

LALIQUE
GROUP



Half-year Report
2023

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Cover

In collaboration between Lalique and artist James Turrell, the crystal perfume bottles Range Rider and Purple Sage were created in a limited edition of 100 of each model, equating to hours of work by highly skilled artisans. These are genuine works of art, entirely handmade, with pure geometric shapes in polished coloured crystal.

Management Comment

Lalique Group SA (SIX: LLQ), which is active in the creation, development, marketing and worldwide distribution of luxury goods, generated operating revenue of EUR 87.7 million (+5%) in the first half of 2023. EBIT totalled EUR 2.5 million and the EBIT margin was 2.8%, reflecting higher energy costs but also the rise in production costs and personnel costs due to inflation. For the full year 2023, Lalique Group now expects sales growth to be in the high single digit percentage range. Profitability at EBIT level is expected to be higher than in the first half of 2023 but well below 2022.

In the first half of 2023, Lalique Group achieved further profitable growth, driven in particular by the perfume business, the Ultrasun sunscreen brand and the whisky distillery The Glenturret. Operating revenue totalled EUR 87.7 million, up 5% compared to the strong prior-year period. Excluding extraordinary income of EUR 1.7 million recorded in the first half of 2022 in connection with the resolution of a legal matter, operating revenue grew by 8% compared to the prior-year period.

After the first half of 2022 benefited from the post-pandemic upturn, the first semester of 2023 was marked by overall challenging market and production conditions. Alongside the anticipated rise in energy costs, which tripled at our main production sites compared to the prior-year period, as well as general inflation, production was partly affected by supply chain issues. Against this backdrop, Lalique Group implemented price increases, although their impact was only partially seen in the first half of 2023.

On the cost side, personnel costs rose to EUR 22.0 million (+13%), reflecting higher salaries due to inflation in a series of markets as well as the expansion of the business. Other operating expenses totalled EUR 14.6 million (+11%) and mainly included higher costs for marketing and distribution activities. Depreciation, amortisation and value adjustments totalled EUR 7.9 million (+6%).

This resulted in earnings before interest and taxes (EBIT) of EUR 2.5 million, with an EBIT margin of 2.8%, compared to an EBIT of EUR 6.3 million and an EBIT margin of 7.6% in the first half of 2022 (excluding the extraordinary income). Net Group profit was EUR 0.6 million (H1 2022: EUR 4.6 million).

Lalique Group continues to have a solid balance sheet with an equity ratio of 47.8% at the end of June 2023 (end of December 2022: 50.0%).

SEGMENT RESULTS

The Lalique segment generated operating revenue of EUR 45.2 million in the first half of 2023, a stable result compared to the prior-year period, which benefited from strong sales (excluding the extraordinary income recorded in that period). The segment's two main pillars—the perfume business and the crystal business—as well as the gastronomy and hospitality business generated solid sales.

In the crystal business, a technical defect in the new melting furnace that was put into operation at the end of 2022 dampened production and sales figures for the first quarter of 2023. The segment's profitability—like that of the entire Group—was adversely affected by higher operating costs (especially energy and personnel costs). New sales points opened in China, while in Zurich, the move to the new flagship store was completed. After a difficult first quarter, business momentum and profitability improved, also thanks to the implementation of price increases. Overall, EBIT was EUR -1.7 million for the first half of 2023, compared to EUR 2.1 million in the first half of 2022 (excluding the above-mentioned extraordinary income).

Ultrasun achieved a 17% increase in sales to EUR 13.2 million in the first half of 2023, as the sunscreen brand continued to recover in the wake of the restrictions imposed due to the pandemic. The UK market proved to be a particularly strong driver of growth, with sales increasing across all sales channels. On the cost side, personnel costs rose, while other operating expenses decreased compared to the first half of 2022, when additional costs were incurred for marketing activities and the clearing of inventories. EBIT was EUR 2.4 million (H1 2022: EUR 1.1 million).

The Jaguar Fragrances segment once again recorded strong double-digit growth: Sales rose by 17% to EUR 12.9 million. However higher production, personnel and operating costs impacted profitability, resulting in EBIT of EUR 1.4 million (H1 2022: EUR 1.8 million).

The Glenturret segment delivered a 34% increase in sales to EUR 3.0 million in the first half of 2023. Whisky sales grew, and the visitor centre and the shop at the distillery recorded higher visitor numbers compared to the prior-year period. The Glenturret Lalique Restaurant also continued to experience a good level of demand. Costs developed as expected, given the increase in business volumes, although inflation and the rise in headcount also resulted in higher personnel costs in this segment. EBIT totalled EUR -0.9 million (H1 2022: EUR -1.6 million).

Among the other brands, Bentley Fragrances experienced a decrease in sales compared to the strong prior-year period (-16%) due to delays in the delivery of components, while sales increased for Parfums Samouraï (+17%) and Parfums Grès (+5%). The Brioni Fragrances brand that was launched in 2021 continued to grow and further progress was achieved in developing new markets. The perfume filling and logistics operation Lalique Beauty Services grew its sales by 16%, with an increase in production capacity utilisation over the first half of the year. EBIT totalled EUR 1.8 million (H1 2022: EUR 3.2 million), as this segment also saw production and operating costs rise.

OUTLOOK

The uncertainty surrounding the economic environment and the geopolitical situation will continue to impact the market environment over the remainder of 2023 and for the foreseeable future. Lalique Group will consistently pursue its diversification strategy in order to realise the benefits resulting from the breadth of its business.

On the cost side, Lalique Group expects its energy costs to fall significantly from next year due to forward contracts entered into for 2024 and 2025. However, personnel costs and other operating expenses are likely to remain high in 2024 and beyond due to general inflation.

Lalique Group will continue to move ahead with selected product launches and projects in the second half of 2023. Following the launch of the new Brioni and Bentley fragrances in the first half of the year, it is now preparing the launch of other fragrances from its Lalique and Jaguar ranges. The new 2023 range of The Glenturret whisky went on sale in August, and the launch of a new Scottish gin is planned for the autumn.

Preparations are also underway for the planned launch of new products in 2024. They include the launch of the first fragrances under the perfume licence agreement with the global fashion brand Superdry that is planned for spring 2024 and the relaunch of the Fabric Frontline silk label. The opening of “Villa Florhof”, a Zurich hotel and restaurant steeped in tradition, is now planned for 2025.

Excluding unforeseeable events, Lalique Group now expects sales growth in the high single digit percentage range (previous guidance: growth in the low 10% range). Profitability at EBIT level is expected to be higher than in the first half of 2023 but well below 2022 (previously: slightly below).

In terms of its mid-term targets, Lalique Group remains committed to its ambition of gradually increasing its EBIT margin to between 9% and 11%, although the achievement of this target range may be delayed until 2026 due to inflation trends.

Roger von der Weid, CEO of Lalique Group: “In the first half of 2023, Lalique Group generated a solid result, although it was affected by international inflation. After a difficult start to 2023, business momentum improved, and we are confident that we can further strengthen the Group’s growth and increase profitability in the second half of the year thanks to the attractiveness of our portfolio.”

Interim Consolidated Income Statement

IN EUR THOUSANDS	1ST HALF OF 2023	1ST HALF OF 2022
Revenue from contracts with customers	86 830	81 106
Other operating income	847	2 122
Revenue and other operating income	87 677	83 228
Material costs, licences and third-party services	-40 790	-35 168
Gross result	46 887	48 060
Salaries and wages	-21 971	-19 471
Other operating expenses	-14 559	-13 149
EBITDA	10 357	15 440
Depreciation and amortization/impairment	-7 876	-7 403
EBIT	2 481	8 037
Financial income	20	36
Financial expenses	-1 181	-748
Net foreign exchange differences	-241	-1 414
Group profit before taxes	1 079	5 911
Income taxes	-511	-1 269
NET GROUP PROFIT	568	4 642
of which attributable to:		
Non-controlling interests	-496	-639
Owners of the parent company	1 064	5 281
Earnings per share basic/diluted (in EUR)	0.15	0.74

Interim Consolidated Statement of Comprehensive Income

IN EUR THOUSANDS	1ST HALF OF 2023	1ST HALF OF 2022
NET GROUP PROFIT	568	4 642
Foreign currency translation	1 517	2 554
Items that may be reclassified subsequently to the income statement, net of tax	1 517	2 554
Remeasurements of pension plans	-173	1 768
Deferred tax on remeasurements of pension plans	34	-352
Items that will not be reclassified subsequently to the income statement, net of tax	-139	1 416
Other comprehensive income, net of tax	1 378	3 970
TOTAL COMPREHENSIVE INCOME	1 946	8 612
of which attributable to:		
Non-controlling interests	37	-1 317
Owners of the parent company	1 909	9 929

Interim Consolidated Balance Sheet

ASSETS

IN EUR THOUSANDS	30.06.2023	31.12.2022 RESTATED	01.01.2022 RESTATED
Cash and cash equivalents	19 225	40 147	48 256
Trade accounts receivable	26 802	20 088	17 489
Inventories	99 142	86 505	80 031
Other receivables	10 161	7 068	7 363
Total current assets	155 330	153 808	153 139
Intangible assets ¹	101 098	97 847	88 121
Property, plant and equipment	98 079	94 851	80 293
Financial assets	1 874	1 730	1 050
Other non-current assets	5 504	5 502	5 481
Deferred tax assets	4 133	3 223	3 906
Total non-current assets	210 688	203 153	178 851
TOTAL ASSETS	366 018	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	30.06.2023	31.12.2022 RESTATED	01.01.2022 RESTATED
Bank overdrafts	29 954	29 487	26 852
Trade accounts payable	28 773	22 996	18 921
Current provisions	292	327	820
Income tax liabilities	2 232	2 454	1 269
Current financial liabilities ¹	16 104	14 278	27 994
Other current liabilities ¹	14 702	16 385	11 484
Total current liabilities	92 057	85 927	87 340
Other non-current liabilities ¹	50	50	42
Non-current provisions	918	1 096	1 437
Non-current financial liabilities ¹	65 167	58 676	37 041
Defined benefit obligation	3 502	3 173	5 432
Deferred tax liabilities	11 433	11 350	12 236
Total non-current liabilities	81 070	74 345	56 188
Total liabilities	173 127	160 272	143 528
Share capital	1 204	1 204	1 204
Capital reserves	82 163	83 984	85 378
Retained earnings	91 728	93 569	82 305
Total equity attributable to owners of the parent company	175 095	178 757	168 887
Non-controlling interests	17 796	17 932	19 575
Total equity	192 891	196 689	188 462
TOTAL LIABILITIES AND EQUITY	366 018	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)

Interim Consolidated Cash Flow Statement

IN EUR THOUSANDS	1ST HALF OF 2023	1ST HALF OF 2022 RESTATED
Group profit before taxes	1 079	5 911
Depreciation and amortization/impairment	7 876	7 403
Amortization of licences	1 187	1 017
Change in defined benefit obligation	183	-1 711
Change in provisions	-216	894
Financial income	-20	-36
Financial expenses	1 181	748
Net foreign exchange differences	241	1 414
Other non-cash items ¹	-96	-86
Cash flow from operations before change in net current assets	11 416	15 554
Decrease (+)/increase (-) in trade accounts receivable	-6 656	-3 758
Decrease (+)/increase (-) in inventories	-11 939	-2 253
Decrease (+)/increase (-) in other receivables	-3 775	647
Increase (+)/decrease (-) in trade accounts payable	5 804	-1 456
Increase (+)/decrease (-) in other non-financial current liabilities ¹	-1 643	3 480
Interest paid	-1 358	-340
Tax paid	-1 068	-528
Interest received	9	12
Cash flow from operating activities	-9 210	11 358
Investments in property, plant and equipment	-7 536	-8 053
Investments in other non-current assets	-	-31
Sale of property, plant and equipment	2	-
Investments in intangible assets	-1 106	-176
Net cash flow financial assets	-150	-714
Cash flow from investing activities	-8 790	-8 974
Receipt of/increase in NCI shareholder loans	228	2 611
Purchase of treasury shares	-1 814	-282
Sale of treasury shares	57	-
Net cash flow from bank overdrafts	297	521
Repayment of principal amount of lease liabilities	-3 751	-3 344
Repayments/outflows from current financial liabilities ¹	-3 169	-18 136
Proceeds/inflows from current financial liabilities	265	831
Repayments/outflows from other non-current liabilities	-499	-562
Proceeds/inflows from other non-current liabilities	9 088	5 643
Dividend payment	-3 814	-2 788
Dividend payment to NCI shareholder	-173	-
Cash flow from financing activities	-3 285	-15 506
Exchange differences on cash and cash equivalents	363	2 160
Decrease/increase in cash and cash equivalents	-20 922	-10 962
Balance of cash and cash equivalents as of 01.01.	40 147	48 256
Balance of cash and cash equivalents as of 30.06.	19 225	37 294

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)

Interim Consolidated Statement of Changes in Equity

IN EUR THOUSANDS	SHARE CAPITAL	CAPITAL RESERVES	TREASURY SHARES	ACCUMU- LATED FOREIGN CURRENCY TRANS- LATION	RETAINED EARNINGS	TOTAL EQUITY OWNER OF PARENT	NON-CON- TROLLING INTERESTS	TOTAL EQUITY
BALANCE AS AT 01.01.2022	1 204	85 378	-908	3 954	79 259	168 887	19 575	188 462
Net Group profit	-	-	-	-	5 281	5 281	-639	4 642
Foreign currency translation	-	-	-	3 221	-	3 221	-667	2 554
Remeasurement IAS 19 (incl. tax)	-	-	-	-	1 427	1 427	-11	1 416
Other comprehensive income	-	-	-	3 221	1 427	4 648	-678	3 970
Total comprehensive income	-	-	-	3 221	6 708	9 929	-1 317	8 612
Purchase of treasury shares	-	-	-282	-	-	-282	-	-282
BALANCE AS AT 30.06.2022	1 204	83 984	-1 190	7 175	84 573	175 746	18 258	194 004
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	-	-	-	-	1 064	1 064	-496	568
Foreign currency translation	-	-	-	984	-	984	533	1 517
Remeasurement IAS 19 (incl. tax)	-	-	-	-	-139	-139	-	-139
Other comprehensive income	-	-	-	984	-139	845	533	1 378
Total comprehensive income	-	-	-	984	925	1 909	37	1 946
Dividend payout	-	-1 821	-	-	-1 993	-3 814	-173	-3 987
Purchase of treasury shares	-	-	-1 814	-	-	-1 814	-	-1 814
Sale of treasury shares	-	-	52	-	5	57	-	57
BALANCE AS AT 30.06.2023	1 204	82 163	-3 744	7 016	88 456	175 095	17 796	192 891

Notes to the Interim Consolidated Financial Statements

1. BASIS OF PREPARATION

The Interim Consolidated Financial Statements 2023 for the period ending 30 June 2023 were prepared in accordance with IAS 34 (Interim Financial Reporting) and were approved by the Board of Directors on 11 September 2023.

The Interim Consolidated Financial Statements 2023 were prepared on a going concern basis.

2. ACCOUNTING PRINCIPLES APPLIED IN THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accounting principles applied in the Interim Consolidated Financial Statements 2023 are the same as in the Consolidated Financial Statements dated 31 December 2022. The Interim Consolidated Financial Statements 2023 should therefore be read in conjunction with the Consolidated Financial Statements 2022.

The Interim Consolidated Financial Statements are prepared in euros (EUR). Unless otherwise stated, all figures have been rounded to the nearest EUR thousand.

The accounting principles adopted in the preparation of the Interim Consolidated Financial Statements are the same as those used in the preparation of the Group's Consolidated Financial Statements as of 31 December 2022, with the exception of the new standards adopted as of 1 January 2023.

Several amendments to the accounting principles apply for the first time in 2023 but do not have a material impact on these Interim Consolidated Financial Statements. Lalique Group has not pre-emptively adopted any standard, interpretation or amendment prior to the effective dates.

Adjusted presentation and correction of errors

The current financial liabilities and the current non-financial 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 01 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 for the first half of 2022, the outflows from current financial liabilities has been EUR -1 422 thousand higher and the operating cash flow of other non-financial current liabilities was increased by EUR 1 422 thousand.

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

3. SEASONAL INFLUENCES ON BUSINESS ACTIVITIES

The different segments are subject to seasonal influences, which, however, largely neutralise each other in the consolidation due to their opposing characteristics. The Ultrasun segment, for example, tends to generate higher revenue from sales of sunscreen products in the first half of the year (HY1). In contrast, the Lalique segment usually sees an increase in revenue in the second half of the year, driven by sales of products (e.g. crystal objects) in connection with the festive season.

4. SCOPE OF CONSOLIDATION

The scope of consolidation of Lalique Group as of 30 June 2023 was unchanged compared to 31 December 2022.

In 2023, Lalique Parfums SA acquired and absorbed 100% of Fabric Frontline, a traditional producer of luxury fabrics and textile accessories, further expanding its business and diversifying its portfolio.

5. OTHER INCOME

IN EUR THOUSANDS	1ST HALF OF 2023	1ST HALF OF 2022
Other operating income	847	2 122
Total other operating income	847	2 122

In the first half of 2023, other operating income included an eviction indemnity of EUR 608 thousand due to the termination of a contract by the lessor.

In the first half of 2022, other operating income consisted of severance of EUR 1 720 thousand paid to the Group after a successful legal case.

6. SALARIES AND WAGES

IN EUR THOUSANDS	1ST HALF OF 2023	1ST HALF OF 2022
Wages and salaries (incl. bonuses)	14 723	13 202
Social insurance and employee pension/welfare expenses	6 591	5 878
Other personnel costs	657	391
Total personnel costs	21 971	19 471
Average number of FTE	789	734

In the first half of 2023, the Group received no grants for furlough (HY1 2022: EUR 44 thousand).

7. INVENTORIES

IN EUR THOUSANDS	30.06.2023	31.12.2022
Components and raw materials	34 594	29 126
Finished goods	62 109	55 538
Advance payments	2 439	1 841
Total inventories	99 142	86 505

In the first half of 2023, scrapping and impairments on inventories recognized as expenditure amounted to EUR 254 thousand (HY1 2022: EUR 436 thousand).

8. INTANGIBLE ASSETS

In the first half of 2023, additions to intangible assets amounted to EUR 4 367 thousand (HY1 2022: EUR 12 762 thousand). In the first half of 2022, EUR 12 532 thousand relates to the non-cash flow-relevant capitalization of the minimum licence liabilities of the new Superdry licence agreement and the extended Bentley licence agreement. As in prior years, investments in the development of new products also accounted for a significant proportion of intangible assets.

The carrying value of the Group's brands was as follows as of 30 June 2023: 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), Glenturret GBP 9 400 thousand (2022: GBP 9 400 thousand) and Lalique EUR 39 574 thousand (2022: EUR 39 526 thousand), of which Lalique SA holds EUR 32 376 thousand (2022: EUR 32 376) and Lalique Parfums SA EUR 7 198 thousand (2022: EUR 7 150), or CHF 7 040 thousand in the local currency (2022: CHF 7 040 thousand).

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	48
Carrying value as of 30.06.2023	39 574

The cash-generating unit "Glenturret", to which goodwill of GBP 9 601 thousand is allocated, comprises the material part of the Group's goodwill.

In the first half of 2023, there was no indication that this goodwill may be impaired. Consequently, no goodwill impairment charge was recognized as of 30 June 2023 and its value in the local currency has not changed compared to the previous year:

IN EUR THOUSANDS	GOODWILL
Carrying value as of 01.01.2022	11 788
Net foreign exchange differences	-591
Carrying value as of 31.12.2022	11 788
Additions ¹	236
Net foreign exchange differences	268
Carrying value as of 30.06.2023	11 701

¹ Goodwill from acquisition of Fabric Frontline

9. PROPERTY, PLANT AND EQUIPMENT

In the first half of 2023, additions to fixed assets amounted to EUR 10 293 thousand (HY1 2022: EUR 13 726 thousand). As in the prior year, the largest positions relate to investments made primarily in the hospitality infrastructure of Glenturret Limited in Scotland, as well as in the production and logistics facilities of Lalique Beauty Services SASU in Ury, France, and of Lalique SA in Wingen-Sur-Moder, France. Of the additions to fixed assets, non-cash flow-relevant investments in right-of-use assets amounted to EUR 2 462 thousand (HY1 2021: EUR 2 496 thousand).

The Group disposed of assets with a net book value of EUR 156 thousand in the six-month period ending 30 June 2023 (HY1 2022: EUR 1 834 thousand), resulting in a net gain of EUR 2 thousand (HY1 2022: EUR 211 thousand).

10. PROVISIONS

In the first half of 2023, additional provisions of EUR 111 thousand (HY1 2022: EUR 1 221 thousand) were recognized. Provisions of EUR 290 thousand were released (first half of 2022: EUR 24 thousand) and provisions of EUR 37 thousand were used (HY1 2022: EUR 303 thousand) in the period under review.

11. 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 these brands and cash-generating units. “Lalique”, “Ultrasun”, “Jaguar” and “Glenturret” are the largest brands in terms of revenue, profit and/or total assets. Consequently, these four brands have been identified as reportable segments. Together, they account for more than 75% of Lalique’s revenue.

Non-brand-related holdings and consolidation are shown in a separate reconciling item “Holding and eliminations”. Other brands and business activities have been combined in the residual segment “Other brands” for segment reporting purposes. This residual segment includes Lalique Group’s smaller brands (e.g. Parfums Samourai, Parfums Grès, Bentley Fragrances, Brioni and Superdry) 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 do not focus solely on the perfume business and 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 (including decorative pieces, perfume, interior design, jewellery and others).

Segment 2—Ultrasun

The Ultrasun segment covers the Ultrasun brand.

The segment develops and manufactures multifunctional sun care products with an external partner. The products are sold through various distribution channels.

Segment 3—Jaguar

The Jaguar segment covers the Jaguar brand.

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

Segment 4—Glenturret

The Glenturret segment covers the Glenturret brand.

The segment develops, produces and distributes Scotch whisky from its own distillery.

Segment 5—Other brands

The “Other brands” segment covers the Parfums Samourai, Parfums Grès, Bentley Fragrances, Brioni and Superdry brands, as well as Lalique Beauty Distribution, Lalique Tamer Beauty, 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 carried out on an arm’s length basis.

Segment reporting for the first half of 2023

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

IN EUR THOUSANDS	LALIQUE	ULTRASUN	JAGUAR	GLEN-TURRET	OTHER BRANDS ¹	HOLDING AND ELIM. ²	GROUP
Revenue and other operating income							
Revenue from contracts with external customers	41 268	13 254	10 775	2 934	18 613	-14	86 830
Revenue from transactions with other segments	2 848	-	2 156	77	3 238	-8 319	-
Other operating income ³	782	-18	31	-	41	11	847
Other operating income with other segments	256	-	-16	-	639	-879	-
Total revenue and other operating income	45 154	13 236	12 946	3 011	22 531	-9 201	87 677
EBIT	-1 668	2 368	1 429	-924	1 806	-530	2 481
Financial result							-1 402
Group profit before taxes							1 079
Income tax expenses							-511
NET GROUP PROFIT							568
Assets and liabilities							
Segment assets	207 795	27 325	22 711	61 377	68 371	-21 561	366 018
Segment liabilities	170 137	9 845	13 330	28 806	50 644	-99 635	173 127
Other segment information							
Investments							
Property, plant and equipment ⁴	7 275	18	127	1 027	1 796	50	10 293
of which investments in RoU assets	2 036	-	-	-	425	-	2 461
Intangible assets ⁵	943	99	2 710	86	529	-	4 367
Depreciation and amortization							
Property, plant and equipment	5 454	177	104	390	958	18	7 101
Intangible assets	321	72	54	133	194	1	775
¹ Revenue and other operating income other brands							
Parfums Samourai					2 740		
Parfums Grès					2 940		
Bentley Fragrances					4 655		
Brioni					1 367		
Lalique Tamer Beauty					7 017		
Lalique Beauty Distribution					781		
Lalique Beauty Services					6 361		
Parfums Alain Delon					-		
Superdry Fragrances					-		
Elimination intercompany other brands					-3 330		
Total revenue and other operating income from other brands					22 531		
² 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.							
³ In the first half of 2023 other operating income from the Lalique Brand derived to a large extent from an eviction indemnity of EUR 608 thousand due to the termination of the contract by the lessor.							
⁴ The property, plant and equipment investments of other brands include investments in the perfume production facility in Ury of EUR 1 395 thousand of which EUR 160 are investments in right-of-use assets.							
⁵ Additions to intangible assets of the Jaguar Brand include the licence agreement that was extended in 2023 in the amount of EUR 2 544 thousand.							

Segment reporting for the first half of 2022

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

IN EUR THOUSANDS	LALIQUE	ULTRASUN	JAGUAR	GLEN-TURRET	OTHER BRANDS ¹	HOLDING AND ELIM. ²	GROUP
Revenue and other operating income							
Revenue from contracts with external customers	43 660	11 284	11 054	2 163	12 956	-11	81 106
Revenue from transactions with other segments	347	-	13	67	3 410	-3 837	-
Other operating income ³	2 043	38	2	11	17	11	2 122
Other operating income with other segments	449	-	-	-	624	-1 073	-
Total revenue and other operating income	46 499	11 322	11 069	2 241	17 007	-4 910	83 228
EBIT	3 843	1 077	1 798	-1 552	3 223	-352	8 037
Financial result							-2 126
Group profit before taxes							5 911
Income tax expenses							-1 269
NET GROUP PROFIT							4 642
Assets and liabilities							
Segment assets	192 505	27 986	16 798	58 067	66 103	-12 664	348 795
Segment liabilities	147 470	11 728	6 005	24 902	49 972	-85 286	154 791
Other segment information							
Investments							
Property, plant and equipment ⁴	6 819	1 277	-	4 202	1 231	197	13 726
of which investments in RoU assets	966	1 261	-	28	47	194	2 496
Intangible assets ⁵	92	66	-	31	12 573	-	12 762
Depreciation and amortization							
Property, plant and equipment	4 827	178	96	352	920	15	6 388
Intangible assets	572	99	44	103	196	1	1 015
¹ Revenue and other operating income other brands							
Parfums Samourai					2 337		
Parfums Grès					2 807		
Bentley Fragrances					5 516		
Brioni					1 058		
Lalique Tamer Beauty					1 031		
Lalique Beauty Distribution					606		
Lalique Beauty Services					5 499		
Parfums Alain Delon					21		
Superdry Fragrances					-		
Elimination intercompany other brands					-1 868		
Total revenue and other operating income other brands					17 007		
² 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.							
³ In the first half of 2022, other operating income in the Lalique segment derived to a large extent from a successful legal case with severances of EUR 1 720 thousand.							
⁴ The property, plant and equipment investments of other brands include investments in the perfume production facility in Ury of EUR 1208 thousand.							
⁵ The intangible assets investments of other brands include the capitalisation of the minimum licence liabilities of the new Superdry licence agreement and the extended Bentley licence agreement.							

12. INCOME TAX

The Group calculates interim period income tax expense using the tax rate that would apply to expected total annual income. The major components of income tax expense in the Interim Consolidated Income Statement are as follows:

IN EUR THOUSANDS	1ST HALF OF 2023	1ST HALF OF 2022
Current income tax expenses	1 120	1 242
Deferred taxes	-609	27
Total income taxes	511	1 269

13. TRANSACTIONS WITH RELATED PARTIES

IN EUR THOUSANDS	30.06.2023	30.06.2022	TYPE OF TRANSACTION
Liabilities:			
Affiliates under common control	-	25	Château Lafaurie-Peyraguey, wine and hospitality services
	32	27	Denz Weine, purchase of wine
	7	2	Vignobles Silvio Denz, purchase of wine
Principal shareholder	44	23	Expenses Silvio Denz
NCI shareholders	9 031	7 908	Loan form NCI shareholders
Receivables:			
Affiliates under common control	5	27	Château Lafaurie-Peyraguey, sale of Lalique products
	-	58	Château Peby Faugères, sale of Lalique products
	1	4	Vignobles Silvio Denz, sale of Lalique products
Proceeds from:			
Affiliates under common control	7	31	Château Lafaurie-Peyraguey, sale of Lalique products
	-	8	Château Lafaurie-Peyraguey, reimbursements
	-	27	Château Peby Faugères, sale of Lalique products
	1	6	Vignobles Silvio Denz, sale of Lalique products
	-	2	Denz Weine, products and services
Principal shareholder	-	10	Reimbursement private expenses
Members of the Board of Directors of Lalique Group SA			
Expenditure of:			
Affiliates under common control	3	53	Château Lafaurie-Peyraguey, purchase of wine and hospitality services
	18	41	Vignobles Silvio Denz, purchase of wine and hospitality services
	41	55	Denz Weine, purchase of wine
	99	-	Tanja Wegmann Hospitality, consulting
	3	-	Montepeloso S.S., purchase of wine
	87	-	Tradeaccess AG, consulting
	251	227	Ermitage Estate Limited, rent
	-	70	Wermuth Auktionen, purchase of wine
Principal shareholder	76	49	Expenses Silvio Denz
NCI shareholders	94	33	Interests on loan

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

14. DIVIDENDS

In accordance with the motion proposed by the Board of Directors and the resolution passed at the Ordinary General Meeting of 31 May 2023 in Zurich, a dividend of CHF 0.50 per share was distributed to shareholders. Of this sum, CHF 0.25 (without deduction of withholding tax) was paid out of capital contribution reserves and CHF 0.25 was paid from voluntary retained earnings (without deduction of withholding tax, CHF 0.16 after taxes). The total payout to shareholders of Lalique Group SA was CHF 3 542 thousand (EUR 3 642 thousand).

In addition, a total dividend of EUR 345 thousand was paid to non-controlling interest shareholders.

15. CONTINGENT LIABILITIES AND ASSETS PLEDGED

Details of contingent liabilities and assets pledged are provided in the Notes to the Consolidated Financial Statements 2022 (notes 29 and 30). There have been no changes since 31 December 2022.

16. SUBSEQUENT EVENTS

No events have occurred since the balance sheet date that affect the relevance of the information provided in the Interim Consolidated Financial Statements and would therefore need to be disclosed.

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