immaterial assets.

³ Refer to Note 24 for further information on RoU assets

No items of plant and equipment serve as collateral for obligations. Certain property is pledged for a bank credit (Note 30).

18. OTHER NON-CURRENT ASSETS AND FINANCIAL ASSETS

Other non-current assets comprise a collection of perfume flacons, drawings, and other collectables. The pieces were produced by the Company's founder René Lalique or artists collaborating with the Group. In 2021, as in prior year, the Group did not acquire or sell any items.

Financial assets contain exclusively long-term rental deposits.

19. PENSION SCHEMES

IN EUR THOUSANDS	31.12.21	31.12.20
Defined benefit pension plans	5 228	5 148
Other long-term post-employment benefits	204	279
TOTAL DEFINED BENEFIT OBLIGATION	5 432	5 427

Defined benefit pension plans

There is a defined benefit pension plan in Switzerland. The plan is designed to ensure that current and future contributions are sufficient to cover future obligations. As defined in the fund regulations, the employer and the employees make matching annual contributions. Contributions are based on an age-related sliding scale which defines the relevant percentage of an employee's insured salary. In accordance with Swiss law, the pension fund guarantees its insured members vested benefits, which are confirmed each year. Upon retirement, insured members are entitled to draw their benefits as a single lump-sum payment, an annuity, or a combination of both. For the purpose of providing an occupational pension scheme, Lalique Group has joined a collective foundation in which the assets are invested on a joint basis with other scheme participants (with the same investment profile). As at 31 December 2021, 100% of the plan assets were invested in a collective insurance policy held with Futura Pension Foundation. Direct pension entitlements vis-à-vis the insurance company constitute 100% of the investment. The pension plan meets legal provisions stipulating the minimum benefits payable. There were no significant changes, curtailments or settlements related to the plan during the reporting period.

Other long-term post-employment benefits

In France, there are plans that fall into this category. These can be described as follows: one plan exists which, in accordance with the statutory requirements governing privately held companies, builds up capital which is then used to pay appropriate compensation to employees when they leave the company. The benefit payable is based on years of service, the reference salary, the collective wage agreement and the circumstances which led to the employee's resignation. Payment of pensions conforms to the national collective agreement for handmade glass manufacture.

Another plan or regulation exists which, under certain conditions, entitles specific pension recipients to claim a supplementary annuity corresponding to 50% of the beneficiary's last annual net salary (average salary over the last three years).

A breakdown of the Group's defined benefit obligation recognized in the consolidated balance sheet as at 31 December is as follows:

IN EUR THOUSANDS	DEFINED BENEFIT PENSION PLANS		OTHER LONG-TERM POST-EMPLOYMENT BENEFITS	
	31.12.21	31.12.20	31.12.21	31.12.20
Present value of defined benefit pension obligation	-14 129	-12 942	-204	-279
Fair value of the plan assets	8 901	7 794	-	-
(SHORTFALL)/SURPLUS	-5 228	-5 148	-204	-279

Annual expenditure on pension benefits recognized in wages and salaries breaks down as follows:

IN EUR THOUSANDS	DEFINED BENEFIT PENSION PLANS		OTHER LONG-TERM POST-EMPLOYMENT BENEFITS	
	2021	2020	2021	2020
Current service cost	-774	-302	-27	-18
Net interest cost of pension plans	-4	-5	-	-
TOTAL EMPLOYEE BENEFIT EXPENSES RECOGNIZED IN THE INCOME STATEMENT	-778	-307	-27	-18

Remeasurement of pension plans recognized directly breaks down as follows:

IN EUR THOUSANDS	DEFINED BENEFIT PENSION PLANS		OTHER LONG-TERM POST-EMPLOYMENT BENEFITS	
	2021	2020	2021	2020
Actuarial gain/(loss) from the pension obligation	41	-11	-	-96
Change in the plan assets (not incl. interest)	304	206	-	-
TOTAL REMEASUREMENTS RECOGNIZED IN OTHER COMPREHENSIVE INCOME	345	195	-	-96
Actuarial gain/(loss) from the pension obligation	-	-	104	-
TOTAL REMEASUREMENTS RECOGNIZED IN THE INCOME STATEMENT	-	-	104	-

The changes in the present value of the Group's pension obligations are as follows:

IN EUR THOUSANDS	DEFINED BENEFIT PENSION PLANS		OTHER LONG-TERM POST-EMPLOYMENT BENEFITS	
	2021	2020	2021	2020
Present value of defined benefit pension obligations on 1 January	-12 942	-13 550	-279	-191
Interest expenses	-15	-18	-	-
Current service cost	-774	-302	-27	-18
Employee contributions	-418	-450	-2	-3
Actuarial gains and losses arising from changes in financial assumptions	-534	-390	70	-79
Actuarial gains and losses arising from changes in demographic assumptions	575	379	34	-17
Benefits paid	493	1 851	-	29
Past service costs/cost reductions	-	-	-	-
Administration costs	4	-4	-	-
Currency effect	-518	-458	-	-
PRESENT VALUE OF DEFINED BENEFIT PENSION OBLIGATIONS ON 31 DECEMBER	-14 129	-12 942	-204	-279

Only the Swiss defined benefit pension plan contains plan assets. Changes in the fair value of the plan assets were as follows:

IN EUR THOUSANDS	DEFINED BENEFIT PENSION PLANS		OTHER LONG-TERM POST-EMPLOYMENT BENEFITS	
	2021	2020	2021	2020
Fair value of the plan assets on 1 January	7 792	8 461	-	-
Interest income from the plan assets	11	13	-	-
Change in the plan assets (not incl. interest)	304	206	-	-
Employer contributions	407	433	-	-
Employee contributions	407	433	-	-
Benefits paid	-413	-1 763	-	-
Currency effect	393	11	-	-
FAIR VALUE OF THE PLAN ASSETS ON 31 DECEMBER	8 901	7 794	-	-

Sensitivity of key actuarial assumptions Swiss plan

Actuarial assumptions are made in respect of the discount rate, future salary trends and life expectancy, and these can be summarized as follows:

	2021	2020
Bases used for calculation of Swiss plan		
Discount rate	0.32%	0.14%
Expected rate of salary increase	1.00%	1.00%
Life expectancies	BVG2020 GT	BVG2015 GT

The implications for the defined benefit obligation (DBO) are as follows:

- A 0.25% increase/decrease in the discount rate would result in a decrease of EUR 540 thousand (-4.6%)/increase of EUR 584 thousand (+5.0%) in defined benefit pension obligations.
- A 0.25% increase/decrease in the expected rate of salary increase would result in an increase of EUR 80 thousand (+0.7%)/decrease of EUR 78 thousand (-0.7%) in defined benefit pension obligations.
- An increase/decrease in life expectancies of one year would result in an increase of EUR 329 thousand (+2.8%)/decrease of EUR 327 thousand (-2.8%) in defined benefit pension obligations.

The average duration of a defined benefit pension obligation was 18.90 years at the end of the reporting period (2020: 20.45 years).

Forecasted contributions

The forecasted contributions of the company for the 2022 financial year amount to EUR 428 thousand.

Key actuarial assumptions French plan

Actuarial assumptions are made in respect of the discount rate, future salary trends and life expectancy, and these can be summarized as follows:

	2021	2020
Bases used for calculation of French plans		
Discount rate	0.80%	0.50%
Expected rate of salary increase	1.50%/4.26%	1.14%/3.39%
Life expectancies	TGH 05/TGF 05	TGH 05/TGF 05

20. OTHER CURRENT LIABILITIES

IN EUR THOUSANDS	31.12.21	31.12.20
Current financial liabilities	5 786	3 268
Current Covid-19 credits	15 426	-
Accrued salary expenses	4 189	2 902
Accruals for social institutions	695	835
Short-term leasing liabilities	5 298	5 144
Current minimal fees for licence rights	1 484	1 688
Government grants	324	447
Other current liabilities	6 276	5 913
TOTAL OTHER CURRENT LIABILITIES	39 478	20 197

Current minimal fees for licence rights are owed in respect of Jaguar Fragrances, Bentley Fragrances and Lalique Barberini Fragrances (Brioni brand licensee).

Governments issued guarantees to the banks for Covid-19 credits on condition that the company receiving the guarantee complied with certain restrictions (e.g. no dividend distribution). Due to the government guarantee, the Group's entities received certain Covid-19 credits below the market rate. The benefit of the government's guarantee for the below-market rate loans of EUR 447 thousand were presented as government grants in the prior year but were repaid at the beginning of 2022 and therefore stood at EUR 0 thousand by 31 December 2021. The amount of EUR 324 thousand published in 2021 represents government grants to Villa René Lalique SAS provided by the region of Elsass.

21. OTHER NON-CURRENT LIABILITIES

IN EUR THOUSANDS	31.12.21	31.12.20
Non-current minimal fees for licence rights	1 177	2 460
Other current liabilities	42	-
TOTAL OTHER CURRENT LIABILITIES	1 219	2 460

As at 31 December 2021, other non-current liabilities comprised minimal fees for licence rights owed in respect of Jaguar Fragrances, Bentley Fragrances and Lalique Barberini Fragrances (Brioni brand licensee).

22. PROVISIONS

IN EUR THOUSANDS	OTHER CURRENT PROVISIONS	OTHER LONG-TERM PROVISIONS	TOTAL PROVISIONS
As at 01.01.2020	-	159	159
Formation	2 526	422	2 948
Usage	-	-63	-63
Release	-	-	-
Currency effect	-	-1	- 1
As at 31.12.2020	2 526	517	3 043
Formation	799	1 097	1 896
Usage	-2 526	-178	-2 704
Release	-	-3	-3
Currency effect	21	4	25
As at 31.12.2021	820	1 437	2 257

In 2021, EUR 1 590 thousand provision for litigation were created. These provisions are expected to be used within three years. In 2020, the Paris Court of Cassation annulled a decision of the Court of Appeal from 2018, which led to a reassessment of the legal situation and the formation of a provision in the amount of EUR 2 400 thousand at Lalique SA. This provision was used in 2021.

23. NON-CURRENT FINANCIAL LIABILITIES

IN EUR THOUSANDS	31.12.21	31.12.20
Loans from NCI shareholders	4 822	3 776
Long-term leasing liabilities	13 043	12 043
Non-current Covid-19 credits	-	20 752
Other non-current financial liabilities	17 999	22 352
TOTAL OTHER NON-CURRENT FINANCIAL LIABILITIES	35 864	58 923

The "Other non-current financial liabilities" mainly contains loans associated with contractual agreements between subsidiaries and local financing institutions.

The loans from NCI shareholders bear a maximum interest rate of 2.5%.

Changes in financial liabilities from financing cash flows

IN EUR THOUSANDS	31.12.2020	CASH FLOWS	CURRENCY EXCHANGE MOVEMENTS	NEW LEASES	ACQUIRED THROUGH BUSINESS COMBINATIONS	OTHER	31.12.2021
Bank overdrafts	44 271	-18 632	1 213	-	-	-	26 852
Short-term leasing liabilities	5 144	-7 073	244	-	242	6 741	5 298
Short-term liabilities NCI shareholder	-	198	9	-	-	-	207
Other current financial liabilities	3 268	-1 803	219	-	1 661	17 660	21 005
Long-term leasing liabilities	12 043	-	470	8 321	1 602	-9 393	13 043
Non-current liabilities NCI shareholder	3 776	786	211	-	-	49	4 822
Other non-current financial liabilities	43 103	-5 769	21	-	-	-19 356	17 999
TOTAL LIABILITIES FROM FINANCING ACTIVITIES"	111 605	-32 293	2 387	8 321	3 505	-4 299	89 226

IN EUR THOUSANDS	31.12.19	CASH FLOWS	CURRENCY EXCHANGE MOVEMENTS	NEW LEASES	OTHER	31.12.20
Bank overdrafts	41 623	2 609	39	-	-	44 271
Short-term leasing liabilities	7 652	-7 956	-182	20	5 610	5 144
Short-term liabilities main shareholder	9 196	-9 345	149	-	-	-
Other current financial liabilities	3 296	-2 092	-	-	2 064	3 268
Long-term leasing liabilities	14 271	-	-439	6 176	-7 965	12 043
Non-current liabilities NCI shareholder	978	2 775	-6	-	29	3 776
Other non-current financial liabilities	21 697	23 834	-180	-	-2 248	43 103
TOTAL LIABILITIES FROM FINANCING ACTIVITIES	98 713	9 825	-619	6 196	-2 510	111 605

The "Other" column includes the effect of reclassifying of the non-current portion of interest-bearing loans and borrowings and leasing liabilities as "current" due to the passage of time as well as interest accrued and paid (classified as cash flow from operating activities on the cash flow statement).

24. LEASE

The Group entered into lease contracts as a lessee for various items of rental properties (retail stores, offices etc.), production machinery, vehicles and other equipment used in its operations. Leases of rental properties and production machinery generally have lease terms between less than 1 and 20 years, while motor vehicles and other equipment generally have lease terms between 1 and 6 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Group also has certain leases with a duration of 12 months or less and leases with low value (e.g. office equipment). The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Reconciliation of lease liabilities and reconciliation of right-of-use assets (RoU)

IN EUR THOUSANDS	2021	2020
Liabilities from leases as of 1 January	17 187	21 923
New leases	8 321	6 196
New leases from acquisition	1 844	-
Disposals of lease liabilities	-2 652	-2 355
Lease payments	-7 345	-8 362
Interest accruals	272	406
Exchange differences	714	-621
LIABILITIES FROM LEASES AS OF 31 DECEMBER	18 341	17 187

IN EUR THOUSANDS	LAND, BUILDINGS	EQUIPMENT, FURNISHINGS	MACHINERY + EQUIPMENT, IT, HARD- WARE, TOOLS	VEHICLES	TOTAL PROPERTY, PLANT AND EQUIPMENT
Right-of-use assets 01.01.2020	23 322	670	537	268	24 797
Additions to right-of-use assets	6 137	6	852	53	7 048
Depreciation charge for right-of-use assets	-7 107	-167	-524	-124	-7 922
Disposals of right-of-use assets	-1 832	-34	-	-4	-1 870
Exchange differences	-523	-10	-	-1	-534
RIGHT-OF-USE ASSETS 31.12.2020	19 997	465	865	192	21 519
Right-of-use assets 01.01.2021	19 997	465	865	192	21 519
Additions to right-of-use assets	5 812	4	-	202	6 018
Additions to right-of-use assets from acquisition	1 828	-	-	-	1 828
Depreciation charge for right-of-use assets	-5 963	-172	-386	-144	-6 665
Disposals of right-of-use assets	-1 953	-	-	-16	-1 969
Exchange differences	618	-1	-	9	626
RIGHT-OF-USE ASSETS 31.12.2021	20 339	296	479	243	21 357

Lease in the income statement

LEASES IN THE INCOME STATEMENT IN EUR THOUSANDS	2021	2020
Short-term lease expense ¹	-202	-253
Low-value lease expense ²	-155	-25
Variable lease payment expenses ³	-371	-483
Other operating expenses	-728	-761
Depreciation charge for RoU	-6 664	-7 922
Depreciation and impairment losses on RoU	-6 664	-7 922
Interest expense on lease liabilities	-272	-406
Financial expenses	-272	-406
LEASES IN THE INCOME STATEMENT	-7 664	-9 089
Total cash outflows for leases of	-7 345	-8 362

¹ Expenses relating to leases with a lease term of less than a year

² This expense does not include the expense relating to short-term leases of low-value assets

³ This expense is not included in the measurement of lease liabilities

25. DEFERRED TAXES

Deferred taxes balances as at 31 December are as follows:

IN EUR THOUSANDS	31.12.21	31.12.20
Deferred tax assets net	-3 906	-3 867
Deferred tax liabilities net	12 236	11 524
NET DEFERRED TAX LIABILITIES	8 330	7 657

Reconciliation of net deferred tax liabilities is as follows:

IN EUR THOUSANDS	2021	2020
Net deferred tax liabilities		
Opening balance 1.1	7 657	8 662
Formation (+)/release (-) recognized in income statement	383	-839
Formation (+)/release (-) recognized in other comprehensive income	67	23
Currency translation differences	223	-189
CLOSING BALANCE 31.12.	8 330	7 657

The deferred income tax is determined based on the local income tax rate. Deferred tax balance sheet positions relate to the following:

IN EUR THOUSANDS	31.12.21	31.12.20
Trade accounts receivable	205	198
Inventory	4 336	3 414
Financial assets	820	401
Fixed assets	2 943	3 218
Intangible assets	16 569	15 626
Other non-current assets	652	652
Other short-term Liabilities	35	-
Long-term financial liabilities	-	387
Deferred tax liabilities gross	25 560	23 896
Offsetting of assets and liabilities	-13 324	-12 372
Deferred tax liabilities net	12 236	11 524
Trade accounts receivable	-59	-28
Inventory	-650	-844
Fixed assets	-4	-4
Intangible assets	-4 980	-4 975
Other non-current Assets	-53	-
Other short-term liabilities	-959	-1 092
Other long-term liabilities	-	-438
Long-term provisions	-6	-15
Long-term financial liabilities	-99	-527
Pension liabilities	-1 157	-1 137
Deferred tax assets on losses carry forward	-9 263	-7 179
Deferred tax assets gross	-17 230	-16 239
Offsetting of assets and liabilities	13 324	12 372
Deferred tax assets net	-3 906	-3 867

The Group has not capitalized deferred taxes for losses carried forward in the amount of EUR 97 180 thousand (2020: EUR 43 457 thousand). These income tax deductible losses carried forward expire as follows:

IN EUR THOUSANDS	31.12.21	31.12.20
Expire next year	1 176	2 243
Expire in 2-4 years	2 941	3 307
Expire in 5-7 years ¹	48 375	2 998
Expire after 7 years	9 528	6 030
No expiry	35 160	28 879
TOTAL UNRECOGNIZED LOSSES CARRY-FORWARD	97 180	43 457

¹ In 2021 the impairments on Group loans at Lalique Group SA were considered as unrecognized losses carry-forward.

Temporary differences for which no deferred tax asset is recognized amount to EUR 23 096 thousand (2020: EUR 22 637 thousand). This is due to the fact that deferred tax assets are only recognized to the extent of recognized deferred tax liabilities. Additional deferred tax assets are recognized if it is probable that sufficient taxable profit will be available against which those deductible temporary differences or unused tax losses can be utilized.

In 2021, no net deferred tax assets from entities that suffered a loss in either the current or preceding period were recognized (2020: EUR 110 thousand). The recognition is supported by the past result development and a promising business plan for the entities concerned.

There are temporary differences of EUR 673 thousand associated with investments in the Group's subsidiaries, for which no deferred tax liability has been recognized in 2021 (2020: EUR 501 thousand).

26. EQUITY

Share capital

As at 31 December 2021 the share capital amounts to EUR 1 204 thousand (CHF 1 440 thousand) (2020: EUR 1 204 thousand (CHF 1 440 thousand)), consisting of 7,200,000 registered shares (2020: 7,200,000) with a nominal value of EUR 0.19 (CHF 0.20) each (2020: EUR 0.17 (CHF 0.20)).

In addition, there is conditional share capital of EUR 48 thousand (CHF 50 thousand) (2020: EUR 46 thousand (CHF 50 thousand)) for a potential employee incentive plan.

ORDINARY SHARES ISSUED AND FULLY PAID	THOUSANDS	EUR THOUSANDS
At 1 January 2020	7 200	1 204
issued in 2020	-	-
At 31 December 2020 and 1 January 2021	7 200	1 204
issued in 2021	-	-
At 31 December 2021	7 200	1 204

TREASURY SHARES	THOUSANDS	EUR THOUSANDS
At 1 January 2020	15	551
purchase of treasury shares	-	-
At 31 December 2020 and 1 January 2021	15	551
purchase of treasury shares	10	357
At 31 December 2021	25	908

All registered shares issued are fully paid up and bear equal rights in all regards.

Capital reserves

The capital reserves relate to capital increases in 2007, 2017, 2018 and 2019. In 2021 and in the prior year, there was no capital contribution from shareholders and therefore none was allocated to capital reserves or share capital.

Retained earnings and other reserves

These reserves include retained earnings and currency translation differences. There are non-distributable reserves in various Group companies.

27. CONSOLIDATED GROUP AND CHANGES

The scope of consolidation of Laliq Group as at 31 December 2021 changed compared with 31 December 2020 through

- the foundation of Laliq Tamer Beauty Holding Limited and Laliq Tamer Beauty Trading LLC
- the acquisition of the Château Lafaurie Peyraguey Hotel&Restaurant SAS

Business combinations

VALUE RECOGNIZED ON ACQUISITION	IN EUR THOUSANDS
Cash and cash equivalents	278
Inventories	1 615
Other current assets	310
Equipment, furnishings	3 071
Therof leasing equipment, furnishings	54
Depreciation cumulative	-714
Therof leasing depreciation cumulative	-23
Land, buildings	4 562
Therof leasing land, buildings	2 396
Depreciation cumulative	-928
Therof leasing depreciation cumulative	-599
Other fixed and intangible assets	310
Total assets	8 504
Other current liabilities	-603
Long-term loan	-3 505
Therof long-term leasing liabilities	-1 844
Total liabilities	-4 108
TOTAL IDENTIFIABLE NET ASSETS AT FAIR VALUE	4 396
PURCHASE CONSIDERATION TRANSFERRED	4 396
Cash flow on acquisition	
Net cash acquired with the subsidiary	278
Cash paid for share acquisition	-4 396
NET CASH FLOW FOR SHARE ACQUISITION	-4 118

Laliq SA acquired 100% of the share capital as well as the voting rights of Château Lafaurie Peyraguey Hotel&Restaurant as of 1 July 2021 from a company controlled by the majority shareholder of Laliq Group. Therefore this transaction qualifies as a transaction with related parties (see also Note 28). The cash consideration for the acquisition of 100% shares was EUR 4.4 million and the net assets acquired were EUR 4.4 million. The book values as stated above are based on IFRS accounting standards. The pooling of interest (POI) method was applied, i.e. the difference between the acquisition price and the net assets acquired would be written off against equity. The POI method has been applied as the acquisition was a common control transaction. As the transaction did not lead to a difference, no transaction in equity was necessary.

Transaction costs attributable to the business combination of EUR 29 thousand have been expensed and included in "Other operating expenses".

The business of Château Lafaurie-Peyraguey Hotel&Restaurant SAS was allocated to the “Lalique” segment. The business of Château Lafaurie-Peyraguey Hotel&Restaurant SAS has added a loss of EUR 346 thousand and has recorded a loss of EUR 329 thousand since the acquisition date.

Lalique Group comprised the following companies at 31 December 2021:

COMPANY, HEADQUARTERS, COUNTRY	CURRENCY (THOUSANDS)	SHARE CAPITAL		PARTICIPATING INTEREST	
		2021	2020	2021	2020
Lalique Group SA, Zurich, Switzerland	CHF	1 440	1 440	Holding	Holding
Lalique Beauty SA, Zurich, Switzerland	CHF	1 000	1 000	100%	100%
LLQ Management SA, Zurich, Switzerland	CHF	500	500	100%	100%
Lalique Parfums SA, Zurich, Switzerland	CHF	1 000	1 000	100%	100%
Parfums Grès SA, Zurich, Switzerland	CHF	250	250	100%	100%
Parfums Samouraï SA, Zurich, Switzerland	CHF	250	250	100%	100%
Parfums Alain Delon SA, Zurich, Switzerland ¹	CHF	100	100	100%	100%
Jaguar Fragrances AG, Zurich, Switzerland	CHF	250	250	100%	100%
Bentley Fragrances AG, Zurich, Switzerland	CHF	250	250	100%	100%
Lalique Barberini Fragrances SA, Zurich, Switzerland	CHF	100	100	100%	100%
Lalique Beauty Distribution SASU, Ury, France	EUR	252	252	100%	100%
Ultrasun AG, Zurich, Switzerland	CHF	250	250	100%	100%
Ultrasun (UK) Limited, Reigate, UK	GBP	10	10	100%	100%
Lalique Beauty Services SASU, Ury, France	EUR	500	500	100%	100%
Lalique Tamer Beauty Holding Ltd, Abu Dhabi, UAE	AED	294	-	50%	0%
Lalique Tamer Beauty Trading LLC, Dubai, UAE	AED	300	-	50%	0%
Art & Fragrance SA, Zurich, Switzerland	CHF	100	100	100%	100%
SCI du Mont à Grillon, Ury, France	EUR	1	1	100%	100%
Lalique Maison SA, Zurich, Switzerland ¹	CHF	100	100	100%	100%
Lalique Art SA, Zurich, Switzerland ¹	CHF	100	100	100%	100%
Lalique Suisse SA, Zurich, Switzerland	CHF	100	100	100%	100%
Lalique SA, Paris, France	EUR	34 400	34 400	95%	95%
Lalique North America, Inc., East Rutherford, NJ, USA	USD	2 300	2 300	95%	95%
Lalique Limited, London, UK	GBP	2 050	2 050	95%	95%
Lalique Asia Limited, Hong Kong, China	HKD	29 000	29 000	95%	95%
Lalique (China) Limited, Hong Kong, China	HKD	16 000	16 000	95%	95%
Lalique (Shanghai) Limited, Shanghai, China	CNY	12 780	12 780	95%	95%
Lalique Beijing Trading Company Limited, Beijing, China	CNY	5 146	4 310	95%	95%
Lalique Crystal Singapore PTE Ltd, Singapore	SGD	300	300	95%	95%
Lalique GmbH, Frankfurt, Germany	EUR	870	870	95%	95%
Villa René Lalique SAS, Wingen-sur-Moder, France	EUR	1 814	1 814	95%	95%
Château Hochberg SAS, Wingen-sur-Moder, France	EUR	10	10	95%	95%
Lalique Japan Co. Ltd, Tokyo, Japan	JPY	160 000	160 000	90%	90%
Château Lafaurie Peyraguey Hotel & Restaurant SAS, Bommès, France	EUR	4 635	-	95%	0%
Glenturret Holding SA, Zurich, Switzerland	CHF	4 800	4 800	50%	50%
Glenturret Limited, Edinburgh, Scotland	GBP	-	-	50%	50%

¹ of which paid-in share capital: CHF 50 000 each

Information on subsidiaries which have non-controlling interests that are material to Lalique Group is provided below:

IN % OR EUR THOUSANDS	LALIQUE SA ¹ 2021	LALIQUE TAMER BEAUTY HOLDING LTD ² 2021	GLENTURRET HOLDING SA ³ 2021	LALIQUE SA ¹ 2020	GLENTURRET HOLDING AG 2020
Structural type of subsidiary	consolidated subgroup	consolidated subgroup	consolidated subgroup	consolidated subgroup	consolidated subgroup
Principal place of business of the subsidiary	Paris, France	Abu Dhabi, UAE	Edinburgh, Scotland	Paris, France	Edinburgh, Scotland
Proportion of ownership interests and voting rights held by non-controlling interests	5%	50%	50%	5%	50%
Net Group profit attributable to non-controlling interests	-94	68	-1 341	-933	-1 469
Accumulated balances of non-controlling interest	1 226	107	18 242	76	18 119
Summarized statement of financial position					
Current assets	52 461	974	17 697	52 817	27 467
Non-current assets	98 481	82	37 582	93 423	31 751
Current liabilities	47 151	360	3 272	37 780	12 176
Non-current liabilities	71 539	482	15 524	100 400	10 804
Equity	32 252	214	36 483	8 060	36 238
Summarized statement of profit or loss					
Revenue and other operating income	62 717	957	4 929	53 692	1 329
Net profit or loss	-287	137	-2 682	-16 091	-2 938
Total comprehensive income	-4 121	144	-1 303	-16 312	-5 221

¹ The Group holds a 95% interest in Lalique SA. Lalique SA holds a 95% interest in Lalique Japan (2020: 95%) and a 100% interest in a number of other subsidiaries, resulting in 90% and 95% interests held by the Group, respectively. The amounts presented in column "Lalique SA" are for the entire subgroup, rather than the individual entity within the subgroup.

² The Group holds 50% interest in Lalique Tamer Beauty Holding Ltd. Lalique Tamer Beauty Holding Ltd holds 100% interest in Lalique Tamer Beauty Trading LLC. The amounts presented within column "Lalique Tamer Beauty Holding Ltd" are for the entire subgroup, rather than the individual entity within the subgroup.

³ The Group holds 50% interest in Glenturret Holding SA. Glenturret Holding SA holds 100% interest in Glenturret Ltd. The amounts presented within column "Glenturret Holding SA" are for the entire subgroup, rather than the individual entity within the subgroup.

The amounts presented as summarized in the financial information above are before intercompany elimination with other entities of Lalique Group (transactions and balances within the consolidated subgroup Lalique SA have been eliminated).

28. TRANSACTIONS WITH RELATED PARTIES**Members of the Board of Directors, members of the Executive Board**

IN EUR THOUSANDS	2021	2020
Total emoluments and salaries (incl. bonuses and interest) paid to members of the Board of Directors and Executive Board	2 708	2 663
Total pension fund contributions paid to members of the Board of Directors and Executive Board	407	254

The compensation elements indicated relate to the last financial year.

Affiliates and shareholders

IN EUR THOUSANDS	31.12.21	31.12.20	TYPE OF TRANSACTION
Liabilities:			
Affiliates under common control	-	6	Château Lafaurie-Peyraguey, wine and hospitality services
	-	7	Château Faugères, purchase of racking for warehouse
	-6	1	Denz Weine, purchase of wine
	1	11	Vignobles Silvio Denz, purchase of wine
Principal shareholder	-	10	Expenses Silvio Denz
NCI shareholders	5 029	4 822	Loan form NCI shareholders
Members of the Board of Directors of Lalique Group SA	-	19	Mont-Blanc resourcing, consulting and expenses
	-	12	Sanjeev Malhan, remuneration board mandate
	-	18	Adbodmer AG, remuneration board mandate
Receivables:			
Affiliates under common control	-	6	Château Lafaurie-Peyraguey, purchase of Lalique products
	-	6	Château Lafaurie-Peyraguey, reimbursements
	32	-	Château Peby Faugères, purchase of Lalique products
	-1	-	Château Faugères, purchase of wine
	16	2	Vignobles Silvio Denz, purchase of Lalique products
Proceeds from:			
Affiliates under common control	-	5	Château Lafaurie-Peyraguey, sale of Lalique products
	-	7	Château Lafaurie-Peyraguey, reimbursements
	52	-	Château Peby Faugères, sale of Lalique products
	14	2	Vignobles Silvio Denz, sale of Lalique products
	1	-	Denz Weine, products and services
	11	11	Art & Terroir SA, reimbursements
Principal shareholder	109	38	Reimbursement private expenses
	4	2	Proceeds from sale of Lalique products

IN EUR THOUSANDS	2021	2020	TYPE OF TRANSACTION
Expenditure of:			
Affiliates under common control	36	61	Château Lafaurie-Peyraguey, purchase of wine and hospitality services
	-	3	Château Rocheyron, purchase of wine
	-	7	Château Faugères, purchase of racking for warehouse
	8	50	Vignobles Silvio Denz, purchase of wine
	34	26	Denz Weine, purchase of wine
	-	99	Wermuth Auktionen, purchase of wine
Principal shareholder	57	75	Silvio Denz, expenses
NCI shareholders	49	28	Interests on loan
Members of the Board of Directors of Lalique Group SA	54	78	Mont-Blanc resourcing, consulting and expenses
	433	399	Ermitage Estate Limited, rent
	18	18	Adbodmer AG, remuneration board mandate
	18	12	Sanjeev Malhan, remuneration board mandate
	2	93	Claudio Denz, purchase Maison Noir SA (renamed to Art & Fragrances SA) and reimbursements
Acquisition from:			
Affiliates under common control	4 396	-	Château Lafaurie-Peyraguey, acquisition of Château Lafaurie-Peyrague Hotel & Restaurant SAS

Transactions with related parties are settled on an arm's-length basis.

29. CONTINGENT LIABILITIES

As at 31 December 2021, there were no unrecognized contingent liabilities (2020: EUR 0).

30. ASSETS PLEDGED OR ASSIGNED TO SECURE OWN COMMITMENTS

Villa René Lalique SAS has pledged the property of Villa René Lalique in Wingen-sur-Moder, France for a bank credit of EUR 10 million. This bank credit has replaced a former credit line in 2019. The pledged value amounts to the property assets valued EUR 10 million. There are no other assets pledged or assigned to secure the Groups' own commitments.

31. SUBSEQUENT EVENTS

Lalique Group has evaluated events from 31 December 2021 up to the date the financial statements were issued. There were no subsequent events that require disclosure



Deloitte AG
Pfingstweidstrasse 11
8005 Zürich
Schweiz

Phone: +41 (0)58 279 6000
Fax: +41 (0)58 279 6600
www.deloitte.ch

Statutory Auditor's Report

To the General Meeting of
LALIQUE GROUP SA, ZÜRICH

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Lalique Group SA and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2021 and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion the consolidated financial statements (pages 5 to 50) give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISAs) and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, as well as the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Lalique Group SA
Statutory Auditor's Report
for the year ended
31 December 2021

Recoverability of intangible assets with indefinite useful life

Key audit matter

Intangible assets (including goodwill) amounted to EUR 88.1 Mio. as of 31 December 2021 (prior year EUR 84.8 Mio. and represent 26.5% of total assets. Thereof, EUR 11.8 Mio. (prior year EUR 10.9 Mio.) represent Goodwill and EUR 69.1 Mio. (prior year EUR 67.1 Mio.) represent intangible assets with an indefinite life. Other intangible assets amounting to EUR 7.2 Mio. (prior year EUR 6.8 Mio.) have definite lives and are amortised over their useful lives.

Recoverability of goodwill and of intangible assets with an indefinite life is tested for impairment on an annual basis under IAS 36 "Impairment of assets" (IAS 36). Thereby, the recoverable amount determined by management is compared with the carrying amount to assess the need for impairment. Should the carrying amount exceed the recoverable amount, an impairment would be required. In 2021 no impairment was recorded.

In the absence of plans to dispose of an intangible asset, management has determined the recoverable amount of intangible assets and goodwill using a discounted cash flow method (DCF).

The application of the DCF method requires a number of management estimates. Significant management estimates comprise, among other things, the forecast of future revenues, growth rates as well as the determination of an appropriate discount rate.

Due to the magnitude of the balance as per 31 December 2021, as well as the susceptibility of management estimates to bias and estimation uncertainty, we consider the recoverability of goodwill and intangible assets with an indefinite life as a key audit matter.

In this regard, please also refer to the accounting and valuation principles (Note 2) and Note 16 (Intangible assets) in the consolidated financial statements.

How the scope of our audit responded to the key audit matter

To audit management's assessment of the recoverability of goodwill and intangible assets with an indefinite life, we have involved valuation specialists and performed the following procedures:

- We obtained a comprehensive understanding of the impairment tests performed by the client and assessed them for irregularities and appropriateness.
- We gained an understanding of the controls in place to ensure proper valuation of intangible assets.
- With the assistance of valuation specialists, we critically challenged base assumptions and estimates such as discount and growth rates, by performing independent recalculations and reviewing the report of the management experts.
- Based on publicly available information, as well as on information obtained from management, we have developed our own expectations for the key input factors of the impairment tests, which we have compared to the client's analysis.
- We assessed the accuracy of prior period management estimates of future cash flows by comparing these to actual results achieved during the current year.
- We assessed the appropriateness of management's disclosures in Note 16 of the consolidated financial statements in accordance with IAS 36 requirements.

Our audit procedures did not lead to any reservation concerning the valuation of intangible assets with indefinite useful life and goodwill.



Lalique Group SA
Statutory Auditor's Report
for the year ended
31 December 2021

Other Information in the Annual Report

The Board of Directors is responsible for the other information in the annual report. The other information comprises all information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of the Company, the remuneration report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information in the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information in the annual report and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of the Board of Directors for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISAs and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the website of EXPERTsuisse: <http://expertsuisse.ch/en/audit-report-for-public-companies>. This description forms part of our auditor's report.



Lalique Group SA
Statutory Auditor's Report
for the year ended
31 December 2021

Report on Other Legal and Regulatory Requirements

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Deloitte AG

Chris Krämer
Licensed Audit Expert
Auditor in Charge

Sarah Sutter
Licensed Audit Expert

Zurich, 19 April 2022
CKR/SSU/vpf

Lalique Group Remuneration Report

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Compensation governance

Lalique Group strives to attract and retain qualified and motivated managers and skilled personnel. This aspiration is underpinned by a fair remuneration system. In the interests of the sustainable development of the company this system takes short-, medium- and long-term targets into account.

The present Remuneration Report offers an overview of the remuneration policy for the Board of Directors and the Executive Board, as well as of the equity participation of the members of those bodies in the company. This information complies with Articles 663bbis and 663c of the Swiss Code of Obligations, the Ordinance against Excessive Compensation in Listed Corporations (VegüV/ORAb) and the company's Articles of Incorporation. The currently applicable articles were approved at the General Meeting of Shareholders on 24 May 2019.

Remuneration rates for the members of the Board of Directors and the Executive Board were put to shareholders for approval for the first time at the General Meeting of Shareholders on 26 June 2015. Neither amendments to the contracts of the Executive Board members nor any new agreements with members of the Board of Directors relating to the new legal and statutory requirements were necessary.

This report is based on the guiding principles given in the Swiss Code of Best Practice for Corporate Governance (2016). The information on compensation paid to the Board of Directors and the Executive Board is also in accordance with IFRS Accounting Standards, Swiss law, the Ordinance Against Excessive Compensation in Public Corporations (OAEC), the SIX Directive Corporate Governance (DCG), and the Company's Articles of Incorporation

Remuneration Committee

The Remuneration Committee consists of at least two members of the Board of Directors. All members of the Remuneration Committee are individually elected by the shareholders' meeting for a term of one year. Re-election is permitted. The chairperson of the Remuneration Committee is appointed by the Board of Directors. At the General Meeting of Shareholders of 28 May 2021, shareholders confirmed the members of the Remuneration Committee. The elected members for a period of one year are Silvio Denz and Roland Weber.

The Remuneration Committee is responsible for regularly checking and evaluating the company's remuneration system. In addition, 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.

General duties and powers of the Annual General Meeting

The Annual General Meeting of the Company votes each year separately on the proposals by the Board of Directors regarding the maximum aggregate amount of the compensation of the Board of Directors and the Executive Board for the term of office until the next annual shareholders' meeting.

Compensation awarded to the Board of Directors

Composition of directors' remuneration

The Board of Directors consists of seven members. All existing members of the Board of Directors were re-elected for another term at the General Meeting of Shareholders on 28 May 2021. Further information on the Board of Directors, its powers, the delegation of its duties and responsibilities, its spheres of influence, and its composition can be found in the Corporate Governance Report 2021.

The members of the Board of Directors receive a fixed remuneration for their work as members of the Board of Directors. The Remuneration Committee can provide for them to receive an optional variable rate of remuneration. Where a variable remuneration rate is implemented, it is based on qualitative and quantitative targets. The variable remuneration rate may not exceed 200% of the fixed compensation. Bonuses can be paid to members of committees or those who assume particular roles or tasks.

With regard to activities in companies directly or indirectly controlled by Lalique Group and activities performed in the exercise of the role of member of the Board of Directors, the company concerned may remunerate directors as long as his remuneration is covered by the amount approved by the General Meeting of Shareholders.

The fixed remuneration can be paid in part in shares, and the variable remuneration in part or in full in shares. Members of the Board of Directors are entitled to compensation for personal expenditure and expenses. The reimbursement of expenditure and repayment of expenses is not considered as remuneration. In addition, where the law permits, the company can compensate directors for financial disadvantages relating to legal proceedings, court cases or settlement deals, and advance corresponding amounts and contract insurance coverage. Any such indemnification, advances and insurances are not considered as compensation.

Approval of directors' remuneration

The General Meeting of Shareholders approves the maximum amount of fixed remuneration for the Board of Directors for the period up to the next General Meeting of Shareholders.

The General Meeting of Shareholders approves the total amount of variable remuneration of the Board of Directors for the previous financial year

Actual compensation of the Board of Directors for 2021

The directors were entitled to a fixed compensation of CHF 25 000 for their service on the Board of Directors but voluntarily waived 20% of this amount in the context of the Covid-19 situation. Silvio Denz (Executive Chairman of the Board of Directors), Roger von der Weid (Delegate of the Board of Directors & CEO), as well as Claudio Denz (Member of the Board of Directors & Head of Digital) each received additional fixed remuneration for their operational responsibilities.

Total actual remuneration for members of the Board of Directors for the 2021 and 2020 financial years was as follows:

IN CHF THOUSANDS		GROSS COM- PENSATION	POST EMPLOY- MENT BENEFITS	OTHER SOCIAL COSTS	TOTAL COM- PENSATION
2021					
Denz, Silvio	Executive Chairman of the Board of Directors	283	17	17	317
Weber, Roland	Vice-Chairman of the Board of Directors	20	-	1	21
von der Weid, Roger	Delegate of the Board of Directors & CEO	482	43	31	556
Denz, Claudio	Member of the Board of Directors & HD	214	9	14	238
Kollros, Jan	Member of the Board of Directors	20	-	-	20
Roesti, Marc	Member of the Board of Directors	20	-	0	20
Sanjeev, Malhan	Member of the Board of Directors (as of 8.5.20)	20	-	-	20
Total Board of Directors		1 059	69	64	1 192
2020					
Denz, Silvio	Executive Chairman of the Board of Directors	263	21	17	301
Weber, Roland	Vice-Chairman of the Board of Directors	20	-	1	21
von der Weid, Roger	Delegate of the Board of Directors & CEO	481	40	31	552
Denz, Claudio	Member of the Board of Directors & HD	206	9	14	229
Kollros, Jan	Member of the Board of Directors	20	-	-	20
Roesti, Marc	Member of the Board of Directors	20	-	-	20
Malhan, Sanjeev	Member of the Board of Directors (as of 8.5.20)	13	-	-	13
Total Board of Directors		1 023	70	63	1 156

There were no variable components paid to any members of the Board of Directors in 2021 (2020: (Roger von der Weid CHF Thousands 35, Claudio Denz CHF Thousands 7). No remuneration was paid to former members of the Board of Directors.

Compensation awarded to the Executive Board

Composition of remuneration for the Executive Board

The members of the Executive Board receive a fixed annual remuneration sum and a variable remuneration for their work. The variable remuneration rate is based on qualitative and quantitative targets. Evaluating the extent to which these targets are achieved is the responsibility of the Board of Directors. The variable remuneration rate may not exceed 100% of the fixed compensation.

Bonuses can be paid to members of committees or those who assume particular roles or tasks.

With regard to activities in companies directly or indirectly controlled by Laliq Group and activities performed in the exercise of the role of member of the Executive Board, the company concerned may remunerate Executive Board members as long as this remuneration is covered by the amount approved by the General Meeting of Shareholders.

The variable remuneration can be paid in part or in full in shares.

Members of the Executive Board are entitled to compensation for personal expenditure and expenses. The reimbursement of expenditure and the repayment of expenses is not considered as remuneration. In addition, where the law permits, the company can compensate Executive Board members for financial disadvantages relating to legal proceedings, court cases or settlement deals, and advance sums accordingly and contract insurance coverage. Any such indemnifications, advances and insurances are not considered as compensation.

Approval of remuneration for the Executive Board

The General Meeting of Shareholders approves the maximum amount of fixed remuneration of the Executive Board for the period up to the next General Meeting of Shareholders.

The General Meeting of Shareholders approves the total amount of the variable remuneration for the Executive Board for the previous financial year.

Where new Executive Board members are appointed subsequent to approval being given by the General Meeting of Shareholders, the supplementary pro rata sum per new member is 150% of the highest fixed remuneration paid to an Executive Board member in the financial year preceding the last General Meeting of Shareholders. Approval by the shareholders for the supplementary remuneration is not required.

Actual compensation of the Executive Board for 2021

The members of the Executive Board voluntarily waived a part of their fixed remuneration and the full bonus in the context of the Covid-19 crisis.

Total actual remuneration for members of the Executive Board for the financial years 2021 and 2020 was as follows:

IN CHF THOUSANDS	GROSS COMPENSATION	POST EMPLOY- MENT BENEFITS	OTHER SOCIAL COSTS	TOTAL COMPENSATION
2021				
Members of the Executive Board ¹	1 869	374	210	2 453
Total Executive Board	1 869	374	210	2 453
2020				
Members of the Executive Board ¹	1 827	202	349	2 378
Total Executive Board	1 827	202	349	2 378

¹ Amounts do not include remuneration to members of the Executive Board who are also serving as members of the Board of Directors.

There were no variable components paid to any of members of the Executive Board in 2021 (CHF 179 Thousand in 2020). The Group CEO, Roger von der Weid, received the highest total compensation in 2021 (see table "Actual compensation of the Board of Directors for 2021").

No remuneration was paid to former members of the Executive Board.

Shares held by members of management bodies

As at 31 December 2021, the members of the Board of Directors and the Executive Board held the following number of shares:

NAME	FUNCTION	31.12.21	31.12.20
Denz, Silvio	Executive Chairman of the Board of Directors	4 202 700	4 202 700
Weber, Roland	Vice-chairman of the Board of Directors	10 000	8 000
von der Weid, Roger	Delegate of the Board of Directors & CEO	3 600	3 600
Denz, Claudio	Member of the Board of Directors & HD	214 560	214 560
Kollros, Jan	Member of the Board of Directors	-	-
Roesti, Marc	Member of the Board of Directors	2 100	2 100
Rubinstein, Alexis	Group CFO	120	120
Müller, Michael	CFO, Lalique Beauty	120	120
Rios Lopes, David	COO, Perfumes	600	600
Abels, Rosemarie	Head Procurement & Production, Perfumes	120	120
Joly, Marie-Laure	Head of Marketing, Perfumes	700	700
Leutenegger, Thomas	Head of Sales, Perfumes	150	150
Irniger, Benedikt	Head of Ultrasun	-	-
Mandry, Denis	General Manager of Factory, Crystal	-	-
Larminaux, Marc	Head of Design, Crystal	-	-
de Jaham, Jean Baptiste	Head of Sales, Crystal	-	-
Ashworth, Alexia	Head of Marketing, Crystal (until 31.7.2021)	-	-
Fabien, Benedicte	Head of Marketing, Crystal (as of 8.11.2021)	-	-
Total		4 434 770	4 432 770
Total Lalique Group shares		7 200 000	7 200 000

The shares listed above, held by members of the Board of Directors and Executive Board, are not subject to any vesting periods. The option of purchasing blocked shares in the company at market value (including a discount which recognizes the lock-up period and its duration) may be accorded to members of either body. Otherwise, the members of the Board of Directors and Executive Board are not granted any special rights concerning the purchase of shares.

Loans and credit

Lalique Group may grant loans or credit to members of the Board of Directors or Executive Board in exceptional cases. The total sum of such loans and credits may not exceed CHF 1 million per member. No such loans or credits existed in the 2021 financial year, either towards present (or former) members of the Board of Directors or of the Executive Board, or towards persons closely connected with these members.



Deloitte AG
Pfingstweidstrasse 11
8005 Zürich
Schweiz

Phone: +41 (0)58 279 6000
Fax: +41 (0)58 279 6600
www.deloitte.ch

Report of the statutory auditor

To the General Meeting of
Lalique Group SA, Zurich

We have audited the remuneration report dated 11 April 2022 of Lalique Group SA for the year ended 31 December 2021. Our audit is limited to the information provided in the tables on page 59 and 60 in accordance with the articles 14 to 16 of the Ordinance against Excessive compensation in Stock Exchange Listed Companies (Ordinance) and to the information regarding compensation for former members of governing and executive bodies or parties related to them and regarding loans and advances on page 62.

Responsibility of the Board of Directors

The Board of Directors is responsible for the preparation and overall fair presentation of the remuneration report in accordance with Swiss law and the Ordinance against Excessive compensation in Stock Exchange Listed Companies (Ordinance). The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's Responsibility

Our responsibility is to express an opinion on the accompanying remuneration report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report complies with Swiss law and articles 14 – 16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the remuneration report with regard to compensation, loans and credits in accordance with articles 14 – 16 of the Ordinance. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements in the remuneration report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of remuneration, as well as assessing the overall presentation of the remuneration report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Lalique Group SA
Report of the statutory auditor in relation to the
remuneration report as of 31 December 2021

Opinion

In our opinion, the remuneration report for the year ended 31. December 2021 of Lalique Group SA complies with Swiss law and articles 14 – 16 of the Ordinance.

Deloitte AG

Chris Krämer
Licensed audit expert
Auditor in Charge

Sarah Sutter
Licensed audit expert

Zurich, 19 April 2022

Lalique Group SA Financial Statements

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as of 31 December 2020
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financial statements

Income statement

IN CHF THOUSANDS	2021	2020
Personnel expenses	-362	-295
Other operating expenses	-620	-684
Depreciation on property, plant and equipment	-21	-20
Earnings before interest and taxes	-1 003	-999
Total financial income	11 511	4 148
Total financial expenses	-4 335	-1 838
Extraordinary expenses	-2 073	-54 809
Extraordinary income	-	41
Profit/loss for the year before taxes	4 100	-53 457
Direct taxes	-	-23
PROFIT/LOSS FOR THE YEAR	4 100	-53 480

Balance Sheet

IN CHF THOUSANDS	31.12.21	31.12.20
Current assets		
Cash and cash equivalents	-	7 927
Other short-term receivables from third party	168	238
Other short-term receivables from related party	8 328	288
Total current assets	8 496	8 453
Non-current assets		
Investments	126 600	126 600
Loans to group companies	63 455	65 835
Total non-current assets	190 055	192 435
TOTAL ASSETS	198 551	200 888
Current liabilities		
Interest-bearing short-term bank liabilities	27 124	35 064
Trade account payables	191	278
Other current liabilities due to third party	98	197
Total current liabilities	27 413	35 539
Non-current liabilities		
Non-current liabilities due to group companies	2 559	484
Total non-current liabilities	2 559	484
Total liabilities	29 972	36 023
Equity		
Share capital	1 440	1 440
Legal capital reserves	107 632	107 632
Capital contribution reserves	87 810	87 810
Other legal capital reserves	19 822	19 822
Legal retained earnings	1 255	1 255
Voluntary retained earnings	59 251	55 151
Earnings brought forward	55 151	108 631
Profit/loss for the year	4 100	-53 480
Treasury shares	-999	-613
Total equity	168 579	164 865
TOTAL LIABILITIES AND EQUITY	198 551	200 888

Notes to the financial statements

Applied valuation principles in the financial statements

These financial statements have been prepared in accordance with the provisions on commercial accounting laid down in articles 957–963b Swiss Code of Obligations (CO) (effective 1 January 2013).

Treasury shares

Treasury shares are valued at acquisition cost at the date of recognition and recorded as a negative value of the equity. In case of sales, a gain or loss will be recorded in financial income or expenses.

Interest-bearing long-term loans

Interest-bearing long-term loans are valued at nominal value.

Waiver of disclosing additional information for interest-bearing liabilities and cash flow statement

Lalique Group SA prepares its consolidated financial statements in accordance with IFRS and therefore is exempted from the presentation of cash flow statements, management report and additional disclosures.

INFORMATION ABOUT BALANCE SHEET AND INCOME STATEMENT ITEMS

Extraordinary expenses

The extraordinary expenses are mainly related to impairments on intercompany loans. Lalique Group SA came to the conclusion that the carrying amount of the intercompany loans may not be recoverable as at 31 December 2021. In 2021, the Group recognized a total impairment charge on loans to group companies of CHF 2 073 thousand (2020: CHF 54 809 thousand).

Full-time positions

The number of full-time positions, on annual average, did not exceed ten in 2021 nor in the previous year.

Significant shareholders

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 2021:

SIGNIFICANT SHAREHOLDERS	NUMBER OF SHARES 31 DECEMBER 2021		NUMBER OF SHARES 31 DECEMBER 2020	
		%		%
Silvio Denz	4202 700	58.37%	4202 700	58.37%
Dharampal Satyapal Limited	884 000	12.28%	884 000	12.28%
Hansjörg Wyss	453 918	6.30%	453 918	6.30%
MAG Seven Ltd on behalf of Ayman, Faisal, Mohammed and Maanoun Tamer	240 000	3.33%	240 000	3.33%
Total Lalique Group shares	7200 000	100.00%	7200 000	100.00%

IN CHF THOUSANDS	31.12.21	31.12.20
Contingent liabilities		
As at 31 December 2021, there were unrecognized contingent liabilities (joint guarantees) of EUR 7,401 million (31.12.2020: EUR 8,157 million) arising from short- and long-term loans and guaranteed rental income in connection with Lalique SA and Villa René Lalique SAS.	7 670	8 846
Guarantees		
Joint and several liability for VAT debt resulting from the consolidated accounting of VAT (group taxation)	667	918
Directly held investments		
Lalique Beauty SA (former Art & Fragrance SA), Zurich		
Holding of participating interests		
Share capital in CHF thousands	1 000	1 000
Ownership and voting right	100%	100%
Lalique SA, Paris		
Production and sale/distribution of crystal, jewellery, perfume and cosmetic products		
Share capital in EUR thousands	34 400	34 400
Ownership and voting right	95%	95%
Lalique Suisse SA, Zurich		
Wholesale and retail trade in consumer products and luxury items, in particular of the Lalique brand		
Share capital in CHF thousands	100	100
Ownership and voting right	100%	100%
Lalique Maison SA, Zurich		
Creation and sale/distribution of furniture and interior-design accessories		
Share capital in CHF thousands ¹	100	100
Ownership and voting right	100%	100%
Lalique Art SA, Zurich		
Creation, development and trading of works art and decorative elements		
Share capital in CHF thousands ¹	100	100
Ownership and voting right	100%	100%
SCI du Mont à Grillon, Ury		
Management and rental of real estate		
Share capital in EUR thousands	1	1
Ownership and voting right	100%	100%
Glenturret Holding SA, Zurich		
Production and sale/distribution of fine spirits		
Share capital in CHF thousands	4 800	4 800
Ownership and voting right	50%	50%

¹ Of which paid in: CHF 50,000 each

TREASURY SHARES

	NUMBER OF TRANSACTIONS	ANNUAL LOW SHARE PRICE IN CHF	ANNUAL HIGH SHARE PRICE IN CHF	AVERAGE PRICE PER SHARE IN CHF	NUMBER OF TREASURY SHARES
Treasury shares					
Balance as of 1.1.2020					15 000
Purchases	1	37.00	37.00	37.00	1
Sales	1	25.80	25.80	25.80	-1
Balance as of 31.12.2020					15 000
Purchases	56	33.80	40.04	38.90	10 207
Balance as of 31.12.2021					25 207

As of balance sheet date, the acquisition cost of the treasury shares amounted to CHF 999 thousand (31.12.2020: CHF 613).
All shares traded were placed at the current share price on the SIX Swiss Exchange.

SHARES HELD BY MEMBERS OF BOARD OF DIRECTORS AND EXECUTIVE BOARD

NAME	FUNCTION	31.12.21	31.12.20
Denz, Silvio	Executive Chairman of the Board of Directors	4 202 700	4 202 700
Weber, Roland	Vice-chairman of the Board of Directors	10 000	8 000
von der Weid, Roger	Delegate of the Board of Directors & CEO	3 600	3 600
Denz, Claudio	Member of the Board of Directors & HD	214 560	214 560
Kollros, Jan	Member of the Board of Directors	-	-
Roesti, Marc	Member of the Board of Directors	2 100	2 100
Rubinstein, Alexis	Group CFO	120	120
Müller, Michael	CFO, Lalique Beauty	120	120
Rios Lopes, David	COO, Perfumes	600	600
Abels, Rosemarie	Head Procurement & Production, Perfumes	120	120
Joly, Marie-Laure	Head of Marketing, Perfumes	700	700
Leutenegger, Thomas	Head of Sales, Perfumes	150	150
Irniger, Benedikt	Head of Ultrasun	-	-
Mandry, Denis	General Manager of Factory, Crystal	-	-
Larminaux, Marc	Head of Design, Crystal	-	-
de Jaham, Jean Baptiste	Head of Sales, Crystal	-	-
Ashworth, Alexia	Head of Marketing, Crystal (until 31.7.2021)	-	-
Fabien, Benedicte	Head of Marketing, Crystal (as of 8.11.2021)	-	-
Total		4 434 770	4 432 770
Total Lalique Group shares		7 200 000	7 200 000

Proposal for the allocation of retained earnings as at 31 December 2020

The Board of Directors proposes that the Annual General Meeting of Shareholders (AGM) on 2 June 2022 approves the following appropriation of available earnings:

IN CHF THOUSANDS	31.12.21	31.12.20
Incremental external transaction costs from previous year ¹	-	843
Carried forward from previous year	55 151	108 631
Profit/loss for the year	4 100	-53 480
Total earnings available for appropriation	59 251	55 151
Proposed distribution of earnings (2021: CHF 0.20 per dividend-bearing share; 2020: CHF 0.00 per dividend-bearing share)	-1 440	-
BALANCE TO BE CARRIED FORWARD	57 811	55 151

¹ CHF 0.8 million extraordinary expenses of 2019 were reconsidered as incremental external transaction costs directly attributable to the capital increase of 2019 and consequently presented as a deduction from capital contribution reserves.

The Board of Directors proposes that the AGM on 2 June 2022 shall issue a dividend of 0.40 CHF per share this year. The dividend is planned to be paid out of the capital contribution reserve CHF 0.20 (without deduction of withholding tax) and CHF 0.20 from voluntary retained earnings (without deduction of withholding tax, CHF 0.13 excluding taxes). Provided that the proposed dividend distribution out of the capital contribution reserve is approved, the payment of CHF 0.40 per share will be made on 9 June 2022 to holders of shares on the record date 08 June 2022. The shares will be traded ex-dividend as of 07 June 2022 and, accordingly, the last day on which the shares may be traded with entitlement to receive the dividend will be 24 May 2022. The total dividend payment will amount to CHF 2 880 thousand. All shares are entitled to dividends.

IN CHF THOUSANDS	31.12.21	31.12.20
Incremental external transaction costs from previous year ¹	-	- 843
Capital contribution reserves from previous years	87 810	87 810
Capital increase	-	-
Capital contribution reserves before proposed distribution	87 810	87 810
Proposed distribution of capital contribution reserves (2021: CHF 0.20 per dividend-bearing share; 2020: CHF 0.00 per dividend-bearing share)	-1 440	-
BALANCE TO BE CARRIED FORWARD	86 370	87 810

¹ CHF 0.8 million extraordinary expenses of 2019 were reconsidered as incremental external transaction costs directly attributable to the capital increase of 2019 and consequently presented as a deduction from capital contribution reserves.



Deloitte AG
Pfingstweidstrasse 11
8005 Zürich
Schweiz

Phone: +41 (0)58 279 6000
Fax: +41 (0)58 279 6600
www.deloitte.ch

Statutory Auditor's Report

To the General Meeting of
LALIQUE GROUP SA, ZÜRICH

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Laliq Group SA, which comprise the balance sheet as at 31 December 2021 and the income statement and notes for the year then ended (pages 67 to 72).

In our opinion the accompanying financial statements as at 31 December 2021 comply with Swiss law and the company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on Key Audit Matters based on the circular 1/2015 of the Federal Audit Oversight Authority

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Lalique Group SA
Statutory Auditor's Report
for the year ended
31 December 2021

Valuation of investments and loans to shareholdings

Key audit matter

Lalique Group SA as the parent company of Lalique Group holds the shares of its subsidiaries and grants loans to selected subsidiaries. As per 31 December 2021, investments amounted to CHF 126.6 Mio. (prior year CHF 126.6 Mio.) and loans to group companies amounted to CHF 63.5 Mio. (prior year CHF 65.8 Mio.), together representing 96% of Lalique's total assets.

The valuation of investments and loans to shareholdings depends, among other things, on the financial stability and health of the investee and thus is linked to future performance. Consequently, there is a risk that investments and loans are not appropriately valued if their carrying value exceeds the recoverable amounts.

The year-end balances of the investments and the loans to shareholdings are tested for impairment indicators on an annual basis. If such indicators are identified, management assesses the need of impairment by comparing the recoverable amount, which is calculated based on a discounted cash flow method (DCF), with the carrying value. Should the carrying amount exceed the recoverable amount, an impairment is required. In 2021 an impairment of CHF 2.1 Mio. has been recorded on Lalique's loans granted to group companies.

Due to the magnitude of the balance, as well as the susceptibility of management estimates to bias and estimation uncertainty, we consider the valuation of investments and loans to shareholdings as a key audit matter.

In this regard, please also refer to the Note "Extraordinary expenses".

How the scope of our audit responded to the key audit matter

To audit management's valuation of investments we performed the following procedures:

- We obtained a comprehensive understanding of the impairment indicator assessment and the impairment tests performed by the client, verified their mathematical accuracy, and assessed them for irregularities and appropriateness.
- We gained an understanding of the controls in place to ensure correct valuation of investments and loans to shareholdings.
- We critically challenged the DCF valuation for investments and loans to shareholdings. Thereby we challenged the base assumptions and estimates such as discount rates by performing independent recalculations and reviewing management's analysis.

Our audit procedures did not lead to any reservation concerning the valuation of investments and loans to shareholdings.



Lalique Group SA
Statutory Auditor's Report
for the year ended
31 December 2021

Responsibility of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the website of EXPERTsuisse: <http://expertsuisse.ch/en/audit-report-for-public-companies>. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Deloitte AG

Chris Krämer
Licensed Audit Expert
Auditor in Charge

Sarah Sutter
Licensed Audit Expert

Zurich, 19 April 2022
CKR/SSU/vpf

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REFERENCE SOURCE AND CONTACT
Lalique Group SA
Grubenstrasse 18
CH-8045 Zurich
Tel. +41 43 499 45 00

communication@lalique-group.com
www.lalique-group.com



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.

Disclaimer

Lalique Group publishes its Annual Report in English. Annual Report: www.lalique-group.com/financial?section=reporting

Lalique Group

Grubenstrasse 18

CH-8045 Zurich

Switzerland

Tel. +41 43 499 45 00

Fax +41 43 499 45 01

investor.relations@lalique-group.com

www.lalique-group.com