

LALIQUE GROUP

ANNUAL REPORT 2023
CONSOLIDATED
FINANCIAL STATEMENTS



Consolidated Financial Statements Lalique Group

3	Management Comment
5	Consolidated Income Statement
5	Consolidated statement of Comprehensive Income
6	Consolidated Balance Sheet
7	Consolidated Cash Flow Statement
8	Consolidated Statement of Changes in Equity
9	Notes to the consolidated financial statements
54	Report of the statutory auditor on the consolidated financial statements

MANAGEMENT COMMENT

Lalique Group SA (SIX: LLQ), which is active in the creation, development, marketing and global distribution of luxury goods, generated annual operating revenue of EUR 179.2 million in 2023, a 5% increase on the previous year. With costs up year-on-year, especially for energy and in production, EBIT for 2023 amounted to EUR 7.0 million (EBIT margin of 3.9%), and net Group profit for the year totalled EUR 2.4 million. At the upcoming Annual General Meeting, the Board of Directors will propose that no dividend be distributed for the 2023 business year. For 2024, Lalique Group expects to report a high single-digit percentage increase in revenues and a higher EBIT margin than in 2023.

As pre-announced on 20 March 2024, Lalique Group achieved solid sales growth in the 2023 financial year to which all business segments contributed. After facing challenging market and production conditions in the first-half period in particular, business improved in the seasonally stronger second six months, although the shortfall from the first semester could not be fully compensated. The perfume business developed solidly overall following the strong growth in 2022, but suffered intermittently from supply-chain shortages of production components. The crystal business ended the year with good momentum after a difficult start. The Ultrasun sunscreen brand recorded further encouraging progress, and The Glenturret whisky distillery maintained its growth trajectory. Business in the gastronomy and hospitality segment also showed positive trends.

Total operating revenue for Lalique Group rose to EUR 179.2 million, a 5% increase on the prior-year result, which had been marked by post-pandemic recovery. Excluding the previously announced extraordinary income of EUR 1.7 million in the 2022 result, operating revenue for 2023 increased 6% on the previous year.

Operating expense in 2023 particularly reflected general inflationary trends and higher energy costs. These effects were offset to some degree by corresponding price increases, albeit with a certain delay. Lalique Group continued to make targeted investments in expanding its workforce and in its marketing and sales activities. Personnel costs for 2023 amounted to EUR 46.9 million, a year-on-year increase of 12%. Other operating expense rose 13% to EUR 31.5 million. Depreciation and amortization were 9% below their 2022 level at EUR 14.4 million, reflecting a EUR 1.5 million impairment reversal.

Earnings before interest and taxes (EBIT) for the year totalled EUR 7.0 million, down from EUR 13.2 million in 2022. In line with guidance, EBIT margin for 2023 was 3.9%, following an EBIT margin of 7.7% for 2022, or 6.8% excluding the year's extraordinary income item). Lalique Group reported a net profit for 2023 of EUR 2.4 million, compared to EUR 9.6 million for the prior year.

Lalique Group remains in sound financial health with a 2023 year-end equity ratio of 47.3% (2022: 50.0%). Net cash at year-end was below its prior-year level, owing largely to higher inventories of production components maintained during the year, in response to longer delivery lead times and in order to safeguard production.

In the light of the 2023 results, the Board of Directors will recommend to shareholders at the Annual General Meeting on 29 May 2024 that no dividend be distributed for the 2023 financial year (dividend for 2022: CHF 0.50 per share).

“We achieved solid growth in 2023,” said Roger von der Weid, executive Vice Chairman of Lalique Group. “However, market and production conditions were challenging, especially in the first-half period, and intermittently impacted our business performance. In addition, profitability was impacted by inflation and high energy costs. Therefore, and in view of further investments that we have planned in our production capacities and new project ventures, the Board of Directors proposes that no dividend be paid for 2023. Looking ahead, we are well equipped with our strong brands at Lalique to take advantage of the opportunities within the luxury goods market.”

Segment results

The Lalique segment recorded solid sales of EUR 98.4 million for 2023, a 3% improvement on the prior-year period. This development reflects higher sales in the crystal business (up 5%), while sales in the perfume business were 5% down on the strong 2022, owing to a restructuring of distribution in certain markets and the fact that additional perfume sales opportunities had to remain unexploited as a result of insufficient inventory levels. In the gastronomy and hospitality field, the Group's three establishments – the Villa René Lalique and the Château Hochberg in Alsace and the Château Lafaurie-Peyraguey Lalique hotel-restaurant in the Bordeaux region – all reported encouraging business demand. On the expenditure side, personnel costs were up 6% year-on-year while other operating expenses increased by 9%. Profitability was significantly stronger in the second half of the year compared to the first, which saw the segment contend not only with higher costs (especially on the energy and salary fronts) but also with disruptions to production in the crystal business following a technical problem with the electrodes in the new furnace. Following the negative first-half EBIT of EUR -1.7 million, the Lalique segment reported a positive full-year EBIT for 2023 of EUR 1.2 million (2022: EUR 4.3 million, or EUR 2.6 million excluding the year's extraordinary income item).

Ultrasun achieved sales of EUR 16.4 million for 2023, a 10% year-on-year improvement. The segment thus further continued its recovery since the pandemic, which had brought a decline in the demand for sunscreen products. The prime growth drivers in the year under review included the UK market, where sales increases were seen in all

distribution channels and the online share of total sales rose to about a third, and the Swiss market, where Ultrasun's point-of-sale focus on pharmacies and drugstores helped raise sales to new record highs. Very strong sales growth was also seen in Germany, both at physical points of sale and on online channels. While production costs were up in the face of general inflation, operating expenses saw a slight year-on-year decline, with higher personnel costs offset by lower other operating expense. The segment's EBIT for the year amounted to EUR 0.6 million (2022: EUR 0.5 million).

The Jaguar Fragrances segment, the Group's strongest perfume brand in sales terms, achieved 7% further growth in 2023 to report sales of EUR 28.2 million. Sales volumes in Europe in particular remained buoyant. But earnings for the year were reduced by higher production, personnel and operating costs, and the annual EBIT of EUR 2.0 million was down on its prior-year level (2022: EUR 4.3 million).

The Wine & Spirits segment, which includes The Glenturret whisky distillery in Scotland and (since 27 November 2023) the Château Lafaurie-Peyraguey winery, posted sales for 2023 of EUR 9.7 million. The Glenturret reported sales growth of 21%, thanks not only to increased whisky sales but also to the distillery's local tourist appeal and the associated sales of high-quality The Glenturret crystal products such as exclusive Lalique whisky carafes. The rise in the segment's costs remained within expectations, reflecting salary increases and overall business expansion. While The Glenturret's EBIT for 2023 was just below break-even, the segment posted a positive overall EBIT result of EUR 0.8 million (2022: EUR -0.9 million).

Sales for the Other brands segment rose 16% to EUR 44.4 million. After two years of exceptionally strong growth, the Bentley fragrance brand saw its sales decline 25%, largely as a result of the previously-mentioned supply chain shortages of production components. Parfums Samourai (+11%) recorded further sales growth on the strength of the broader market recovery in Japan, and Parfums Grès (+42%) saw a leap in its sales thanks to very high demand for its products in Southern Europe and in key Latin American markets. The Brioni Fragrances brand, which was launched in 2021, also continued to show positive business trends, with its sales up a further 17% on their prior-year levels. The Lalique Beauty Services perfume filling and logistics business reported a 26% increase in its annual revenues, thanks to rising utilization of its capacities as the year progressed. With the segment also experiencing higher production and operating costs, EBIT for the year declined to EUR 3.0 million (2022: EUR 5.4 million).

Outlook

With its diversified business, Lalique Group is well positioned in the luxury goods market and offers an attractive range of products. While the global economic environment and the geopolitical situation look set to remain uncertain for some time to come, Lalique Group expects inflationary trends to have less of an impact on production and operating

expenses in 2024. Energy costs for the year are also likely to be well below the peak levels seen in 2023.

Lalique Group will continue to proceed with selected new product launches and further business projects, and will also be investing in strengthening its production capacities and in its strategic market presence over the course of 2024. This includes the planned autumn opening of the new Lalique flagship store in New York. Further major projects include the continuing refurbishment of the Villa Florhof hotel and restaurant in Zurich, whose reopening is scheduled for May 2025. Spring of next year should also bring the relaunch of the Fabric Frontline silk label.

In the perfume business, the first fragrance to be produced under the licence agreement with the Superdry global fashion brand will be launched in late summer 2024. The intensified collaborations which have been pursued by the Ultrasun sunscreen brand over the past few months to distribute its products via Müller drugstores in Germany and in other European countries should also be further expanded; and Ultrasun has further embarked this year on a collaboration with a new distribution partner in the Chinese market. In the Wines & Spirits segment, the Scottish Aberturret gin, which made its market debut in the UK at the end of 2023, is being launched internationally since spring 2024 and enjoys an encouraging initial reception. After being awarded its second Michelin star in February 2024, The Glenturret Lalique Restaurant in Scotland is also reporting higher diner volumes.

The Group will further continue its efforts to exploit synergies between the Lalique brand and its gastronomy and hospitality products. As has already been done with The Glenturret whisky distillery in Scotland, the Château Lafaurie-Peyraguey winery in the Bordeaux region, in which the Group acquired a 71% majority holding in 2023, should now also be brought more closely into the world of the Lalique experience.

Barring unforeseen events, Lalique Group expects to report high-single-digit percentage growth in its revenues for 2024 and a higher EBIT margin than in 2023. The Group remains committed to its medium-terms goals of maintaining mid-single-digit annual sales growth and gradually raising its EBIT margin to between 9% and 11%. As already communicated, the latter objective is expected to be achieved in 2026, given the present inflationary trends.

"I see huge potential for the Lalique brand and our group's various businesses," concluded Lalique Group CEO Nina Müller. "And, while keeping a clear and close eye on the diversity and the tradition that are such Lalique hallmarks, I will continue to work consistently with my team to establish Lalique Group as a first-class address in the luxury goods market. By taking targeted advantage of growth opportunities and carefully utilizing the synergies between our businesses, we will continue to make every effort to delight our customers with an exceptional and inspiring range of products – all with the aim of creating sustainable value by striving for excellence and further consolidating our market position."

CONSOLIDATED INCOME STATEMENT

IN EUR THOUSANDS	REF.	2023	2022
Revenue from contracts with customers	4	176 798	167 530
Other operating income	5	2 408	2 471
Revenue and other operating income		179 206	170 001
Material costs, licences and third-party services	6	-79 321	-71 287
Gross result		99 885	98 714
Salaries and wages	7	-46 941	-42 034
Other operating expenses	8	-31 543	-27 819
EBITDA		21 401	28 861
Depreciation and amortization/impairment	16/17	-14 368	-15 707
EBIT		7 033	13 154
Financial income	9	115	100
Financial expenses	9	-3 315	-1 891
Net foreign exchange differences	9	-584	-210
Group profit before taxes		3 249	11 153
Income taxes	10	-860	-1 511
NET GROUP PROFIT		2 389	9 642
of which attributable to:			
Non-controlling interests	27	-156	-12
Owners of the parent company		2 545	9 654
Earnings per share basic/diluted (in EUR)	11	0.34	1.35

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

IN EUR THOUSANDS	REF.	2023	2022
NET GROUP PROFIT		2 389	9 642
Foreign currency translation		4 911	442
Items that may be reclassified subsequently to the income statement, net of tax		4 911	442
Remeasurements of pension plans	19	34	2 511
Deferred tax on remeasurements of pension plans		-25	-506
Items that will not be reclassified subsequently to the income statement, net of tax		9	2 005
Other comprehensive income, net of tax		4 920	2 447
TOTAL COMPREHENSIVE INCOME		7 309	12 089
of which attributable to:			
Non-controlling interests		-284	-1 643
Owners of the parent company		7 593	13 732

CONSOLIDATED BALANCE SHEET

ASSETS

IN EUR THOUSANDS	REF.	31.12.23	31.12.22 RESTATED	01.01.2022 RESTATED
Cash and cash equivalents	12	27 713	40 147	48 256
Trade accounts receivable	13	22 794	20 088	17 489
Inventories	14	116 342	86 505	80 031
Other receivables	15	9 146	7 068	7 363
Total current assets		175 995	153 808	153 139
Intangible assets ¹	16	107 637	97 847	88 121
Property, plant and equipment	17	119 405	94 851	80 293
Financial assets	18	1 724	1 730	1 050
Other non-current assets	18	5 843	5 502	5 481
Deferred tax assets	25	3 544	3 223	3 906
Total non-current assets		238 153	203 153	178 851
TOTAL ASSETS		414 148	356 961	331 990

¹ The Group restated the balance sheet as of 31 December 2022 to correct an accounting error related to licence assets (Note 2)

LIABILITIES AND EQUITY

IN EUR THOUSANDS	REF.	31.12.23	31.12.22 RESTATED	01.01.2022 RESTATED
Bank overdrafts	12	33 165	29 487	26 852
Trade accounts payable		29 210	22 996	18 921
Current provisions	22	465	327	820
Income tax liabilities		1 867	2 454	1 269
Current financial liabilities ¹	21	20 438	14 278	27 994
Other current liabilities ¹	20	15 222	16 385	11 484
Total current liabilities		100 367	85 927	87 340
Other non-current liabilities ¹		445	50	42
Non-current provisions	22	774	1 096	1 437
Non-current financial liabilities ¹	23	81 672	58 676	37 041
Defined benefit obligation	19	3 466	3 173	5 432
Deferred tax liabilities	25	11 046	11 350	12 236
Total non-current liabilities		97 403	74 345	56 188
Total liabilities		197 770	160 272	143 528
Share capital	26	1 296	1 204	1 204
Capital reserves	26	100 596	83 984	85 378
Retained earnings	26	93 896	93 569	82 305
Total equity attributable to owners of the parent company		195 788	178 757	168 887
Non-controlling interests	27	20 590	17 932	19 575
Total equity		216 378	196 689	188 462
TOTAL LIABILITIES AND EQUITY		414 148	356 961	331 990

¹ The Group restated the balance sheet as of 31 December 2022 and 1 January 2022 to correct an accounting error related to licence liabilities (Note 2)

CONSOLIDATED CASH FLOW STATEMENT

IN EUR THOUSANDS	REF.	2023	2022 RESTATED
Group profit before taxes		3 249	11 153
Depreciation and amortization/impairment	16/17	14 368	15 702
Amortization of licences		2 305	1 973
Change in defined benefit obligation		246	-381
Change in provisions		-222	-860
Financial income	9	-115	-100
Financial expenses	9	3 315	1 891
Net foreign exchange differences	9	584	210
Other non-cash items		-439	-162
Cash flow from operations before change in net current assets		23 291	29 426
Decrease (+)/increase (-) in trade accounts receivable		-1 780	-1 997
Decrease (+)/increase (-) in inventories		-20 695	-5 000
Decrease (+)/increase (-) in other receivables		-3 574	-886
Increase (+)/decrease (-) in trade accounts payable		5 203	3 813
Increase (+)/decrease (-) in other non-financial current liabilities ¹		-867	5 466
Interest paid		-2 756	-1 054
Tax paid		-1 776	-1 422
Interest received		30	29
Cash flow from operating activities		-2 924	28 375
Investments in subsidiaries net of cash acquired	27	-17 683	-
Investments in property, plant and equipment	17	-14 331	-15 168
Investments in other non-current assets		-380	-
Sale of property, plant and equipment	17	25	3
Investments in intangible assets	16	-1 678	-884
Net cash flow financial assets		77	-640
Cash flow from investing activities		-33 970	-16 689
Capital contribution from shareholders	26	18 525	-
Reduction in short term NCI shareholder loans	23	-	-544
Receipt of/increase in short term NCI shareholder loans	23	-	322
Receipt of/increase in NCI shareholder loans	23	232	3 429
Purchase of treasury shares	26	-2 609	-1 074
Sale of treasury shares	26	5 662	-
Net cash flow from bank overdrafts	23	2 202	1 345
Repayment of principal amount of lease liabilities	23	-6 573	-7 213
Repayments/outflows from current financial liabilities ¹	23	-7 710	-21 778
Proceeds/inflows from current financial liabilities	23	1 977	826
Repayments/outflows from other non-current financial liabilities	23	316	-
Proceeds/inflows from other non-current financial liabilities	23	15 725	6 133
Dividend payment		-3 642	-2 788
Dividend payment to NCI shareholder		-596	-
Cash flow from financing activities		23 509	-21 342
Exchange differences on cash and cash equivalents		951	1 547
Decrease/increase in cash and cash equivalents		-12 434	-8 109
Balance of cash and cash equivalents as of 01.01.	12	40 147	48 256
Balance of cash and cash equivalents as of 31.12.	12	27 713	40 147

¹ The Group restated the balance sheet as of 31 December 2022 to correct an accounting error related to licence assets (Note 2)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

IN EUR THOUSANDS	SHARE CAPITAL	CAPITAL RESERVES	TREASURY SHARES	ACCUMULATED FOREIGN CURRENCY TRANSLATION	RETAINED EARNINGS	TOTAL EQUITY OWNER OF PARENT	NON-CONTROLLING INTERESTS	TOTAL EQUITY
BALANCE AS AT 01.01.2022	1 204	85 378	-908	3 954	79 259	168 887	19 575	188 462
Net Group profit	-	-	-	-	9 654	9 654	-12	9 642
Foreign currency translation	-	-	-	2 078	-	2 078	-1 636	442
Remeasurement under IAS 19 (incl. tax)	-	-	-	-	2 000	2 000	5	2 005
Other comprehensive income	-	-	-	2 078	2 000	4 078	-1 631	2 447
Total comprehensive income	-	-	-	2 078	11 654	13 732	-1 643	12 089
								-
Dividend payout	-	-1 394	-	-	-1 394	-2 788	-	-2 788
Purchase of treasury shares	-	-	-1 074	-	-	-1 074	-	-1 074
BALANCE AS AT 31.12.2022	1 204	83 984	-1 982	6 032	89 519	178 757	17 932	196 689
BALANCE AS AT 01.01.2023	1 204	83 984	-1 982	6 032	89 519	178 757	17 932	196 689
Net Group profit	-	-	-	-	2 545	2 545	-156	2 389
Foreign currency translation	-	-	-	5 047	-	5 047	-136	4 911
Remeasurement under IAS 19 (incl. tax)	-	-	-	-	1	1	8	9
Other comprehensive income	-	-	-	5 047	1	5 048	-128	4 920
Total comprehensive income	-	-	-	5 047	2 546	7 593	-284	7 309
Dividend payout	-	-1 821	-	-	-1 821	-3 642	-596	-4 238
Capital contribution from shareholders	92	18 433	-	-	-	18 525	-	18 525
Acquisition of Ciron SA	-	-	-	-3 445	-5 053	-8 498	3 537	-4 961
Purchase of treasury shares	-	-	-2 609	-	-	-2 609	-	-2 609
Sale of treasury shares	-	-	5 662	-	-	5 662	-	5 662
BALANCE AS AT 31.12.2023	1 296	100 596	1 071	7 634	85 191	195 788	20 590	216 378

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

The consolidated financial statements of Lalique Group SA and its subsidiaries (referred to hereinafter as “Lalique Group” or “the Group”) for the year ended 31 December 2023 were approved by the Board of Directors on 15 April 2024 and proposed for approval by the Annual General Meeting of Shareholders on 29 May 2024.

Lalique Group SA (referred to hereinafter as “the parent company” or “the company”) was founded on 14 April 2000 in Switzerland and 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 fine spirits and wine. Founded in 2000, the company has around 810 employees (full-time equivalents) and is headquartered 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 SIX Swiss Exchange.

In addition to its headquarters in Zurich, Switzerland, and in Paris, France, the Group has a production site for perfumes in Ury, France, a production site for crystal in Wingen-sur-Moder, France, a whisky distillery in Crieff near Edinburgh, Scotland, and a vineyard with wine production facilities in Bordeaux, France. The Group also has representative offices in the UK, Germany, the US, 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) 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.

Correction of errors

The current financial liabilities and the current nonfinancial liabilities were previously reported together in the consolidated balance sheet as “other current liabilities”, but are now presented separately in the reporting period as well as in the comparative periods.

Moreover, in 2023, the Group identified an error, as financial liabilities resulting from licence agreements for the perfume brands were accounted for as “other current/non-current liabilities”. Instead, these amounts should have been recorded as “current/non-current financial liabilities” and discounted to present value.

Therefore, the comparative balance sheet information as of 31 December 2022 has been corrected as follows:

The non-current financial liabilities are EUR 11 390 thousand higher and the other non-current liabilities are EUR 12 222 thousand lower than previously stated. The current financial liabilities are EUR 888 thousand higher and other current liabilities are CHF 889 thousand lower than previously recorded.

The corresponding licence right, which is included in the line item intangible assets, has been reduced by EUR 833 thousand as of 31 December 2022.

The opening balances as of 1 January 2022 have been restated due to the allocation error. As a result, current financial liabilities are EUR 1 484 thousand and non-current financial liabilities are EUR 1 177 thousand higher. Other current liabilities and the other non-current liabilities are lower by the same amounts.

In the comparative cash flow information of 2022, the outflows from current financial liabilities has been EUR -2 989 thousand higher and the operating cash flow of other non-financial current liabilities was increased by EUR 2 989 thousand.

The impact on the income statement have been found to be immaterial for all periods presented and accordingly have not been restated.

New accounting policies

The IASB has published the following new amendments to existing standards and interpretations that are effective for the 2023 financial statements:

STANDARD/ INTERPRETATION	DESIGNATION	EFFECTIVE DATE
IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction—Amendments to IAS 12	1 January 2023
IAS 12	International Tax Reform—Pillar two model rules—Amendments to IAS 12	1 January 2023
IAS 1	Disclosure of Accounting Policies—Amendments to IAS 1 and IFRS Practice Statement 2 (Making Materiality Judgements)	1 January 2023
IFRS 17	IFRS 17 Insurance Contracts	1 January 2023
IAS 8	Definition of Accounting Estimates—Amendments to IAS 8	1 January 2023

Deferred Tax related to Assets and Liabilities arising from a Single Transaction/International Tax Reform—Pillar two model rules—Amendments to IAS 12

The amendments to IAS 12 Income Tax narrow the scope of the initial recognition exception. As a result, the exemption no longer applies to transactions where, on initial recognition, the entity would recognize equal amounts of deferred tax assets and liabilities, such as leases and decommissioning liabilities.

These amendments had no impact on the consolidated financial statements of the Group for the year ended 31 December 2023 as the Group has historically disclosed deferred taxes from leasing and licenses on a gross basis. Further, the amendments to IAS 12 introduce a mandatory temporary exception for the recognition and disclosure of deferred taxes related to the jurisdictional implementation of the Organisation for Economic Co-operation and Development (OECD) Base Erosion and Profit Shifting (BEPS) Pillar Two Model rules.

These amendments had no impact on the Group's consolidated financial statements as the OECD BEPS Pillar Two rules apply only to Multinational Enterprises (MNEs) with a turnover in excess of EUR 750 million.

Disclosure of Accounting Policies—Amendments to IAS 1 and IFRS Practice Statement 2

The amendments to IAS 1 and the IFRS Practice Statement 2 Making Materiality Judgements aim to help entities to provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose

their significant accounting policies with a requirement to disclose their material accounting policies and adding guidance on how entities should apply the concept of materiality in making decisions about accounting policy disclosures. Material accounting methods include changes during the reporting period, exercising an option to select an accounting method, use of a standardized accounting method due to the lack of a specific IFRS regulation, and complex accounting for significant transactions. The materiality assessment considers both quantitative and qualitative aspects, allowing for the omission of disclosures of accounting methods related to immaterial transactions. Companies are urged to enhance specificity in their disclosures on individual accounting methods, removing generic and non-decision-relevant information from the appendix.

These amendments had no impact on the consolidated financial statements and disclosures of the accounting policies of the Group.

IFRS 17 Insurance Contracts

IFRS 17 Insurance Contracts becomes effective for reporting periods starting on or after January 1, 2023, encompassing all insurance contract types, such as life, non-life, direct insurance, reinsurance, guarantees, and certain financial instruments with discretionary participation features. Specifically, credit card contracts meeting the definition of an insurance contract but lacking an assessment of individual client insurance risk in pricing are excluded from IFRS 17.

These amendments had no impact on the Group's consolidated financial statements as no insurance contracts according to IFRS 17 exist.

Definition of Accounting Estimates—Amendments to IAS 8

The amendments to IAS 8 aim to simplify the distinction between accounting policies and accounting estimates. This distinction is crucial as changes in accounting policies are applied retrospectively, while accounting estimates are prospective. It has been determined that changing an accounting estimate based on new information does not constitute a correction of errors. Modifications to accounting estimates only impact the current period's results, unlike changes in accounting policies, which retrospectively affect prior periods.

These amendments had no impact on the Group's consolidated financial statements as the distinction between changes in accounting policies and accounting estimates was made historically.

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 performed.

STANDARD/ INTERPRETATION	DESIGNATION	EFFECTIVE DATE	PLANNED APPLICATION BY LALIQUE GROUP
IAS 1	Presentation of Financial Statements (Amendments to Classification of Liabilities as Current or Non-current including Deferral of Effective Date) (Amended by Non-current Liabilities with Covenants)	1 January 2024	2024 financial year
IAS 7 and IFRS 7	Disclosures: Supplier Finance Arrangements— Amendments	1 January 2024	2024 financial year
IFRS 16	Amended by Lease Liability in a Sale and Leaseback	1 January 2024	2024 financial 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 the Group's accounting policies and have the same balance sheet date as those of the parent company.

Subsidiaries are fully consolidated from the date of acquisition, i.e. 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 holding the majority of voting rights results in control. To support this presumption and when the Group has less than the majority of voting or similar rights of an investee, the Group considers all relevant facts and circumstances when assessing whether it has power over an investee, including:

- The contractual arrangements with other parties that hold voting rights in the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

An entity is deconsolidated as soon as the Group ceases to have control of it. All intra-Group balances, revenues and expenses, and unrealized gains and losses from intra-Group transactions, are fully eliminated.

A combination of entities or businesses under common control (commonly referred to as a 'common control transaction') is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the combination, and that control is not transitory. The Group applies the pooling of interest method to account for business combinations under common control. The assets and liabilities of the acquired business are reflected at their carrying amounts. No new goodwill is recognized as a result of this type of 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 interest method, where the receiving company measures the 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.

Other types of business combination 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 the Swiss franc (CHF). The consolidated financial statements are presented in euros (EUR) because the euro is the currency in which most of the Group's revenue and costs occur, and most 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 historical rates.

When preparing the annual financial statements of all subsidiaries whose functional currency is not EUR, the assets and liabilities are translated at the year-end rate, whereas 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 "Accumulated foreign currency translations". In the case of the loss of control of a subsidiary, such differences are reclassified to the income statement.

The following EUR exchange rates were used for the preparation of the financial statements of subsidiaries:

	2023	2022
CHF		
Year-end rate (balance sheet)	1.0726	1.0156
Average rate for the year (income statement)	1.0292	0.9952
USD		
Year-end rate (balance sheet)	0.9010	0.9393
Average rate for the year (income statement)	0.9249	0.9501
GBP		
Year-end rate (balance sheet)	1.1510	1.1314
Average rate for the year (income statement)	1.1497	1.1738
HKD		
Year-end rate (balance sheet)	0.1153	0.1205
Average rate for the year (income statement)	0.1181	0.1213
SGD		
Year-end rate (balance sheet)	0.6834	0.6973
Average rate for the year (income statement)	0.6885	0.6888
CNY		
Year-end rate (balance sheet)	0.1270	0.1348
Average rate for the year (income statement)	0.1308	0.1413
JPY		
Year-end rate (balance sheet)	0.0064	0.0070
Average rate for the year (income statement)	0.0066	0.0073
AED		
Year-end rate (balance sheet)	0.2453	0.2557
Average rate for the year (income statement)	0.2518	0.2586

Risks arising from currency fluctuations are explained in more detail in the "Financial risk management" section.

Significant judgements, estimates and assumptions

All judgements, estimates and assumptions are based on past experience and expectations concerning future events that appear reasonably likely given the circumstances. These estimates and assumptions are reviewed on an ongoing basis and may deviate from the actual events that materialize. The key judgements, 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's intangible assets (e.g. brand values and goodwill) are tested annually for impairment in accordance with IFRS accounting principles. This process requires the underlying cash-generating units (CGUs) to 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 and goodwill impairment tests.

The Group's CGUs all have significant headroom with the exception of "Lalique", to which an intangible brand asset value of EUR 39 927 thousand was allocated as at 31 December 2023.

Further information 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 uncertainties. Further information 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. Further information 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 lease liabilities and the valuation of right-of-use assets (see Note 24). These judgments include determining the contract term and the interest rate used for the 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 to not exercise a termination option.

The Group cannot readily determine the interest rate implicit in the lease. It, therefore 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

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 as well as the Executive Management, which is responsible for the management of Glenturret Ltd and, as a result, has the right to direct 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 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 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 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 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 expected future rebates.

The Group also enters into trademark licence and royalty arrangements under which a customer is required to pay a sales-based royalty amounting to a certain percentage of gross sales associated with the trademark. The Group has determined that an output-based measure is an appropriate measure of progress and it 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 based on 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, i.e. whether 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 based on its obligation to make lease payments and right-of-use assets that represent 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 on which the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and are 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 that 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 it. 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. Lalique 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 it 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. It subsequently 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. The Group therefore tests these collectibles for impairment at the level of the CGU 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 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 of the Group's financial assets are either cash and cash equivalents or trade receivables with no financing component. The Group's trade receivables have maturities of less than 12 months at amortized cost and, as such, the Group applies a simplified approach for expected credit losses (ECL). The Group does not therefore 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 cash 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 in 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 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 Note 29.

Pension plans

Besides statutory social insurance, Lalique Group maintain various employee benefit plans in accordance with the local regulations and customs in the respective countries. These benefit plans are either funded by means of contributions to legally independent foundations and establishments or are recognized as a 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 that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the average terms of the related benefit obligation.

Service costs, comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements of a plan, are recognized within salaries and wages in the income statement. The net interest cost is calculated by applying the net balance of the defined benefit pension obligation and the fair value of plan assets. This cost is included in salaries and wages in the income statement. Remeasurement gains and losses arising from experience adjustments and changes in 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. They are included in 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 future taxable profit will be available against which the tax loss carry-forwards and tax credits can be used. 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 active company, Lalique Group is exposed to the below 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 Group has a policy of avoiding speculative deals involving financial instruments and it applies the maturity matching principle where possible.

• **Credit risk**

Credit risk applies primarily to receivables (customers) resulting from transactions that have not yet been settled. The Group does not have significant concentration risks due to the nature of its 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 terms. In addition, receivables are monitored on an ongoing basis.

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 have a maturity of between 0 and 90 days, up to a maximum of 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 short-fall. 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	2023 TOTAL	MATURING IN LESS THAN 1 YEAR	MATURING IN > 1 YEAR, < 5 YEARS	MATURING IN MORE THAN 5 YEARS	2022 TOTAL
Assets								
Cash and cash equivalents	27 713	-	-	27 713	40 147	-	-	40 147
Trade accounts receivable	22 794	-	-	22 794	20 088	-	-	20 088
Other financial receivables	5 300	-	-	5 300	4 164	-	-	4 164
Financial assets	-	1 644	80	1 724	-	1 416	314	1 730
Total	55 807	1 644	80	57 531	64 399	1 416	314	66 129
Liabilities								
Bank overdrafts ¹	33 165	-	-	33 165	29 487	-	-	29 487
Trade accounts payable	29 210	-	-	29 210	22 996	-	-	22 996
Short-term leasing liabilities	6 502	-	-	6 502	6 484	-	-	6 484
Current minimal fees for licence rights	2 826	-	-	2 826	889	-	-	889
Other current liabilities	29 690	-	-	29 690	24 762	-	-	24 762
Loans from NCI shareholders ²	-	-	9 576	9 576	-	-	8 647	8 647
Long-term leasing liabilities	-	17 659	8 667	26 326	-	14 163	6 499	20 662
Non-current minimal fees for licence rights	-	9 754	9 448	19 202	-	5 044	7 178	12 222
Other non-current financial liabilities	-	23 715	10 320	34 035	-	16 304	3 514	19 818
Total	101 393	51 128	38 011	190 532	84 618	35 511	25 838	145 967

¹ This is an overdraft on our current bank account within existing credit lines. The Group's equity ratio ensures steady, albeit long-term, amortization of this liability; for this reason, no liquidity risk is anticipated.

² Liabilities and loans from NCI shareholders at Glenturret SA and Lalique Tamer Beauty Holding Ltd amounting to EUR 9 576 thousand (2022: EUR 8 647 thousand).

- Currency risk

Lalique Group has operations globally and is therefore exposed to currency risks, 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 2023 largely related to 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 on an ongoing basis.

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

IN EUR THOUSANDS	EUR	CHF	USD	GBP	OTHER	2023 TOTAL	EUR	CHF	USD	GBP	OTHER	2022 TOTAL
Assets												
Cash and cash equivalents	9 956	9 924	3 755	2 757	1 321	27 713	17 102	8 029	8 224	4 758	2 034	40 147
Trade accounts receivable	15 277	469	4 293	2 365	390	22 794	12 381	562	4 108	2 244	793	20 088
Other financial receivables	2 570	561	80	303	1 786	5 300	1 442	458	83	524	1 657	4 164
Financial assets	570	80	327	545	202	1 724	648	20	341	473	248	1 730
Total	28 373	11 034	8 455	5 970	3 699	57 531	31 573	9 069	12 756	7 999	4 732	66 129
Liabilities												
Bank overdrafts	10 332	19 671	901	2 261	-	33 165	11 104	2 571	6 664	9 148	-	29 487
Trade accounts payable	21 409	2 493	887	2 899	1 522	29 210	15 289	1 819	1 703	1 964	2 221	22 996
Short-term leasing liabilities	1 610	668	364	755	2 127	5 524	2 139	598	344	708	2 223	6 012
Current minimal fees for licence rights	2 811	-	-	-	-	2 811	889	-	-	-	-	889
Other current liabilities	14 442	6 606	989	5 165	588	27 790	16 394	3 094	1 025	3 144	995	24 652
Loans from NCI shareholders	-	9 576	-	-	-	9 576	-	8 647	-	-	-	8 647
Long-term leasing liabilities	10 217	1 685	5 894	4 268	603	22 667	11 129	1 480	1 191	3 180	1 935	18 915
Non-current minimal fees for licence rights	16 154	-	-	-	-	16 154	11 390	-	-	-	-	11 390
Other non-current financial liabilities	32 601	-	-	-	674	33 275	18 971	-	-	50	703	19 724
Total	109 576	40 699	9 035	15 348	5 514	180 172	87 305	18 209	10 927	18 194	8 077	142 712

As at 31 December 2023, the Group had no currency hedges (forward transactions) to safeguard future cash flows. The same applied as at 31 December 2022.

A change in the CHF/EUR exchange rate of +/- 5% in 2023 would have had an impact on the Group's profit before tax of EUR +/- 1 483 thousand (2022: EUR +/- 457 thousand), while a change in the USD/EUR exchange rate of +/- 5% in 2023 would have had an impact of EUR +/- 29 thousand (2022: EUR +/- 91 thousand), and a change in the GBP/EUR exchange rate of +/- 5% in 2023 would have an impact of EUR +/- 469 thousand (2022: EUR +/- 510 thousand). The change in profit or loss has a corresponding impact on equity.

- Interest-rate risk

The Group's exposure to interest rate risk due to fluctuations in market interest rates as at the end of 2023 largely resulted from cash and cash equivalents and bank liabilities. The 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 not usually 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, if all other factors remain equal. If the market

interest rate as at 31 December 2023 had been 1 percentage point higher or lower, the Group's financial result or equity would have been EUR 26 thousand (2022: EUR 160 thousand) lower or higher.

- Capital management

The Group's capital management activities are aimed primarily at maintaining an adequate equity base to retain investor, customer and market confidence and to support the future development of its core business. The Group's dividend policy, the return of capital to shareholders or capital increases are used to maintain an appropriate level of capitalization and to adjust the equity structure if necessary.

IN EUR THOUSANDS	31.12.23	31.12.22
Share capital	1 296	1 204
Capital reserves	100 596	83 984
Retained earnings/other reserves	93 896	93 569
Total equity attributable to owners of the parent company	195 788	178 757
TOTAL CAPITAL	414 148	356 961
Equity ratio	47.27%	50.08%

- 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 2023, the fair value of cash and cash equivalents, short-term bank liabilities, trade accounts receivable and payable, current financial liabilities, other receivables and other current liabilities was approximately in line with as their carrying amounts due to their short-term nature.
- The fair value of non-current financial liabilities is determined on the basis of discounted cash flows. This valuation model considers the present value of expected payments.

Management determined the fair value of all of the Group's financial assets and liabilities to be approximately in line with 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 identical assets or liabilities.
- Level 2: Other methods using inputs that significantly affect fair value and are based on data that can be observed directly or indirectly in the market.
- Level 3: Methods using inputs that significantly affect fair value and are not based on observable market data.

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

3. Segment Reporting

Lalique Group has established itself as a brand builder and has several brands in its portfolio. Reported financial information is therefore allocated and managed on the basis of those brands and CGUs. “Lalique”, “Ultrasun” and “Jaguar”, as well as “Wine & Spirits” (including Glenturret and Château Lafaurie-Peyraguey), are the largest brands in terms of revenue, profit and/or total assets. Consequently, these brands have been identified as reportable segments. Together, they account for more than 75% of Lalique’s revenue.

Non-brand-related holdings are presented in a separate reconciling item “Holding and eliminations”. Other brands and business activities have been combined within the residual segment “Other brands” for segment reporting purposes. This residual segment includes Lalique Group’s smaller brands (Parfums Samouraï, Parfums Grès, Bentley Fragrances, Brioni, Superdry and Mikimoto) 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). Despite their names, these distribution and production companies 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	2023	2022
Decorative pieces	53%	50%
Perfume	22%	26%
Interior design	9%	10%
Jewellery	3%	3%
Art	4%	3%
Other diversification (incl. hotel-restaurants)	9%	8%

Segment 2—Ultrasun

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

Segment 3—Jaguar

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

Segment 4—Wine & Spirits

The Wine & Spirits segment comprises the Glenturret brand and the wine producer Château Lafaurie-Peyraguey. The segment develops, produces and distributes Scotch whisky from its own distillery, The Glenturret, and wine from Ciron’s vineyard, Château Lafaurie-Peyraguey, in Bordeaux.

Segment 5—Other brands

The “Other brands” segment comprises the Samouraï, Grès, Bentley, Brioni, Superdry and Mikimoto brands, as well as Lalique Tamer Beauty, Lalique Beauty Distribution, Lalique Beauty Services and intercompany eliminations between these other brands. They are all 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 conducted on an arm’s length basis.

Segment reporting for the 2023 financial year

The table below contains information on revenues and profit, as well as on the assets and liabilities of the Group's business segments:

IN EUR THOUSANDS	LALIQUE	ULTRASUN	JAGUAR	WINE & SPIRITS ¹	OTHER BRANDS ²	HOLDING AND ELIM. ³	GROUP
Revenue and other operating income							
Revenue from contracts with external customers	90 291	16 336	24 704	9 180	36 257	30	176 798
Revenue from transactions with other segments	5 400	-	3 502	284	6 752	-15 938	-
Other operating income ⁴	2 113	44	31	91	75	54	2 408
Other operating income with other segments	586	-	-	133	1 305	-2 024	-
Total revenue and other operating income	98 390	16 380	28 237	9 688	44 389	-17 878	179 206
EBIT	1 210	618	1 961	805	3 017	-578	7 033
Financial result							-3 784
Group profit before taxes							3 249
Income tax expenses							-860
NET GROUP PROFIT							2 389
Assets and liabilities							
Segment assets	214 104	24 294	24 703	86 622	78 444	-14 019	414 148
Segment liabilities	176 687	7 645	14 806	40 830	58 905	-101 103	197 770
Other segment information							
Investments							
Property, plant and equipment ⁵	17 829	48	143	15 568	4 160	799	38 547
of which investments in RoU assets	9 684	22	-	123	499	687	11 015
Intangible assets ⁶	979	195	2 643	124	6 702	-	10 643
Depreciation and amortization							
Property, plant and equipment ⁷	10 751	309	326	-587	1 960	24	12 783
Intangible assets	549	177	115	323	420	1	1 585

¹ We have merged the fine spirits business of Glenturret with the newly acquired wine business of Ciron resp. Chateau Lafaurie-Peyraguey into the segment Wine & Spirits.

² Revenue and other operating income from other brands

Parfums Samourai	5 509
Parfums Grès	6 752
Bentley Fragrances	8 326
Brioni	3 178
Lalique Tamer Beauty	11 198
Lalique Beauty Distribution	1 671
Lalique Beauty Services	13 744
Elimination intercompany other brands	-5 989
Total revenue and other operating income from other brands	44 389

³ The "Holding and elim." reconciling item covers the holding and management companies, and eliminations. Reconciling item 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.

⁴ In the first half of 2023 other operating income from the Lalique Brand derived to a large extent from an eviction indemnity of EUR 685 thousand due to the termination of the contract by the lessor.

⁵ The property, plant and equipment investments of other brands include investments in the perfume production facility in Ury of EUR 3 537 thousand of which EUR 205 are investments in right-of-use assets and investments in the segment Wine & Spirits in the amount of 12 987 are related to the acquisition of the wine producer Chateau Lafaurie-Peyraguey in 2023.

⁶ Additions to intangible assets of Jaguar Brand include the extension of licence agreement in the amount of EUR 2 544 thousand whereas additions of Other Brands consist of the extended licence agreement with Barberini in the amount of EUR 2 758 thousand and the new licence agreement with Mikimoto in the amount of EUR 2 997 thousand.

⁷ Due to a revaluation of previously impaired land assets, the amount includes a reversal of Impairment of EUR 1 485 thousand on land assets.

Segment reporting for the 2022 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	WINE & SPIRITS	OTHER BRANDS ¹	HOLDING AND ELIM. ²	GROUP
Revenue and other operating income							
Revenue from contracts with external customers	89 474	14 793	24 883	7 346	30 924	110	167 530
Revenue from transactions with other segments	3 188	-81	1 503	221	6 129	-10 960	-
Other operating income ³	2 343	39	7	11	50	21	2 471
Other operating income with other segments	671	81	-	-	1 236	-1 988	-
Total revenue and other operating income	95 676	14 832	26 393	7 578	38 339	-12 817	170 001
EBIT	4 294	476	4 286	-887	5 390	-405	13 154
Financial result							-2 001
Group profit before taxes							11 153
Income tax expenses							-1 511
NET GROUP PROFIT							9 642
Assets and liabilities							
Segment assets	201 033	21 950	22 016	60 247	66 141	-14 426	356 961
Segment liabilities	155 569	6 883	8 853	27 825	48 122	-86 980	160 272
Other segment information							
Investments							
Property, plant and equipment ⁴	21 913	1 275	60	5 147	2 046	241	30 682
of which investments in RoU assets	12 930	1 246	-	28	81	200	14 485
Intangible assets ⁵	135	204	6	262	12 436	-	13 043
Depreciation and amortization							
Property, plant and equipment	10 605	314	232	728	1 847	33	13 759
Intangible assets	1 103	180	102	167	392	4	1 948

¹ Revenue and other operating income other brands

ParfumParfums Samourai	4 953
Parfums Grès	4 740
Bentley Fragrances	11 078
Brioni	2 713
Lalique Tamer Beauty	7 168
Lalique Beauty Distribution	1 457
Lalique Beauty Services	11 042
Parfums Alain Delon	38
Elimination intercompany other brands	-4 850
Total revenue and other operating income other brands	38 339

² The "Holding and 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 2022, other operating income derived to a large extent from a won legal case at Lalique SA amounting to EUR 1 720 thousand, insurance claims of EUR 2 thousand (2021: EUR 923 thousand), operating grants from governments of EUR 126 thousand (2021: EUR 1 408 thousand) and profitable fixed asset transactions of EUR 218 thousand (2021: EUR 91 thousand).

⁴ The property, plant and equipment investments of other brands include investments in the perfume production facility in Ury of EUR 1 976 thousand as well as IFRS 16 adjustments of Lalique Brand regarding the new office in Paris amounting to EUR 7 264 thousand.

⁵ Additions to intangible assets of other brands include the new licence agreement with Superdry amounting to EUR 11 134 thousand as well as the extended licence agreement with Bentley amounting to EUR 1 734 thousand.

Geographical regions

The geographical breakdown of segment revenue shown below is based on customer locations.

IN EUR THOUSANDS	2023	2022
Revenue from contracts with customers		
UK	40 539	35 292
France	22 188	20 723
USA	15 306	13 917
Germany	14 361	11 774
UAE	10 354	17 717
Japan	7 410	7 743
Poland	6 540	5 224
Hong Kong	5 473	5 606
Czech Republic	5 231	5 818
Singapore	5 132	3 670
China	4 304	5 172
Switzerland	3 902	4 413
Other countries	36 058	30 461
Group	176 798	167 530

The geographical breakdown of non-current operating assets shown below is based on the location of property, plant and equipment, intangible assets and other non-current assets.

IN EUR THOUSANDS	31.12.23	31.12.22
Non-current operating assets		
France	120 178	102 135
Switzerland	56 054	45 544
UK	43 774	40 327
USA	7 264	2 553
Germany	2 089	2 425
China	1 742	2 748
Hong Kong	827	1 916
Singapore	449	435
Japan	276	75
UAE	232	42
Group	232 885	198 200

Details on the Consolidated Income Statement**4. Revenue from contracts with customers**

IN EUR THOUSANDS	2023	2022
Revenue from sale of goods and services	174 985	165 764
Licence income/royalties	1 813	1 766
TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS	176 798	167 530

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	2023	2022
Other operating income	2 408	2 471
TOTAL OTHER OPERATING INCOME	2 408	2 471

Other operating income comprises non-recurring income and the result from the disposal of assets. In 2023, other operating income was largely driven by government operating grants of EUR 617 thousand (2022: EUR 126 thousand) and by compensation for the eviction from a leased building by the landlord at Lalique SA in the amount of EUR 685 thousand. The gain on the sale of property, plant and equipment

amounted to EUR 25 thousand (2022: EUR 218 thousand). Recharges, e.g. for accounting services, refunds for private expenses or other charges, totalled EUR 249 thousand (2022: EUR 5 thousand). Income from sublease contracts was EUR 43 thousand (2022: EUR 42 thousand) and expired gift vouchers led to the recognition of income of EUR 115 thousand (2022: EUR 0 thousand).

6. Material costs, licences and third-party services

IN EUR THOUSANDS	2023	2022
Cost of components and finished goods	49 228	49 919
Other directly attributable production costs	14 706	12 487
Licence expenses	3 769	3 398
Commission expenses	2 255	2 086
Other procurement costs	9 363	3 397
TOTAL MATERIAL COSTS, LICENCES AND THIRD PARTY SERVICES	79 321	71 287

Other directly attributable production costs mainly comprise the 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, Lalique Barberini Fragrances (Brioni brand licensee), Superdry Fragrances and Mikimoto Fragrances. Commission expenses relate to the brokerage of sales trans-

actions. 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 discounts that are not directly attributable to the components or goods.

7. Salaries and wages

IN EUR THOUSANDS	2023	2022
Wages and salaries (incl. bonuses)	32 444	28 472
Social insurance and other social costs	11 850	11 405
Defined benefit plans	977	1 000
Defined contribution plans	537	282
Other personnel costs	1 133	875
TOTAL PERSONNEL COSTS	46 941	42 034
Average number of FTE	811	766

In 2023, total personnel costs were reduced by government grants for furloughing in the amount of EUR 0 thousand (2022: EUR 68 thousand).

8. Other operating expenses

IN EUR THOUSANDS	2023	2022
Advertising and promotional expenses	10 364	9 261
Administrative expenses	7 609	6 492
Rental expenses	4 510	3 924
Property insurance, levies and charges	765	818
Vehicles	411	244
Miscellaneous operating expenses	7 884	7 080
TOTAL OTHER OPERATING EXPENSES	31 543	27 819

The item "Miscellaneous operating expenses" includes travel expenses (2023: EUR 3 776 thousand; 2022: EUR 2 941 thousand), expenses for creations that are not capitalizable (2023: EUR 41 thousand; 2022: EUR 51 thousand) and various other costs.

Rental expenses include 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 2023, the Group recognized a net relief of lease obligations of EUR 0 thousand (2022: EUR 117 thousand) presented as a rental expense reduction.

9. Financial income and expenses

IN EUR THOUSANDS	2023	2022
Financial income		
Interest on loans and advance financing	12	19
Other financial income	103	81
Total financial income	115	100
Financial expenses		
Interest on short- and long-term financial liabilities ¹	2 227	951
Other financial expenses	1 088	940
Total financial expenses	3 315	1 891
Income from exchange rate fluctuations	6 042	8 275
Expenses from exchange rate fluctuations	6 627	8 485
Net foreign exchange differences	-585	-210
FINANCIAL RESULT	-3 785	-2 001

¹ Thereof interest expense on lease liabilities amount to EUR 619 thousand in 2023 (2022: EUR 495 thousand).

10. Income taxes

The main components of income tax expenses are as follows:

IN EUR THOUSANDS	2023	2022
Current year income taxes	1 236	1 905
Income taxes from previous years	106	233
Current income taxes	1 342	2 138
Deferred tax income/expenses resulting from change in temporary differences	-196	1 064
Deferred tax income/expenses resulting from change in tax rates	-39	-8
Deferred tax expenses/income resulting from usage or capitalization respectively of deferred taxes on accumulated losses	-247	-1 683
Deferred tax expenses	-482	-627
TOTAL TAX EXPENSES	860	1 511

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

IN EUR THOUSANDS	2023	2022
Group profit before taxes	3 249	11 153
Expected tax rate	19.7%	19.7%
Expected tax expenses	638	2 197
Income not subject to income tax	-174	-54
Income taxes from previous years	106	233
Effect from unaccounted tax loss and new temporary differences in the current reporting year	2 361	2 077
Effect from utilisation of unaccounted tax losses and temporary differences from previous years	-430	-673
Ex post accounting of previous unaccounted tax losses and temporary differences	-868	-1 600
Ex post unaccounting of previous accounted tax losses and temporary differences	42	279
Effect of change in tax rate	-39	-8
Effect of revenues taxed at different rates	-784	-1 467
Non-deductible expenses	25	504
Other effects	-17	23
TOTAL INCOME TAX	860	1 511

The expected tax rate represents the domestic ordinary income tax rate in the location where the parent company is domiciled (Zurich, Switzerland).

II. Earnings per share and dividends

		2023	2022
Average number of shares in circulation	Number	7 546 442	7 167 286
Net Group profit in favour of shareholders of Lalique Group SA	EUR thousands	2 545	9 654
EARNINGS PER SHARE BASIC/DILUTED	EUR	0.34	1.35

For the 2023 financial year, a dividend of CHF 0.50 per share was distributed. With respect to the 2024 financial year, the Board of Directors will not propose a dividend at the Annual General Meeting on 29 May 2024.

*Details on the consolidated balance sheet***12. Cash, cash equivalents and bank overdrafts**

IN EUR THOUSANDS	31.12.23	31.12.22
Cash	193	190
Bank	27 520	39 957
TOTAL CASH AND CASH EQUIVALENTS	27 713	40 147

Interest earned on assets denominated in CHF, EUR, GBP and USD was 0.00% (2022: 0.00%).

IN EUR THOUSANDS	31.12.23	31.12.22
Bank overdraft	33 165	29 487
BANK OVERDRAFT	33 165	29 487

Interest charged on liabilities in USD and GBP was between 2.81% and 6.0% (2022: between 1.0% and 6.0%) and on liabilities in EUR was between 0.25% and 5.06% (2022: between 0.25% and 3.26%). Interest charged on liabilities in CHF was between 2.81% and 4.61% (2022: between 1.0% and 2.0%).

13. Trade accounts receivable

Trade accounts receivable are non-interest-bearing and generally fall due between 0 and 90 days, up to a maximum of 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 90 DAYS
2023						
Of which EUR	15 272	12 488	2 784	2 140	62	582
Of which CHF accounts shown in EUR	767	384	383	213	15	155
Of which USD accounts shown in EUR	5 591	3 149	2 442	714	54	1 674
Of which other currencies shown in EUR	2 951	1 101	1 850	642	916	292
Allowance for doubtful debts	-1 787	-191	-1 596	-37	-42	-1 517
Total	22 794	16 931	5 863	3 672	1 005	1 186
2022						
Of which EUR	12 420	9 227	3 193	2 132	114	947
Of which CHF accounts shown in EUR	594	543	51	33	-	18
Of which USD accounts shown in EUR	5 378	2 094	3 284	1 224	337	1 723
Of which other currencies shown in EUR	3 258	391	2 867	1 989	457	421
Allowance for doubtful debts	-1 562	-8	-1 554	-51	-36	-1 467
Total	20 088	12 247	7 841	5 327	872	1 642

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. Trade receivables are generally written off if they are more than one year over due 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 are included 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. Provision rates are based on the number of days the receivable is overdue. 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 90 DAYS
2023						
Expected credit loss rate	0.8%	0.1%	2.8%	1.0%	4.0%	7.0%
Estimated total gross carrying amount at default	22 978	16 948	6 030	3 709	1 047	1 274
Expected credit loss	-184	-17	-167	-37	-42	-88
2022						
Expected credit loss rate	1.1%	0.1%	2.6%	1.0%	4.0%	7.0%
Estimated total gross carrying amount at default	20 307	12 255	8 052	5 378	908	1 765
Expected credit loss	-219	-8	-211	-51	-36	-123

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

IN EUR THOUSANDS	31.12.23	31.12.22
OPENING BALANCE	1 562	1 786
Formation (+)	323	368
Usage (-)	-	-110
Reversed (-)	-57	-584
Currency effect	-41	102
CLOSING BALANCE	1 787	1 562

14. Inventories

IN EUR THOUSANDS	31.12.23	31.12.22
Components and raw materials	37 317	29 126
Finished goods	76 032	55 538
Advance payments	2 993	1 841
TOTAL INVENTORIES	116 342	86 505

Scrapping and write downs on inventories recognized as expenditure amounted to EUR 1 473 thousand in 2023 (2022: EUR 1 058 thousand). Furthermore, EUR 411 thousand of write-downs were reversed in 2023 (2022: EUR 623) as certain goods were sold above the book value, which was measured at expected net realizable value and below production cost respectively purchase price.

No inventories serve as collateral for obligations.

15. Other receivables

IN EUR THOUSANDS	31.12.23	31.12.22
VAT and other tax receivables	3 846	2 904
Goods-receipt/invoice-receipt (GR/IR)	425	299
Accrued income and prepaid expenses	3 514	2 307
Short-term rental deposits	1 058	988
Other receivables	303	570
TOTAL OTHER RECEIVABLES	9 146	7 068

16. Intangible assets

IN EUR THOUSANDS	GOODWILL	BRANDS	LICENCE RIGHTS	CREATIONS	SOFTWARE	TOTAL INTANGIBLE ASSETS
Acquisition costs as of 01.01.2022	11 788	73 379	8 913	7 358	8 434	109 872
Additions ¹	-	-	12 035	975	33	13 043
Reclassification/transfers	-	-	-20	21	-1	-
Disposals	-	-	-1 299	-	-9	-1 308
Exchange differences	-591	779	670	294	65	1 217
Acquisition costs as of 31.12.2022	11 197	74 158	20 299	8 648	8 522	122 824
Additions ¹	156	-	8 610	1 139	727	10 632
Additions from acquisition of Château Lafaurie-Peyraguey Sàrl	-	10	29	-	22	61
Reclassification/transfers	-	-	-	-	-	-
Disposals	-	-	-4 989	-	37	-4 952
Exchange differences	194	1 689	1 256	444	19	3 602
Acquisition costs as of 31.12.2023	11 547	75 857	25 205	10 231	9 327	132 167
Amortization, cumulative as of 01.01.2022	-	-4 320	-5 993	-5 431	-6 007	-21 751
Additions ²	-	-	-1 973	-945	-694	-3 612
Reclassification/transfers	-	-	13	-21	8	-
Disposals	-	-	1 299	-	3	1 302
Impairment	-	-	-300	-	-	-300
Exchange differences	-	-	-319	-235	-62	-616
Amortization, cumulative as of 31.12.2022	-	-4 320	-7 273	-6 632	-6 752	-24 977
Additions ²	-	-	-2 305	-1 054	-529	-3 888
Reclassification/transfers	-	-	-	-	-	-
Disposals	-	-	4 989	-	16	5 005
Impairment	-	-	-	-	-	-
Additions from acquisition of Château Lafaurie-Peyraguey Sàrl	-	-7	-21	-	-22	-50
Exchange differences	-	-	-268	-336	-16	-620
Amortization, cumulative as of 31.12.2023	-	-4 327	-4 878	-8 022	-7 303	-24 530
NET INTANGIBLE ASSETS AS OF 31.12.2023	11 547	71 530	20 327	2 209	2 024	107 637
Net intangible assets as of 31.12.2022	11 197	69 838	13 026	2 016	1 770	97 847

¹ The additions of EUR 10 632 thousand (2022: EUR 13 043 thousand) resulted in a cash outflow of EUR 1 678 thousand (2022: EUR 884 thousand).

² The amortization of licence rights is recorded in licence expenses.

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.

Goodwill

The discounted cash flow method was used to test goodwill values for impairment as at 31 December 2023. The Glenturret CGU, to which goodwill of GBP 9 601 thousand is allocated, accounts for a material portion of the Group's goodwill. The goodwill value in use exceeds its carrying amount, and its value in local currency has not changed compared to the previous year.

Further details on The Glenturret brand impairment test assumptions, which were also applied in its goodwill impairment test, can be found in the "Brands" chapter.

Brands

The multi-period excess earnings method was used to test the various brand values for impairment as at 31 December 2023. At Lalique, Ultrasun, Parfums Grès,

Parfums Samourai and The Glenturret, the values in use exceed their carrying amounts. As at 31 December 2023, the carrying amounts of these brands were as follows: Lalique EUR 39 927 thousand (2022: EUR 39 526 thousand), Parfums Grès CHF 6 574 thousand (2022: CHF 6 574 thousand), Parfums Samourai CHF 1 800 thousand (2022: CHF 1 800 thousand), Ultrasun CHF 11 000 thousand (2022: CHF 11 000 thousand) and Glenturret GBP 9 400 thousand (2022: 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 regarding future market developments.

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

IN %	2022	2023	2024	2028
Lalique	15.6	12.7	16.0	16.2
Ultrasun	6.5	6.7	12.7	14.8
Parfums Grès	15.8	10.6	13.4	16.8
Parfums Samourai	29.2	31.0	29.5	29.2
Glenturret ¹	7.7	4.4	22.9	41.6

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

The following average growth in sales and pre-tax discount rates were considered for the brands:

IN %	AVERAGE GROWTH IN SALES		PRE-TAX DISCOUNT RATE	
	2023	2022	2023	2022
Lalique ¹	6.9	8.4	11.2	14.1
Ultrasun ¹	16.1	14.6	9.0	13.0
Parfums Grès ¹	3.0	5.7	11.9	13.7
Parfums Samourai ¹	2.6	1.9	9.2	10.9
Glenturret ²	27.0	27.6	9.7	10.0

¹ Calculated over the planning horizon of five years.

² Calculated over the planning horizon of nine years.

For The 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 the increase in production since the acquisition in 2019. The youngest whisky sold in The Glenturret's product range is ten years old. Consequently, 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, which is customary in the industry, revenues can be reasonably predicted over the planning horizon of nine years.

The residual value incorporates growth rates of 2.7% for Lalique, 0.8% for Ultrasun, 0.6% for Parfums Samourai, 2.7% for Parfums Grès and 3.3% for The Glenturret, respectively.

Lalique brand

As at 31 December 2023, the carrying amount of the Lalique brand is EUR 39 927 thousand (2022: EUR 39 526 thousand), of which Lalique SA holds EUR 32 376 thousand (2022: EUR 32 376 thousand) and Lalique Parfums SA EUR 7 551 thousand (2022: EUR 7 150 thousand), or CHF 7 040 thousand in the local currency:

IN EUR THOUSANDS	LALIQUE BRAND
Carrying value as of 01.01.2022	39 169
Net foreign exchange differences	357
Carrying value as of 31.12.2022	39 526
Net foreign exchange differences	401
Carrying value as of 31.12.2023	39 927

Furthermore, it has been assumed in the multi-period excess earnings calculation that the EBITDA margin of the Lalique brand will increase from 12.7% in 2023 to 16.2% in 2028 (2022: 15.6%). Sales in 2023 increased by 2.8% compared to 2022 and by 12.3% compared to 2021.

The impairment test of the Lalique brand included estimated average growth in sales of 6.2% over a period of five years (2022: 8.4%). The discount rates have also been reviewed to reflect the current economic situation. The after-tax discount rate used in the Lalique brand impairment test is 11.2% (2022: 14.1%).

Sensitivity

The Group defined various scenarios with more ambitious and more conservative five-year business plans.

For Lalique, the brand would be impaired in the event of a decrease in sales of more than 0.3% in each year of the five-year planning horizon, or a decrease in EBITDA of more than 0.4% per year, or an increase in discount rates of more than 1%.

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

Licence rights

Amortization charges in 2023 were unchanged in relation to licence agreements and rights for the Jaguar Fragrances, Bentley Fragrances and Brioni brands. The amortization charges are recognized over the contractual term or the useful life of the licence and recorded in licence expenses. The residual amortization period is three years for the Bentley Fragrances licence rights and six years for the Brioni brand, after a five-year contract extension was concluded in 2022 for both brands. The licence agreement for Jaguar Fragrances ended as at 31 December 2022 but was renewed in 2023 for another two years, with plans for a further extension.

For Superdry Fragrances, a new contract was signed in 2022. Under the terms of the licence agreement, which will initially run through 2032, the Group will exclusively create and distribute perfumes for the Superdry brand.

For Mikimoto Fragrances, a new contract was signed in 2023. Under the terms of the licence agreement, which will initially run through 2032, the Group will exclusively create and distribute perfumes for the brand Mikimoto.

In 2023, impairment losses of EUR 0 thousand (2022: EUR 300 thousand) were recognized on licence rights at Lalique SA.

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 2023, no impairment losses were recognized on creations (2022: EUR 0 thousand).

Software

The item "Software" consists of purchased IT software licences and the costs of customizing the software. In 2023, impairment losses of EUR 0 thousand (2022: EUR 0 thousand) were recognized on software.

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 as of 01.01.2022	116 452	45 191	23 919	1 382	4 332	191 276
Additions ¹	19 127	3 993	2 425	108	5 029	30 682
Reclassification/transfers	18	-23	-	-	5	-
Disposals	-3 782	-1 374	-276	-63	-813	-6 308
Exchange differences	864	-196	249	33	47	997
Acquisition costs as of 31.12.2022	132 679	47 591	26 317	1 460	8 600	216 647
Additions ¹	11 294	3 804	2 181	552	7 791	25 622
Additions from acquisition of Château Lafaurie-Peyraguey Sàrl	28 000	36	971	356	175	29 538
Reclassification/transfers	3 995	5 834	404	-	-10 233	-
Disposals	-13 354	-2 147	-39	-84	-5	-15 629
Exchange differences	-687	6	490	55	-6	-142
Acquisition costs as of 31.12.2023	161 927	55 124	30 324	2 339	6 322	256 036
Depreciation, cumulative as of 01.01.2022	-65 571	-24 630	-20 007	-775	-	-110 983
Additions	-9 526	-2 813	-1 159	-261	-	-13 759
Reclassification/transfers	-16	16	-	-	-	-
Disposals	2 639	1 446	282	56	-	4 423
Impairment	-	-4	-	-	-	-4
Exchange differences	-1 098	30	-390	-15	-	-1 473
Depreciation, cumulative as of 31.12.2022	-73 572	-25 955	-21 274	-995	-	-121 796
Additions	-9 060	-3 730	-1 195	-271	-	-14 256
Additions from acquisition of Château Lafaurie-Peyraguey Sàrl	-15 598	-21	-836	-158	-	-16 613
Disposals	12 110	2 064	36	84	-	14 294
Impairment ³	1 485	-11	-1	-	-	1 473
Exchange differences	655	38	-392	-34	-	267
Depreciation, cumulative as of 31.12.2023	-83 980	-27 615	-23 662	-1 374	-	-136 631
NET PROPERTY, PLANT AND EQUIPMENT AS OF 31.12.2023	77 947	27 509	6 662	965	6 322	119 405
Thereof carrying amount of RoU assets²	27 803	180	415	722	-	29 120
Net property, plant and equipment as of 31.12.2022	59 107	21 636	5 043	465	8 600	94 851

¹ The additions of EUR 25 622 thousand (2022: EUR 30 682 thousand) resulted in a cash outflow of EUR -14 331 thousand (2022: EUR -15 168 thousand).

² Refer to Note 24 for further information on RoU assets.

³ Due to a revaluation of previously impaired land assets, the amount includes a reversal of impairment of EUR 1 485 thousand on land assets.

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

18. Other non-current assets and financial assets

Other non-current assets comprise a collection of perfume flacons, drawings and other collectibles. The pieces were produced by the company's founder René Lalique or artists collaborating with the Group. In 2023, no additional items were acquired by the Group (items acquired in 2022: EUR 13 thousand).

In 2023, financial assets comprised long-term rental deposits of EUR 1 044 thousand (2022: EUR 1 237 thousand), net investment in subleases of EUR 420 thousand (2022: EUR 442 thousand) and other non-current financial assets of EUR 135 thousand (2022: EUR 51 thousand).

19. Pension schemes

IN EUR THOUSANDS	31.12.23	31.12.22
Defined benefit pension plans	3 299	3 014
Other long-term post-employment benefits	167	159
TOTAL DEFINED BENEFIT OBLIGATION	3 466	3 173

Defined benefit pension plans

The Group has a defined benefits pension plan in Switzerland and France. The plans are designed to ensure that current and future contributions are sufficient to cover future benefit obligations. As defined in the fund regulations, the employer and employees make matching annual contributions. Contributions are based on an age-related sliding scale that defines the percentage of an employee's insured salary that is to be contributed.

The Swiss pension fund is in accordance with Swiss law and 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 2023, 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 complies with legal provisions governing the minimum benefits payable to the insured. There were no significant changes, curtailments or settlements related to the plan during the reporting period.

Other long-term post-employment benefits

In France, the Group has plans that fall within this category. One such plan exists which, in accordance with the statutory requirements governing privately held companies, builds capital that is then used to pay appropriate compensation to employees when they leave the company. The benefit payable is based on the number of years of service, the reference salary, the collective wage agreement and the circumstances that led to the employee's departure. The payment of pensions is compliant with the national collective agreement for handmade glass manufacturing.

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 final 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 shown below:

IN EUR THOUSANDS	DEFINED BENEFIT PENSION PLANS		OTHER LONG-TERM POST-EMPLOYMENT BENEFITS	
	31.12.23	31.12.22	31.12.23	31.12.22
Present value of defined benefit pension obligation	-16 879	-13 174	-167	-159
Fair value of the plan assets	13 580	10 160	-	-
(SHORTFALL)/SURPLUS	-3 299	-3 014	-167	-159

Breakdown of annual expenditure on pension benefits recognized in wages and salaries:

IN EUR THOUSANDS	DEFINED BENEFIT PENSION PLANS		OTHER LONG-TERM POST-EMPLOYMENT BENEFITS	
	2023	2022	2023	2022
Current service cost	-913	-746	-13	-18
Net interest cost of pension plans	-9	-9	-	-
TOTAL EMPLOYEE BENEFIT EXPENSES RECOGNIZED IN THE INCOME STATEMENT	-922	-755	-13	-18

Breakdown of remeasurement of pension plans recognized directly in other comprehensive income/profit and loss:

IN EUR THOUSANDS	DEFINED BENEFIT PENSION PLANS		OTHER LONG-TERM POST-EMPLOYMENT BENEFITS	
	2023	2022	2023	2022
Actuarial gain/(loss) from the pension obligation	-667	2 968	-	-25
Change in the plan assets (not incl. interest)	701	-457	-	-
TOTAL REMEASUREMENTS RECOGNIZED IN OTHER COMPREHENSIVE INCOME	34	2 511	-	-25
Actuarial gain/(loss) from the pension obligation	-	-	10	20
TOTAL REMEASUREMENTS RECOGNIZED IN THE INCOME STATEMENT	-	-	10	20

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	
	2023	2022	2023	2022
Present value of defined benefit pension obligations on 1 January	-13 174	-14 129	-159	-204
Interest expenses	-261	-40	-	-
Current service cost	-913	-746	-13	-18
Employee contributions	-677	-503	-6	-2
Actuarial gains and losses arising from changes in financial assumptions	-994	2 385	-	38
Actuarial gains and losses arising from changes in demographic assumptions	327	583	10	-18
Benefits paid	-454	-150	-	44
Administration costs	10	8	-	-
Currency effect	-744	-581	-	-
PRESENT VALUE OF DEFINED BENEFIT PENSION OBLIGATIONS ON 31 DECEMBER	-16 879	-13 174	-167	-159

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	
	2023	2022	2023	2022
Fair value of the plan assets on 1 January	10 160	8 900	-	-
Interest income from the plan assets	252	31	-	-
Change in the plan assets (not incl. interest)	701	-457	-	-
Employer contributions	585	484	-	-
Employee contributions	585	484	-	-
Benefits paid	612	235	-	-
Currency effect	685	483	-	-
FAIR VALUE OF THE PLAN ASSETS ON 31 DECEMBER	13 580	10 160	-	-

In the Swiss defined benefit pension plan 82% of the plan assets were invested in Swiss francs in the following asset classes:

FAIR VALUE OF THE PLAN ASSETS PER ASSET CLASS	IN %
Cash and cash equivalents	1%
Equity instruments	35%
Debt instruments	30%
Real estate (direct and indirect investments)	23%
Infrastructure facilities	10%
Others	1%

Sensitivity of key actuarial assumptions for the Swiss plan

Actuarial assumptions are made in respect of the discount rate, future salary trends and life expectancy, as shown in the following table:

	2023	2022
Bases used for calculation of Swiss plan		
Discount rate	1.45%	2.25%
Expected rate of salary increase	1.00%	1.00%
Life expectancies	BVG2020 GT	BVG2020 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 606 thousand (-3.9%)/increase of EUR 648 thousand (+4.1%) in defined benefit pension obligations.
- A 0.25% increase/decrease in the expected rate of salary increase would result in an increase of EUR 75 thousand (+0.5%)/decrease of EUR 73 thousand (-0.5%) in defined benefit pension obligations.
- An increase/decrease in life expectancies of one year would result in an increase of EUR 398 thousand (+2.0%)/decrease of EUR 402 thousand (-2.0%) in defined benefit pension obligations.

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The average duration of the defined benefit pension obligation was 16.80 years at the end of the reporting period (2022: 18.90 years).

Forecasted contributions

The forecasted contributions of the company for the 2024 financial year amount to EUR 666 thousand.

Key actuarial assumptions for the French plan

Actuarial assumptions are made in respect of the discount rate, future salary trends and life expectancy, as shown in the following table:

	2023	2022
Bases used for calculation of French plans		
Discount rate	3.17%	4.00%
Expected rate of salary increase	2.45%/4.62%	1.75%/9.09%
Life expectancies	TGH 05/TGF 05	TGH 05/TGF 05

20. Other current liabilities

IN EUR THOUSANDS	31.12.23	31.12.22
Accrued salary expenses	3 767	3 933
Accruals for social institutions	1 277	1 075
Government grants	300	312
Goods-receipt/invoice-receipt (GR/IR)	1 545	3 308
Other current liabilities ¹	8 333	7 757
TOTAL OTHER CURRENT LIABILITIES	15 222	16 385

¹ The Group restated the balance sheet as of 31 December 2022 to correct an accounting error related to licence assets (Note 2)

The amount of EUR 300 thousand (2022: EUR 312 thousand) represents government grants to Villa René Lalique SAS provided by the region of Alsace, France.

21. Current financial liabilities

IN EUR THOUSANDS	31.12.23	31.12.22
Short-term lease liabilities	5 524	6 012
Current minimal fees for licence rights ¹	2 811	889
Other current financial liabilities	12 103	7 377
TOTAL CURRENT FINANCIAL LIABILITIES	20 438	14 278

¹ The Group restated the balance sheet as of 31 December 2022 to correct an accounting error related to licence assets (Note 2)

22. Provisions

IN EUR THOUSANDS	OTHER CURRENT PROVISIONS	OTHER LONG-TERM PROVISIONS	TOTAL PROVISIONS
As at 01.01.2022	820	1 437	2 257
Formation	67	27	94
Usage	-550	-348	-898
Release	-33	-23	-56
Currency effect	23	3	26
As at 31.12.2022	327	1 096	1 423
Formation	178	19	197
Usage	-62	-	-62
Release	-	-357	-357
Currency effect	22	1	23
As at 31.12.2023	465	774	1 239

In 2023, a recognized long-term provision of EUR 357 thousand due to a pre-contractual cancellation of a leased building by the landlord was released at Lalique SA as the landlord had to pay a eviction compensation. In addition, a current provision of EUR 62 thousands was used for the restoration of the old boutique at Lalique Suisse.

In 2022, a current litigation provision of EUR 306 thousand and a long-term litigation provision of EUR 348 thousand were used by Lalique SA. In addition, a litigation provision of EUR 244 thousand was used by Ultrasun SA.

23. Non-current financial liabilities

IN EUR THOUSANDS	31.12.23	31.12.22
Loans from NCI shareholders	9 576	8 647
Long-term leasing liabilities	22 667	18 915
Non-current minimal fees for licence rights	16 154	11 390
Other non-current financial liabilities	33 275	19 724
TOTAL OTHER NON-CURRENT FINANCIAL LIABILITIES	81 672	58 676

“Other non-current financial liabilities” mainly comprise loans associated with contractual agreements between subsidiaries and local financing institutions and minimal fees for licence rights owed in respect of Jaguar Fragrances, Bentley Fragrances, Superdry Fragrances, Lalique Barberini Fragrances (Brioni brand licensee) and Mikimoto Fragrances.

The loans from NCI shareholders are provided in CHF and the interest rate is a maximum of 2.5%.

Changes in financial liabilities from financing cash flows

IN EUR THOUSANDS	01.01.2023	CASH FLOWS	CURRENCY EXCHANGE MOVEMENTS	ADDITIONS	ACQUISITION CIRON SA	OTHER	31.12.23
Bank overdrafts	29 487	2 202	1 476	-	-	-	33 165
Short-term leasing liabilities	6 012	-6 573	-79	31	101	6 032	5 524
Current minimal fees for licence rights ¹	889	-2 007	126	-	-	3 803	2 811
Other current financial liabilities	7 378	-3 726	39	-	2 379	6 033	12 103
Long-term leasing liabilities	18 915	-	-93	10 938	201	-7 294	22 667
Non-current minimal fees for licence rights ¹	11 390	-	818	5 703	-	-1 757	16 154
Non-current liabilities NCI shareholders	8 647	232	504	-	-	193	9 576
Non-current liabilities other related parties	-	-	-	-	-	37	37
Other non-current financial liabilities	19 723	16 041	-64	-	3 600	-6 061	33 239
TOTAL LIABILITIES FROM FINANCING ACTIVITIES	90 162	6 169	2 727	16 672	6 281	986	122 997

¹ The Group restated the balance sheet as of 31 December 2022 to correct an accounting error related to licence assets (Note 2)

IN EUR THOUSANDS	31.12.2021	CASH FLOWS	CURRENCY EXCHANGE MOVEMENTS	ADDITIONS	OTHER	31.12.2022
Bank overdrafts	26 852	1 345	1 290	-	-	29 487
Short-term leasing liabilities	5 298	-7 213	62	-	7 865	6 012
Short-term liabilities NCI shareholders	207	-222	15	-	-	-
Current minimal fees for licence rights ¹	1 484	-2 989	93	381	1 920	889
Other current financial liabilities	21 005	-17 963	40	-	4 296	7 378
Long-term leasing liabilities	13 043	-	52	15 020	-9 200	18 915
Non-current liabilities NCI shareholders	4 822	3 429	324	-	72	8 647
Non-current minimal fees for licence rights ¹	1 177	-	729	11 304	-1 820	11 390
Other non-current financial liabilities	17 999	6 133	-67	-	-4 342	19 723
TOTAL LIABILITIES FROM FINANCING ACTIVITIES	91 887	-17 480	2 538	26 706	-1 210	102 441

¹ The Group restated the balance sheet as of 31 December 2022 to correct an accounting error related to licence assets (Note 2)

The column “Other” includes the effect of reclassifying 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 in the cash flow statement).

24. Lease

The Group entered into lease contracts as a lessee for various rental properties (e.g. retail stores, offices), production machinery, vehicles and other equipment used in its operations. Leases of rental properties and production machinery generally have lease terms ranging from 1 year or less to 20 years, while motor vehicles and other equipment generally have lease terms of between 1 and 6 years. The Group's

obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension and termination options and variable lease payments, which are discussed in more detail below. The Group also has certain leases with a term of 12 months or less and leases for low-value assets (e.g. office equipment). The Group applies the "short-term lease" and "lease of low-value assets" recognition exemptions to these leases.

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

IN EUR THOUSANDS	31.12.23	31.12.22
Liabilities from leases as of 1 January	24 927	18 341
New leases	10 969	15 020
New leases from acquisition	302	-
Disposals of lease liabilities	-1 262	-1 335
Lease payments	-7 192	-7 708
Interest accruals	619	495
Exchange differences	-172	114
LIABILITIES FROM LEASES AS OF 31 DECEMBER	28 191	24 927

IN EUR THOUSANDS	LAND, BUILDINGS	EQUIPMENT, FURNISHINGS	MACHINERY + EQUIPMENT, IT, HARDWARE, TOOLS	VEHICLES	TOTAL PROPERTY, PLANT AND EQUIPMENT
Right-of-use assets as of 01.01.2023	25 624	186	351	193	26 354
Additions to right-of-use assets— Increase in scope of consolidation	-	18	104	352	-
Additions to right-of-use assets	10 294	32	181	508	11 015
Reductions from sublease	-	-	-	-	-
Depreciation charge for right-of-use assets— Increase in scope of consolidation	-	-9	-65	-155	-
Depreciation charge for right-of-use assets	-6 707	-45	-156	-183	-7 091
Reduction from sublease	-	-	-	-	-
Disposals of right-of-use assets	-1 230	-2	-	-	-1 232
Exchange differences	-178	-	-	7	-171
RIGHT-OF-USE ASSETS AS OF 31.12.2023	27 803	180	415	722	29 120
Right-of-use assets as of 01.01.2022	20 339	296	479	243	21 357
Additions to right-of-use assets	14 911	-	-	108	15 019
Reduction from sublease	-535	-	-	-	-535
Additions to right-of-use assets from acquisition	14 911	-	-	108	15 019
Depreciation charge for right-of-use assets	-7 289	-106	-128	-153	-7 676
Reduction from sublease	54	-	-	-	54
Disposals of right-of-use assets	-1 985	-	-	-7	-1 992
Exchange differences	129	-4	-	2	127
RIGHT-OF-USE ASSETS AS OF 31.12.2022	25 624	186	351	193	26 354

Lease in the income statement

IN EUR THOUSANDS	31.12.23	31.12.22
Income from sublease	43	42
Short-term lease expense ¹	-157	-717
Low-value lease expense ²	-122	-124
Variable lease payment expenses ³	-1 282	-439
Other operating expenses	-1 518	-1 238
Depreciation charge for RoU	-7 092	-7 622
Depreciation and impairment losses on RoU	-7 092	-7 622
Interest income from sublease	9	9
Interest expense on lease liabilities	-619	-495
Financial result leasing	-610	-486
LEASES IN THE INCOME STATEMENT	-9 220	-9 346
Total cash outflows for leases of	-7 192	-7 708

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:

IN EUR THOUSANDS	31.12.23	31.12.22
Deferred tax assets net	-3 544	-3 223
Deferred tax liabilities net	11 046	11 350
NET DEFERRED TAX LIABILITIES	7 502	8 127

Reconciliation of net deferred tax liabilities:

IN EUR THOUSANDS	2023	2022
Net deferred tax liabilities		
Opening balance 1.1	8 127	8 330
Formation (+)/release (-) recognized in income statement	-482	-627
Formation (+)/release (-) recognized in other comprehensive income	25	506
Acquisitions/divestments	-310	-
Currency translation differences	142	-82
CLOSING BALANCE 31.12	7 502	8 127

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

IN EUR THOUSANDS	31.12.23	31.12.22
Trade accounts receivable	470	238
Inventory	4 644	4 082
Financial assets	837	1 995
Fixed assets	5 786	7 148
Intangible assets	20 572	18 725
Other non-current assets	652	652
Trade Accounts Payable	3 398	-
Other short-term liabilities	86	55
Long-term financial liabilities	23 071	68
Deferred tax liabilities gross	59 516	32 963
Offsetting of assets and liabilities	-48 470	-21 613
Deferred tax liabilities net	11 046	11 350
Trade accounts receivable	-3 173	-52
Inventory	-320	-691
Other Receivables	-95	-233
Financial Assets	-21 876	-
Fixed assets	-4	-4
Intangible assets	-5 766	-5 114
Other non-current assets	-318	-117
Trade accounts payable	-	-6
Short-term Financial Debts	-1 199	-
Other short-term liabilities	-5	-1 052
Other long-term liabilities	-	-2 308
Long-term financial liabilities	-7 280	-3 691
Pension liabilities	-764	-716
Deferred tax assets on losses carry forward	-11 214	-10 852
Deferred tax assets gross	-52 014	-24 836
Offsetting of assets and liabilities	48 470	21 613
Deferred tax assets net	-3 544	-3 223

The Group did not capitalize deferred taxes for loss carry-forwards in the amount of EUR 124 544 thousand in 2023 (2022: EUR 96 286 thousand). These tax-deductible loss carry-forwards will expire as follows:

IN EUR THOUSANDS	31.12.23	31.12.22
Expire next year	889	1 189
Expire in 2-4 years	52 512	2 344
Expire in 5-7 years	19 293	52 044
Expire after 7 years	6 803	7 349
No expiry	45 047	33 360
TOTAL UNRECOGNIZED LOSSES CARRY-FORWARD	124 544	96 286

Temporary differences for which no deferred tax asset is recognized amounted to EUR 11 203 thousand in 2023 (2022: EUR 15 023 thousand). This is due to the fact that deferred tax assets are only recognized to the extent that recognized deferred tax liabilities exist. Additional deferred tax assets are recognized if it is probable that sufficient taxable profits will be available against which those deductible temporary differences or unused tax losses can be utilized.

IN EUR THOUSANDS	2023	2022
single entities	3 876	6 467
consolidation	7 327	8 556
TOTAL UNRECOGNIZED DEFERRED TAX ASSETS FORM TEMPORARY DIFFERENCES	11 203	15 023

In 2023, no net deferred tax assets from entities that recorded a loss in either the current or prior period were recognized (2022: EUR 0 thousand).

There are temporary differences of EUR 810 thousand associated with investments in the Group's subsidiaries, for which no deferred tax liability was recognized in 2023 (2022: EUR 784 thousand).

26. Equity

Share capital

As at 31 December 2023, share capital amounted to EUR 1 296 thousand (CHF 1 530 thousand) (2022: EUR 1 204 thousand (CHF 1 440 thousand)), consisting of 7 650 000 registered shares (2022: 7 200 000) with a nominal value of EUR 0.19 (CHF 0.20) each (2022: EUR 0.19 (CHF 0.20)).

In addition, conditional share capital of EUR 51 thousand (CHF 50 thousand) (2022: EUR 51 thousand (CHF 50 thousand)) was available to fund a potential employee incentive plan.

ORDINARY SHARES ISSUED AND FULLY PAID	THOUSANDS	EUR THOUSANDS
At 1 January 2022	7 200	1 204
issued in 2022	-	-
At 31 December 2022 and 1 January 2023	7 200	1 204
issued in 2023	450	92
Exchange differences	-	130
At 31 December 2023	7 650	1 426
TREASURY SHARES	THOUSANDS	EUR THOUSANDS
At 1 January 2022	25	908
purchase of treasury shares	35	1 074
At 31 December 2022 and 1 January 2023	60	1 982
purchase of treasury shares	78	2 609
sale of treasury shares	-138	-5 662
At 31 December 2023	-	-1 071

All registered shares issued are fully paid up and have full and equal voting rights in all circumstances.

Capital reserves

The capital reserves relate to capital increases in 2007, 2017, 2018 and 2019. In 2023, a capital contribution of EUR 18 433 thousand (2022: EUR 0) from shareholders was allocated to capital reserves and a dividend of EUR 1 821 thousand (2022: EUR 1 394 thousand) was paid out, resulting in capital reserves of EUR 100 596 thousand as at 31 December 2023 (2022: EUR 83 984 thousand).

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 Lalique Group as at 31 December 2023 changed compared with 31 December 2022 due to:

- The founding of Mikimoto
- The acquisition of Ciron SA and its subsidiary Château Lafaurie-Peyraguey Sàrl

VALUE RECOGNIZED ON ACQUISITION	IN EUR THOUSANDS	IN CHF THOUSANDS
Cash and cash equivalents	317	296
Inventories	6 238	5 816
Other current assets	478	446
Tangible assets	29 538	27 538
Therof leasing tangible assets	475	443
Depreciation cumulative	-16 613	-15 488
Therof leasing depreciation cumulative	-229	-213
Intangible assets	61	57
Depreciation cumulative	-51	-48
Financial Assets	59	55
Total assets	20 027	18 672
Current financial liabilities	2 898	2 702
Other current liabilities	322	300
Therof short-term leasing liabilities	93	87
Long-term loan	3 753	3 499
Therof long-term leasing liabilities	201	187
Other non-current liabilities	15	14
Total liabilities	6 988	6 515
Non-controlling interests acquired	370	345
TOTAL IDENTIFIABLE NET ASSETS AT IFRS BOOK VALUE	12 669	11 812
Thereof net assets of non-controlling interests (25%)	3 167	2 953
Thereof net assets of owners of the parent company (75%)	9 502	8 859
Net assets of owners of the parent company	9 502	8 859
Purchase consideration transferred	-18 000	-16 781
Effect from acquisition on retained earnings of the parent company	-8 498	-7 922
Non-controlling interests acquired	370	345
Net assets of non-controlling interests	3 167	2 953
Effect from acquisition on retained earnings	-4 961	-4 624
CASH FLOW ON ACQUISITION	IN EUR THOUSANDS	IN CHF THOUSANDS
Net cash acquired with the subsidiary	317	296
Cash paid for share acquisition	-18 000	-16 781
Net cash flow for share acquisition	-17 683	-16 485

On 27 November 2023, Lalique Group SA acquired 75% of the share capital as well as the voting rights of Ciron SA, which holds a 95% stake in Château Lafaurie-Peyraguey Sàrl, from a company controlled by the majority shareholder of Lalique Group. This transaction is therefore classed as a transaction with related parties (see also Note 28). The purchase price for the acquisition was EUR 18 million and the acquired net assets totalled EUR 9.5 million. The book values stated above are based on IFRS accounting standards. The book-value method was applied, i.e. the difference between the consideration transferred and the net assets acquired is written off against equity. The book-value method has been applied as the acquisition was a transaction under common control.

Transaction costs attributable to the business combination of EUR 428 thousand were recognized in “other operating expenses”.

The sub-consolidated Ciron Group, consisting of Ciron SA and Château Lafaurie-Peyraguey Sàrl, was allocated to the “Wine & Spirits” segment. The Ciron Group has contributed revenues of EUR 549 thousand and recorded a loss of EUR 1 497 thousand since the acquisition date.

Lalique Group comprised the following companies as at 31 December 2023:

COMPANY, HEADQUARTERS, COUNTRY	CURRENCY (THOUSANDS)	SHARE CAPITAL		PARTICIPATING INTEREST	
		2023	2022	2023	2022
Lalique Group SA, Zurich, Switzerland	CHF	1 530	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 Samourai 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%
Mikimoto Fragrances Ltd, Zurich, Switzerland	CHF	250	-	100%	0%
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	294	50%	50%
Lalique Tamer Beauty Trading LLC, Dubai, UAE	AED	300	300	50%	50%
Superdry Fragrances Ltd, 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%
Villa Florhof AG, Zürich, Switzerland	CHF	1 000	1 000	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	38 839	38 839	95%	95%
Lalique Beijing Trading Company Limited, Beijing, China	CNY	10 727	5 146	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	80 005	80 005	90%	90%
Château Lafaurie Peyraguey Hotel & Restaurant SAS, Bommès, France	EUR	4 635	4 635	95%	95%
Ciron SA, Zurich, Switzerland	CHF	2 000	-	75%	0%
Chateau Lafaurie-Peyraguey SARL, Bommès, France	EUR	8 869	-	71%	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 that have non-controlling interests that are material to Lalique Group is provided below:

IN % OR EUR THOUSANDS	LALIQUE SA ¹ 2023	LALIQUE TAMER BEAUTY HOLDING LTD ² 2023	GLENTURRET HOLDING SA ³ 2023	CIRON SA ⁴ 2023	LALIQUE SA ¹ 2022	LALIQUE TAMER BEAUTY HOLDING LTD ² 2022	GLENTURRET HOLDING SA ³ 2022
Structural type of subsidiary	Consolidated subgroup	Consolidated subgroup	Consolidated subgroup	Consolidated subgroup	Consolidated subgroup	Consolidated subgroup	Consolidated subgroup
Principal place of business of the subsidiary	Paris, France	Abu Dhabi, UAE	Edinburgh, Scotland	Zurich, Switzerland	Paris, France	Abu Dhabi, UAE	Edinburgh, Scotland
Proportion of ownership interests and voting rights held by non-controlling interests	5%	50%	50%	75%	5%	50%	50%
Net Group profit attributable to non-controlling interests	-415	242	-427	431	-125	487	-374
Comprehensive income attributable to non-controlling interests	-396	224	-557	-992	-100	488	-2 031
Dividends paid to non-controlling interests	-	-596	-	-	-	-	-
Summarized statement of financial position							
Current assets	62 691	2 346	20 937	7 589	54 743	3 799	19 346
Non-current assets	112 484	233	42 537	14 484	106 818	44	40 901
Current liabilities	42 374	1 992	7 431	3 736	43 400	2 626	4 440
Non-current liabilities	108 514	138	24 733	3 856	87 010	26	23 384
Equity	24 287	449	31 310	14 481	31 151	1 191	32 423
Summarized statement of profit or loss							
Revenue and other operating income	75 498	11 198	9 139	549	72 326	7 168	7 578
Net profit or loss	-6 678	483	-853	1 497	-1 131	974	-748
Total comprehensive income	-8 839	446	-1 254	-3 939	-4 691	975	-2 501

¹ The Group holds a 95% interest in Lalique SA. Lalique SA holds a 95% interest in Lalique Japan 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.

⁴ The Group acquired a 75% interest in Ciron SA in 2023. Ciron SA holds a 95% interest in Chateau Lafaurie-Peyraguey Sàrl, resulting in 71% and 75% interests held by the Group, respectively. The amounts presented in column "Ciron SA" are for the entire subgroup, rather than the individual entity within the subgroup.

The amounts shown in the summary financial information above are before intercompany eliminations with other entities of Lalique Group (transactions and balances within the consolidated sub-group Lalique SA have been eliminated).

28. Transactions with related parties***Members of the Board of Directors and members of the Executive Board***

IN EUR THOUSANDS	2023	2022
Total emoluments and salaries (incl. bonuses and interest) paid to members of the Board of Directors and Executive Board	4 181	3 640
Total pension fund contributions paid to members of the Board of Directors and Executive Board	371	518

The compensation elements indicated relate to the previous financial year.

Affiliates and shareholders

IN EUR THOUSANDS	31.12.23	31.12.22	TYPE OF TRANSACTION
Liabilities:			
Affiliates under common control	-	15	Château Lafaurie-Peyraguey, wine and hospitality services
	-	1	Château Faugères, purchase of wine
	37	-	SCI Monceau, expenses
	159	18	Denz Weine, purchase of wine and rent
	137	8	Vignobles Silvio Denz, purchase of wine
	28	-	Müller Handels AG, purchase of other services
	14	-	Ermitage Estate Limited, rent
Principal shareholder	12	40	Silvio Denz, expenses
NCI shareholders	9 576	8 647	Loan from NCI shareholders
Members of the Board of Directors of Lalique Group SA	-	5	Mont-Blanc resourcing, consulting and expenses
Receivables:			
Affiliates under common control	-	28	Château Lafaurie-Peyraguey, sale of Lalique products
	2	-	Château Peby Faugères, sale of Lalique products
	-	28	Château Faugères, purchase of Lalique products
	95	36	SCI Monceau, rent
	27	12	Vignobles Silvio Denz, sale of Lalique products and wine
	7	-	Denz Weine, products and services
	51	-	Florhof Immobilien, consulting
	12	-	Müller Handels AG, sale of Lalique products
Members of the Board of Directors of Lalique Group SA	-	14	Maison Noir SA, margin fees

IN EUR THOUSANDS	2023	2022	TYPE OF TRANSACTION
Proceeds from:			
Affiliates under common control	3	34	Château Faugères, sale of Lalique products
	-	38	Château Lafaurie-Peyraguey, sale of Lalique products
	1	-	Château Peby Faugères, sale of Lalique products
	1	15	Vignobles Silvio Denz, sale of Lalique products
	-	2	Denz Weine, products and services
	0	27	SCI Monceau, expenses
Principal shareholder	-	20	Reimbursement of private expenses
Members of the Board of Directors of Lalique Group SA	-	14	Maison Noir SA, margin fees
Expenditure of:			
Affiliates under common control	3	47	Château Lafaurie-Peyraguey, purchase of wine and hospitality services
	93	92	Vignobles Silvio Denz, purchase of wine and consulting
	4	-	Montepeloso S.S., purchase of wine
	89	113	Denz Weine, purchase of wine
	146	-	Tanja Wegmann Hospitality, consulting
	1	-	Château Rocheyron, purchase of wine
	650	193	SCI Monceau, rent
	-	70	Wermuth Auktionen, purchase of wine
	13	-	Müller Handels AG, expenses
CEO	0	1	Roger von der Weid, expenses
Principal shareholder	219	115	Silvio Denz, expenses
NCI shareholders	193	72	Interests on loan
Members of the Board of Directors of Lalique Group SA	-	96	Mont-Blanc resourcing, consulting and expenses
	472	466	Ermitage Estate Limited, rent
	130	-	Tradeaccess AG, consulting
	-	10	Adbodmer AG, remuneration board mandate

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

The remuneration of members of the Board of Directors is listed in the Group's Remuneration Report.

29. Contingent liabilities

As at 31 December 2023, there were no unrecognized contingent liabilities (2022: EUR 0 thousand).

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, valued at EUR 10 million as collateral for a bank loan of EUR 10 million. This bank loan replaced a former credit line in 2019. The pledged value corresponds to the outstanding loan as per year-end. No other assets were pledged or assigned to secure the Groups' own commitments.

31. Events after the balance sheet date

No events have occurred since the balance sheet date that affect the relevance of the information provided in the 2023 financial statements and would therefore need to be disclosed.



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Report of the Statutory Auditor

To the General Meeting of
LALIQUE GROUP SA, ZURICH

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of LALIQUE GROUP SA (the Company) and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2023, the consolidated income statement, consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (pages 5 to 53) give a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards' and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). 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, together with the requirements of the Swiss audit profession, as well as those of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (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.

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.



Recoverability of intangible assets with indefinite useful life

Key audit matter

Intangible assets (including goodwill) amounted to EUR 107.6 Mio as of 31 December 2023 (2022: EUR 97.9 Mio) and represent 26% of total assets. Thereof, EUR 11.6 Mio (8.7%) represent Goodwill (2022: EUR 11.2 Mio.) and EUR 71.5 Mio (57.4%) represent intangible assets (2022: EUR 69.8 Mio.) with an indefinite life. Other intangible assets amounting to EUR 24.7 Mio (22.8%) have definite lives (2022: EUR 16.8 Mio.) and are amortised over their useful life.

Goodwill and intangible assets with an indefinite life are tested for impairment on an annual basis under IAS 36 "Impairment of assets". 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. As this was not the case for 2023 no impairment was recorded.

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

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

Due to the magnitude of the balance as per 31 December 2023, 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 management and assessed them for irregularities and appropriateness.
- We tested the design and implementation of internal controls applied to ensure proper valuation of intangible assets.
- With the assistance of internal valuation specialists, we audited the relevant 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 management'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.

Based on the procedures performed as described above, we obtained sufficient audit evidence to address the risk over recoverability of intangible assets with indefinite useful life.



LALIQUE GROUP SA
Report of the statutory auditor
for the year ended
31 December 2023

Other Information

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

Our opinion on the consolidated financial statements does not cover the other information 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 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.

Board of Directors' Responsibilities for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with IFRS Accounting Standards 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, ISA and SA-CH 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 on EXPERTSuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.



LALIQUE GROUP SA
Report of the statutory auditor
for the year ended
31 December 2023

Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the 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, 15 April 2024

Lalique Group Remuneration Report

59	Compensation governance
60	Compensation awarded to the Board of Directors
62	Compensation awarded to the Executive Board
63	Shares held by members of management bodies
64	Loans and credit
65	Mandates of the members of the Board of Directors
66	Report of the statutory auditor on the remuneration report

COMPENSATION GOVERNANCE

Lalique Group strives to attract and retain highly qualified and motivated managers and skilled employees. It therefore seeks to offer fair and competitive remuneration that takes short-, medium- and long-term performance into account to foster the sustainable development of the company.

This Remuneration Report provides an overview of the remuneration policy that applies to the Board of Directors and the Executive Board, as well as the equity participation of members of these two governing bodies. This information complies with Articles 734 of the Swiss Code of Obligations and the company's Articles of Incorporation, which were approved by the Annual General Meeting of Shareholders on 31 May 2023.

The remuneration of members of the Board of Directors and the Executive Board was presented to shareholders for approval for the first time at the Annual General Meeting on 26 June 2015. No amendments to the contracts of the Executive Board members were required and no new agreements had to be concluded with members of the Board of Directors due to the new legal and statutory requirements.

This Remuneration Report is based on the guiding principles set out in the Swiss Code of Best Practice for Corporate Governance (2016). The information on compensation paid to the members of the Board of Directors and the Executive Board is also compliant 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 shareholders at the Annual General 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 Annual General Meeting of 31 May 2023, shareholders re-elected the following members of the Remuneration Committee for a one-year term of office: Silvio Denz, Roland Weber and Jan Kollros.

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 remuneration principles set out in Swiss law, the Articles of Incorporation and the Organizational Regulations, as well as the resolutions on remuneration passed by shareholders at the Annual General Meeting;
- Submitting proposals to the Board of Directors for the establishment of principles, assessment criteria and qualitative and quantitative objectives governing remuneration in accordance with the requirements set out by law and the Articles of Incorporation;
- Determining the achievement of qualitative and quantitative targets for the assessment of variable remuneration and submitting the corresponding proposals to the Board of Directors;
- Submitting proposals to the Board of Directors on the amounts of fixed and variable remuneration to be awarded to the members of the Board of Directors as well as the fixed and variable remuneration for the members of the Executive Board;
- Submitting proposals to the Board of Directors regarding the Remuneration Report;
- Performing all the other duties assigned to it by law, the Articles of Incorporation and the Organizational Regulations.

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

General duties and powers of the Annual General Meeting

The Annual General Meeting votes separately each year on the proposals of 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 that runs until the next Annual General Meeting.

COMPENSATION AWARDED TO THE BOARD OF DIRECTORS

Composition of directors' remuneration

The Board of Directors consists of seven members. Five existing members of the Board of Directors were re-elected for another term of office at the Annual General Meeting on 31 May 2023 and two new members were elected to replace two members of the Board of Directors who did not stand for re-election. Further information on the Board of Directors, its powers, the delegation of duties and responsibilities, and its composition can be found in the Corporate Governance Report 2023.

The members of the Board of Directors receive fixed remuneration for their work as members of the Board. The Remuneration Committee may additionally define a variable rate of remuneration based on the achievement of qualitative and quantitative targets. The variable remuneration rate may not exceed 200% of their individual fixed compensation.

Bonuses may be paid to members of committees or to other members of the Board of Directors who perform specific roles or tasks.

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

Fixed remuneration may be paid partly in shares. Variable remuneration may be paid partly or fully in shares.

Members of the Board of Directors are entitled to have personal expenditure and expenses related to their role reimbursed. This reimbursement of expenditure and expenses is not classed as remuneration. In addition, where the law permits, the company may compensate members of the Board of Directors for financial disadvantages relating to legal proceedings, court cases or settlement deals, and may advance the corresponding amounts and take out insurance cover. Any such indemnification, advances and insurance cover are not classed as compensation.

Approval of directors' remuneration

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

The Annual General Meeting 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 2023

The directors are entitled to a fixed compensation of CHF 50 thousand for an entire term of office from one Annual General Meeting to the next. The compensation is paid out after each term of office. Silvio Denz (Executive Chairman of the Board of Directors) and Roger von der Weid (Delegate of the Board of Directors & CEO) each received additional fixed remuneration for their operational responsibilities.

Total remuneration for members of the Board of Directors for the 2023 and 2022 financial years was as follows:

IN CHF THOUSANDS		GROSS COM- PENSATION	POST EMPLOYMENT BENEFITS	OTHER SOCIAL COSTS	TOTAL COM- PENSATION
Compensation of the Board of Directors (audited)					
2023					
Denz, Silvio	Executive Chairman of the Board of Directors	327	-	17	344
Weber, Roland	Vice-chairman of the Board of Directors	50	-	2	52
von der Weid, Roger	Delegate of the Board of Directors & CEO	619	44	37	700
Denz, Claudio	Member of the Board of Directors	50	-	3	53
Kollros, Jan	Member of the Board of Directors	50	-	-	50
Vidal, Philippe	Member of the Board of Directors	50	-	-	50
Agrawal, Yugnesh Kumar	Member of the Board of Directors	50	-	-	50
Total Board of Directors		1 172	44	57	1 273
2022					
Denz, Silvio	Executive Chairman of the Board of Directors	301	-	15	316
Weber, Roland	Vice-chairman of the Board of Directors	25	-	0	25
von der Weid, Roger	Delegate of the Board of Directors & CEO	561	44	36	641
Denz, Claudio	Member of the Board of Directors	25	-	2	27
Kollros, Jan	Member of the Board of Directors	25	-	-	25
Roesti, Marc*	Member of the Board of Directors	10	-	0	10
Malhan, Sanjeev*	Member of the Board of Directors	10	-	-	10
Vidal, Philippe **	Member of the Board of Directors	15	-	-	15
Agrawal, Yugnesh Kumar**	Member of the Board of Directors	15	-	-	15
Total Board of Directors		987	44	53	1 083

* until 02.06.2021

** as of 02.06.2022

With the exception of Roger von der Weid, whose total compensation includes a variable component for his operational responsibilities (CHF 82 thousand in 2023, CHF 50 thousand in 2022), none of the members of the Board of Directors were paid variable compensation for their services. 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 fixed annual remuneration and variable remuneration for their work. The variable remuneration rate is based on the achievement of qualitative and quantitative targets. The Board of Directors is responsible for determining the extent to which these targets are achieved. The variable remuneration rate may not exceed 100% of their individual fixed compensation.

Bonuses may be paid to members of committees or to other members of the Executive Board who perform specific roles or tasks.

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

The variable remuneration can be paid partly or fully in shares.

Members of the Executive Board are entitled to have personal expenditure and expenses related to their role reimbursed. This reimbursement of expenditure and expenses is not classed as remuneration. In addition, where the law permits, the company may compensate Executive

Board members for financial disadvantages relating to legal proceedings, court cases or settlement deals, and may advance the corresponding amounts and take out insurance cover. Any such indemnification, advances and insurance cover are not classed as compensation.

Approval of remuneration for the Executive Board

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

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

If new Executive Board members are appointed after the Annual General Meeting has approved the remuneration of the Executive Board, the compensation amount may be increased by an additional pro rata sum per new member corresponding to 150% of the highest fixed remuneration paid to an Executive Board member in the financial year preceding the last Annual General Meeting. Shareholder approval of this additional remuneration amount is not required.

Actual compensation of the Executive Board for 2023

Total remuneration for members of the Executive Board for the financial years 2023 and 2022 was as follows:

IN CHF THOUSANDS	GROSS COMPENSATION	POST EMPLOY- MENT BENEFITS	OTHER SOCIAL COSTS	TOTAL COMPENSATION
Compensation of the Executive Board (audited)				
2023				
Members of the Executive Board ¹	2 719	460	276	3 455
Total Executive Board	2 719	460	276	3 455
2022				
Members of the Executive Board ¹	2 670	477	398	3 545
Total Executive Board	2 670	477	398	3 545

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

Total compensation includes a variable component of CHF 305 thousand in 2023 (CHF 212 thousand in 2022).

The Group CEO, Roger von der Weid, received the highest total compensation in 2023 (see table “Actual compensation of the Board of Directors for 2023”).

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

SHARES HELD BY MEMBERS OF MANAGEMENT BODIES

As at 31 December 2023, the members of the Board of Directors and the Executive Board held the following number of shares:

NAME	FUNCTION	31.12.23	31.12.22
Denz, Silvio	Executive Chairman of the Board of Directors	3 860 540	4 202 700
Weber, Roland	Vice-chairman of the Board of Directors	3 903	10 000
von der Weid, Roger	Delegate of the Board of Directors & CEO	3 600	3 600
Denz, Claudio	Member of the Board of Directors	14 000	214 560
Kollros, Jan	Member of the Board of Directors	-	-
Agrawal, Yugnesh Kumar ¹	Member of the Board of Directors	-	-
Vidal, Philippe	Member of the Board of Directors	-	-
Rubinstein, Alexis	Group CFO	120	120
Müller, Michael	Chief Corporate Officer (until 31.07.23)	120	120
Rios Lopes, David	COO, Perfumes	600	600
Hegglin, Pascal	CFO, Lalique Beauty (since 01.07.22)	100	100
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	General Manager of Ultrasun	-	-
Härtlein, Marcel	Head of Digital	-	-
Mandry, Denis	General Manager of Factory, Crystal (until 10.06.22)	-	-
Port, Daniel	General Manager of Factory, Crystal (since 05.06.23)	-	-
Larminaux, Marc	Head of Design, Crystal	-	-
de Jaham, Jean Baptiste	Head of Sales, Crystal	-	-
Fabien, Benedicte	Head of Marketing, Crystal (until 30.11.22)	-	-
de Castelneau, Aurélie	Head of Marketing, Crystal (since 02.05.23)	-	-
Muratet, Maridza	CFO, Crystal (since 01.01.23)	-	-
Total		3 883 953	4 432 770
Total Lalique Group shares		7 650 000	7 200 000

¹ Holds no share as individual but is representative of Dharampal Satyapal Limited, which holds unchanged 884 thousand shares per 31.12.2023

The shares listed above, held by members of the Board of Directors and Executive Board, are not subject to any vesting periods. Members of either governing body may be given the option of purchasing blocked shares in the company at market value (including a discount that reflects the lock-up period and its duration). The members of the Board of Directors and the Executive Board are not granted any other 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 amount of such loans and credits must not exceed CHF 1 million per member. In the 2023 financial year, no such loans or credits existed or were granted to present (or former) members of the Board of Directors or the Executive Board, or to related parties.

MANDATES OF THE MEMBERS OF THE BOARD OF DIRECTORS (AUDITED)

As at 31 December 2023, the members of the Board of Directors held the following comparable positions in other undertakings with commercial objectives outside the Lalique Group.

31.12.2023	MANDATES	LISTED COMPANY	FUNCTION
Silvio Denz	Lindt & Sprüngli AG	yes	Member
	Madura (Schweiz) AG	no	Member
	Art & Terroir SA	no	Member
	Florhof Immobilien AG	no	Chairman
	Alrodo AG	no	Chairman
Roger von der Weid	Madura (Schweiz) AG	no	Member
	Art & Terroir SA	no	Member
	Talsee AG	no	Member
	Château Peby-Faugères SARL	no	Gérant (Director)
	Château Faugères SARL	no	Gérant (Director)
	Château Cap de Faugères	no	Gérant (Director)
	Vignobles Silvio Denz SARL	no	Gérant (Director)
	Château Rocheyron SARL	no	Gérant (Director)
Claudio Denz	Lafon La Tuilerie SCEA	no	Gérant (Director)
	Ermitage Estate AG	no	Member
	Madox Group AG	no	Member
	Noir Studio SA	no	Member
	Maison Noir SA	no	Chairman
	SCI Madox	no	Associé (Partner)
	SCI Monceau	no	Gérant (Director)
	Monceau Estate SA	no	Member
	Ermitage Luzern AG	no	Member
	Denz Weine AG	no	Member
	Madura (Schweiz) AG	no	Chairman
	Alrodo AG	no	Member
	Art & Terroir SA	no	Chairman
Jan Kollros	The Hess Group AG	no	Member
	Haas & Company AG	no	Chairman
	Bédât & Co SA	no	Chairman
	Optotune AG	no	Member
Philippe Vidal	Eiffage	yes	Member
	Lanson BCC	yes	Member
	Batipart Invest and Junclair	no	Member
	PV Conseil	no	Chairman
Roland Weber	Hotelfactory AG	no	Member
	JW General Management	no	Member
	Costa Tropicana Inc.	no	Member
Y K Agrawal	DS Agri Tech Products Private LTD	no	Director
	DSL Global PTE LTD	no	Director
	DS Namah Hospitality Private LTD	no	Director
	DS Spiceco Private LTD	no	Director
	Manu Maharani Hotels LTD	no	Director
	Dharampal Satyapal LTD	no	Senior Vice President

As at 31 December 2023, the members of the Executive Board held no notifiable positions in other undertakings with commercial objectives outside the Lalique Group.



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Report on the Audit of the Remuneration Report according to Art. 734a-734f CO

REPORT OF THE STATUTORY AUDITOR

To the General Meeting of
LALIQUE GROUP SA, ZURICH

Opinion

We have audited the remuneration report of Lalique Group SA (the Company) for the year ended 31 December 2023. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the tables marked "audited" of pages 58- 65 of the remuneration report.

In our opinion, the information pursuant to Art. 734a-734f CO in the accompanying remuneration report complies with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibility for the Audit of the Remuneration Report" section of our report. We are independent of the Company 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.

Other information

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

Our opinion on the remuneration report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the remuneration report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the remuneration report 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.

*Board of Directors' Responsibilities for the Remuneration Report*

The Board of Directors is responsible for the preparation of a remuneration report 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 a remuneration report that is free from material misstatement, whether due to fraud or error. It is also charged with structuring the remuneration principles and specifying the individual remuneration components.

Auditor's Responsibilities for the Audit of the Remuneration Report

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is 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 SA-CH 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 this remuneration report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the remuneration report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Lalique Group SA
Report on the Audit of the Remuneration Report
according to Art. 734a-734f CO

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Deloitte AG

Chris Krämer
Licensed Audit Expert
Auditor in Charge

Sarah Sutter
Licensed Audit Expert

Zurich, 15 April 2024
CKR/SSU/jba

Lalique Group SA Financial Statements

71	Income statement
72	Balance sheet
73	Notes to the financial statements
77	Proposal for the allocation of retained earnings as of 31 December 2023
78	Report of the statutory auditor on the financial statements

INCOME STATEMENT

IN CHF THOUSANDS	2023	2022
Other income from related parties		31
Personnel expenses	-537	-482
Other operating expenses	-833	-901
Depreciation on property, plant and equipment	-18	-21
Earnings before interest and taxes	-1 388	-1 373
Total financial income	17 335	13 863
Total financial expenses	-4 435	-4 390
Extraordinary expenses	-14 370	-4 894
Profit/(Loss) for the year before taxes	-2 858	3 206
PROFIT/(LOSS) FOR THE YEAR	-2 858	3 206

BALANCE SHEET

IN CHF THOUSANDS	31.12.23	31.12.22
Current assets		
Cash and cash equivalents	1 606	-
Other short-term receivables from third party	114	17
Other short-term receivables from related party	11 277	10 364
Total current assets	12 997	10 381
Non-current assets		
Investments	144 956	127 600
Loans to group companies	50 775	53 228
Total non-current assets	195 731	180 828
TOTAL ASSETS	208 728	191 209
Current liabilities		
Interest-bearing short-term bank liabilities	26 705	22 883
Trade account payables	327	276
Other current liabilities due to third party	179	211
Total current liabilities	27 211	23 370
Non-current liabilities		
Non-current liabilities due to group companies	-	-
Total non-current liabilities	-	-
Total liabilities	27 211	23 370
Equity		
Share capital	1 530	1 440
Legal capital reserves	122 337	106 198
Capital contribution reserves	102 515	86 376
Other legal capital reserves	19 822	19 822
Legal retained earnings	1 255	1 255
Voluntary retained earnings	57 631	61 024
Earnings brought forward	59 253	57 818
Profit for the year	-2 858	3 206
Treasury shares	-	-2 078
Total equity	181 517	167 839
TOTAL LIABILITIES AND EQUITY	208 728	191 209

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 set out in articles 957–963b Swiss Code of Obligations (CO) (effective 1 January 2013).

Treasury shares

Treasury shares are valued at acquisition cost on the date of recognition and deducted from equity. When treasury shares are sold, a gain or loss is recognized in financial income or expenses.

Interest-bearing long-term loans

Interest-bearing long-term loans are recognized 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 is therefore exempt from the requirement to present cash flow statements, a management report and additional disclosures.

Information about balance sheet and income statement items**Total financial income**

Total financial income includes dividend income of CHF 11 million (2022: CHF 10 million) from the result of the subsidiary Lalique Beauty SA for the reporting year.

Extraordinary expenses

Extraordinary expenses are mainly related to impairments on intercompany loans. Lalique Group SA determined that the carrying amount of the intercompany loans may not be recoverable as at 31 December 2023. In 2023, the Group recognized a total impairment charge on loans to Group companies of CHF 14 372 thousand (2022: CHF 4 944 thousand).

Full-time positions

The number of full-time positions (annual average) did not exceed ten in 2023 or 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 2023:

SIGNIFICANT SHAREHOLDERS	NUMBER OF SHARES 31 DECEMBER 2023		NUMBER OF SHARES 31 DECEMBER 2022	
		%		%
Silvio Denz	3 860 540	50.46%	4 202 700	58.37%
Müller Handels AG Schweiz	1 912 501	25.00%	-	0.00%
Dharampal Satyapal Limited	884 000	11.56%	884 000	12.28%
Hansjörg Wyss	453 918	5.93%	453 918	6.30%
MAG Seven Ltd on behalf of Ayman, Faisal, Mohammed and Maanoun Tamer	-	0.00%	240 000	3.33%
Total Lalique Group shares	7 650 000	100.00%	7 200 000	100.00%

IN CHF THOUSANDS	31.12.23	31.12.22
Contingent liabilities		
As at 31 December 2023, there were unrecognized contingent liabilities (joint guarantees) of EUR 5.138 million (31.12.2022: EUR 6.049 million) arising from short- and long-term loans and guaranteed rental income in connection with Lalique SA and Villa René Lalique SAS.	4 790	5 956
Guarantees		
Joint and several liability for VAT debt resulting from the consolidated accounting of VAT (group taxation)	854	912
Authorized and conditional capital		
Authorized capital	-	-
Conditional capital	50	50
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%

¹ Of which paid in: CHF 50,000 each

IN CHF THOUSANDS	31.12.23	31.12.22
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%
Villa Florhof SA, Zurich		
Operating the hotel and restaurant business of Villa Florhof		
Share capital in CHF thousands	1 000	1 000
Ownership and voting right	100%	100%
Ciron SA, Zürich		
Production and sale/distribution of fine spirits		
Share capital in CHF thousands	2 000	-
Ownership and voting right	75%	0%

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 01.01.2022					25 207
Purchases	107	26.60	39.60	31.07	34 722
Sales	-	-	-	-	-
Balance as of 31.12.2022					59 929
Purchases	105	30.60	37.60	32.37	78 167
Sales	23	32.95	37.60	33.40	-138 096
Balance as of 31.12.2023					-

The acquisition cost of the treasury shares amounted to CHF 4 613 thousand (31.12.2022: CHF 2 078 thousand). All treasury shares were sold in 2023 for an amount of CHF 5 501 thousand and were placed at the current share price on the SIX Swiss Exchange or sold directly to an investor at a higher price.

Shares held by members of Board of Directors and Executive Board

NAME	FUNCTION	31.12.23	31.12.22
Denz, Silvio	Executive Chairman of the Board of Directors	3 860 540	4 202 700
Weber, Roland	Vice-chairman of the Board of Directors	3 903	10 000
von der Weid, Roger	Delegate of the Board of Directors & CEO	3 600	3 600
Denz, Claudio	Member of the Board of Directors	14 000	214 560
Kollros, Jan	Member of the Board of Directors	-	-
Agrawal, Yugnesh Kumar ¹	Member of the Board of Directors	-	-
Vidal, Philippe	Member of the Board of Directors	-	-
Rubinstein, Alexis	Group CFO	120	120
Müller, Michael	Chief Corporate Officer (until 31.07.23)	120	120
Rios Lopes, David	COO, Perfumes	600	600
Heggin, Pascal	CFO, Lalique Beauty (since 01.07.22)	100	100
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	General Manager of Ultrasun	-	-
Härtlein, Marcel	Head of Digital	-	-
Mandry, Denis	General Manager of Factory, Crystal (until 10.06.22)	-	-
Port, Daniel	General Manager of Factory, Crystal (since 05.06.23)	-	-
Larminaux, Marc	Head of Design, Crystal	-	-
de Jaham, Jean Baptiste	Head of Sales, Crystal	-	-
Fabien, Benedicte	Head of Marketing, Crystal (until 30.11.22)	-	-
de Castelnau, Aurélie	Head of Marketing, Crystal (since 02.05.23)	-	-
Muratet, Maridza	CFO, Crystal (since 01.01.23)	-	-
Total		3 883 953	4 432 770
Total Lalique Group shares		7 650 000	7 200 000

¹ holds no share as individual but is representative of Dharampal Satyapal Limited, which holds unchanged 884 thousand shares per 31.12.2023

PROPOSAL FOR THE ALLOCATION OF RETAINED EARNINGS AS AT 31 DECEMBER 2023

The Board of Directors proposes that the Annual General Meeting on 29 May 2024 approves the following appropriation of available earnings:

IN CHF THOUSANDS	31.12.23	31.12.22
Carried forward from previous year	59 253	57 818
Profit/(Loss) for the year	-2 858	3 206
Total earnings available for appropriation	56 395	61 024
Proposed distribution of earnings (2023: CHF 0 per dividend-bearing share) (2022: CHF 0.25 per dividend-bearing share)	-	-1 800
of which dividends on own shares	-	29
BALANCE TO BE CARRIED FORWARD	56 395	59 253

The Board of Directors proposes to the Annual General Meeting on 29 May 2024 that no dividend be distributed for the 2023 financial year.



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Report of the Statutory Auditor

To the General Meeting of
LALIQUE GROUP SA, ZURICH

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Lalique Group SA (the Company), which comprise the statement of financial position as at 31 December 2023, the statement of income for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 70 to 77) 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 Standards on Auditing (SA-CH). 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 Company 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.

Key Audit Matters

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.



Valuation of investments and loans to group companies

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 2023, investments amounted to CHF 145 million (2022: CHF 127.6 million) and loans to group companies amounted to CHF 50.8 million (2022: CHF 53.2 million), together representing 94% of Lalique Group SA's total assets.

The valuation of investments and loans to group companies depends, among other things, on the financial stability and healthiness of the investee and thus is linked to future performance. Consequently, there is a risk that investments and loans are not appropriately valued as their carrying value could exceed the recoverable amounts.

The balances of the investments and the loans to shareholdings are tested for impairment indicators on an annual basis at year end. If such indicators are identified, management assesses the need for impairment by comparing the recoverable amount, which is calculated based on a discounted cash flow method (DCF), with the carrying amount. Should the carrying amount exceed the recoverable amount, an impairment is required. In 2023 an impairment of CHF 14.4 million (2022: CHF 4.9 million) 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 Note "Extraordinary expenses" in the financial statements.

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

To audit management's valuation of investments and loans to group companies we performed the following procedures:

- We obtained a comprehensive understanding of the impairment indicator assessment and the valuation analysis performed by management and assessed it for irregularities and appropriateness.
- We tested the design and implementation of the internal control applied to ensure correct valuation of investments and loans to shareholdings.
- We audited the DCF valuation for investments and loans to shareholdings. Thereby we challenged the relevant assumptions and estimates such as discount rates by performing independent recalculations and reviewing management's analysis.

Based on the audit procedures performed above, we have obtained sufficient and appropriate audit evidence to address the risk of valuation of investments and loans to group companies.



Lalique Group SA
Report of the statutory auditor
for the year ended
31 December 2023

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

Board of Directors' Responsibilities 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 Company'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 Company 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 SA-CH 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 on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.



Lalique Group SA
Report of the statutory auditor
for the year ended
31 December 2023

Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Furthermore, we 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, 15 April 2024

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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