

Lalique Group SA 2021 Full-Year Results Presentation

Zurich, 21 April 2022



Overview

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Overview 2021

Roger von der Weid, Chief Executive Officer

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Alexis Rubinstein, Chief Financial Officer

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Brioni Eau de Parfum Eclat

Overview 2021



2021 key financial takeaways

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1

Global sales recovered to pre-pandemic levels with operating revenue of EUR 142.0m, up 28% vs. 2020 and almost in line with 2019 (EUR 143.5m)

2

The Lalique segment showed strong growth at a significantly increased profitability

3

Perfume business delivered strong overall performance across most brands

4

The Glenturret whiskey business also reported noticeable sales increase, while sales of Ultrasun products remained below previous year's level

5

Costs reflect continued disciplined cost management and increased business volume; personnel costs up 21%, other operating expenses up 6% (excl. one-off items in 2020)

6

EBIT increased to EUR 9.6m with EBIT margin of 6.8%, significantly exceeding pre-pandemic levels; net Group profit rose to EUR 6.8m in 2021

Soleil Vibrant Lalique – the new EDP

Recent business highlights



Lalique Into the Blue collection 2022

1

Acquisition of the Château Lafaurie-Peyraguey hotel and restaurant in July 2021 (awarded a second Michelin Star in March 2022)

2

Opening of The Glenturret Lalique Restaurant in Scotland at end-July 2021 (awarded a Michelin star in February 2022 within just seven months of opening)

3

Launch of first two Brioni fragrances in 2021, third fragrance is currently being rolled out

4

New licence: As recently announced, Lalique Group will exclusively create and distribute a collection of perfumes for Superdry, a global and multi-channel British fashion brand

5

Strong whisky sales contributed to more than trebled revenues in The Glenturret segment

Financial Performance 2021



FY 2021 key results

in EURm	2021	2020
Operating revenue	142.0	110.7
<i>Revenue growth</i>	<i>+28%</i>	<i>-23%</i>
Gross profit	80.2	59.1
Personnel costs	-34.6	-28.7
Other operating expenses	-21.8	-22.9
EBITDA	23.8	7.6
EBIT	9.6	-12.6
EBIT margin	6.8%	-
Financial result	-1.1	-2.5
Net Group result	6.8	-15.0
Earnings per share (EUR)	1.14	-1.76
Dividend per share (CHF)	0.40 ¹	-
Total equity²	168.9	156.6
Equity ratio	50.9%	46.2%

- **Operating revenue** up 28% after the Group's business was severely impacted by the Covid-19 pandemic in 2020
- **Cost** side reflects continued disciplined cost management as well as return to higher business volumes
- **EBIT** of EUR 9.6m vs. EUR -5.9m (excluding one-off litigation provision of EUR 2.4m and brand impairment charge of EUR 4.3m in 2020)
- Including Covid-19 related government grants of EUR 1.4m (vs. EUR 0.6m in 2020)
- Including furlough grants of EUR 1.2m (vs. EUR 2.9m in 2020)

EBIT breakdown (in EURm)	2021	Margin
Lalique	5.8	6.8%
Ultrasun	-1.1	-
Jaguar	3.5	17.1%
Glenturret	-1.8	-
Other Brands	3.2	12.5%
Lalique Group	9.6	6.8%

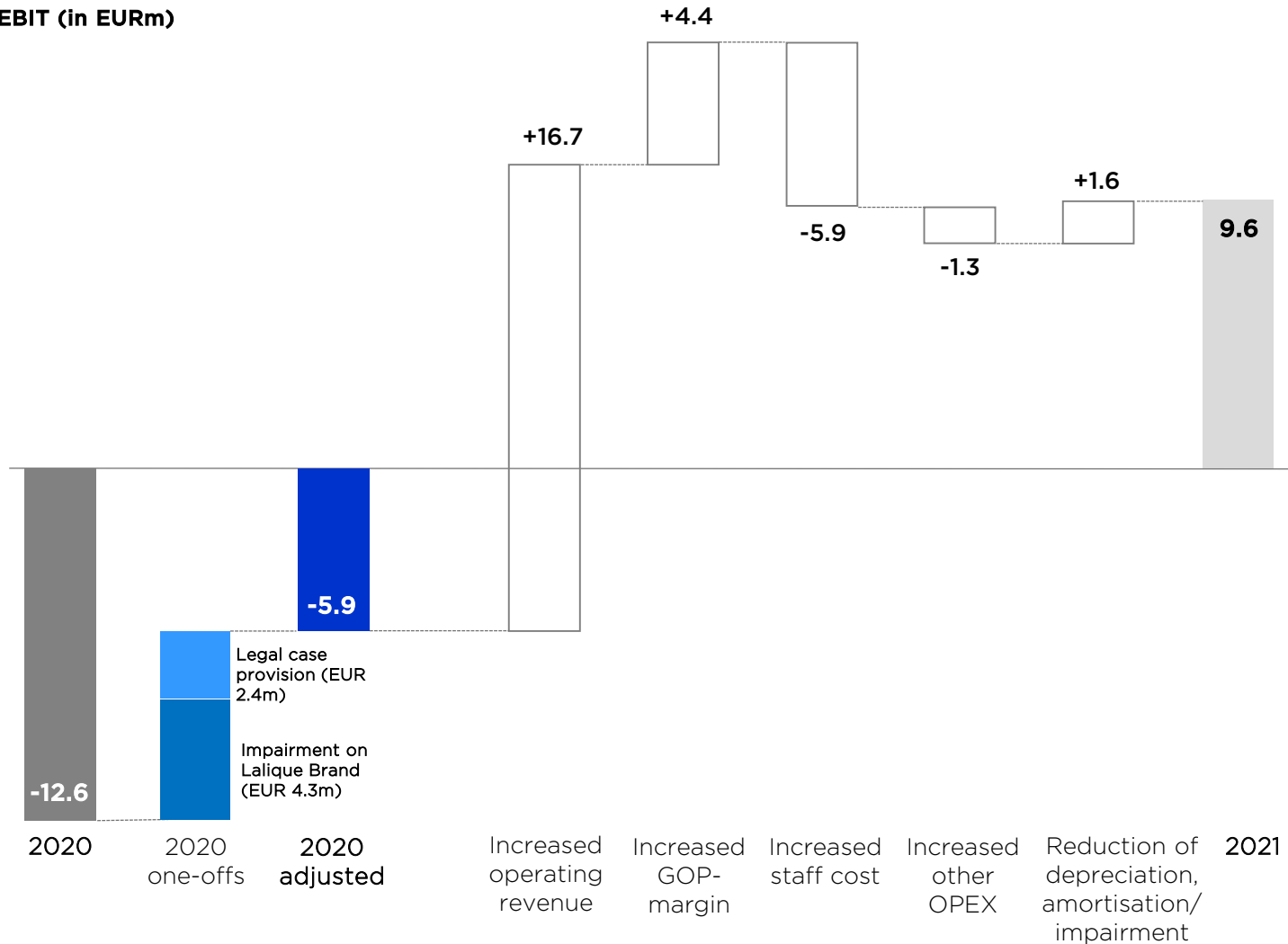
¹ Proposal to AGM 2022

² Before non-controlling interests

2021 EBIT improved by EUR 15.5m (excluding one-off effects in 2020)

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EBIT (in EURm)



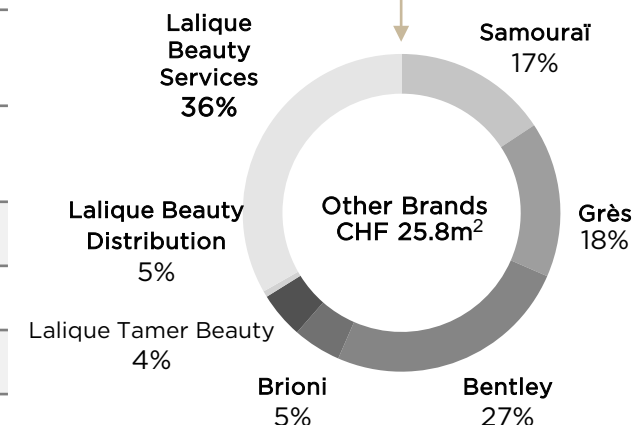
Increase in EBIT 2021 driven by:

- Growth of operating revenues reflecting sales recovery in all markets
- Improved gross profit margin of 56.5% (vs. 53.4% in 2020)
- Increased staff costs in the context of a return to higher business volumes
- Lower other operating costs thanks to continued disciplined cost management in marketing (incl. trade shows) as well as reduced business travels

FY 2021 results by segment

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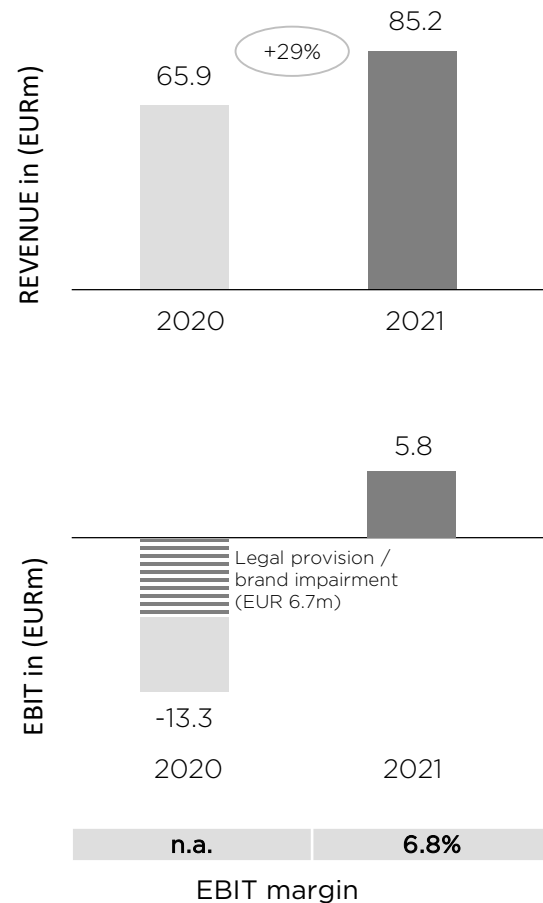
2021 segment results (in EUR thousand)	Lalique	Ultrasun	Jaguar	Glenturret	Other Brands	Holding and Elim.	Group
Revenue from contracts and other operating income with external customers	84,070	13,181	20,640	4,870	19,200	-10	141,951
Revenue from transactions and other operating income with other segments	1'159	-	33	59	6,623	-7,874	-
Total operating revenue	85,229	13,181	20,673	4,929	25,823	-7,884	141,951
<i>Revenue growth (vs. 2020)</i>	<i>+29%</i>	<i>-11%</i>	<i>+30%</i>	<i>+271%</i>	<i>+37%</i>	<i>n.a.</i>	<i>+28%¹</i>
EBIT	5,788	-1,057	3,525	-1,783	3,238	-92	9,619
Assets	187,650	25,925	18,679	55,279	53,382	-8,925	331,990
Liabilities	144,729	10,680	5,043	18,796	38,750	-74,740	143,528
Investments in PPE	14,008	158	15	2,034	1,981	764	18,960
D&A PPE	9,705	261	231	574	1,826	63	12,660
Investments in Intangibles	453	195	105	33	329	1	1,116
D&A Intangibles	719	197	86	167	390	7	1,566



¹ Currency-adjusted growth in 2021 was +29%

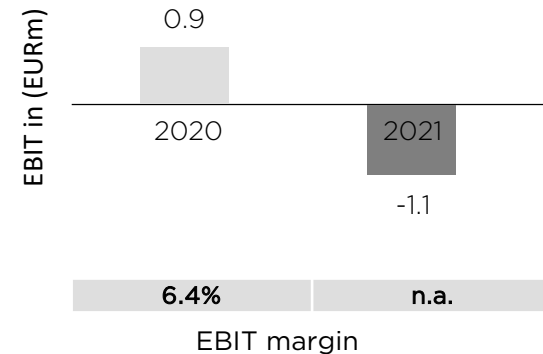
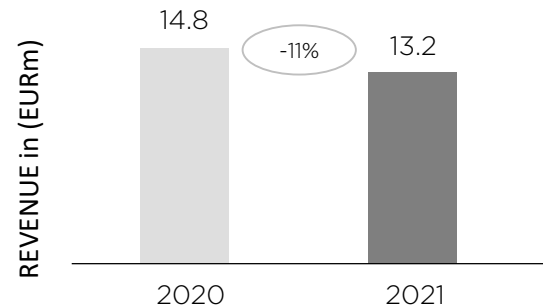
² Includes revenues from transactions with other segments (-12%)

Lalique segment: noticeably improved operational profitability in rebounding markets



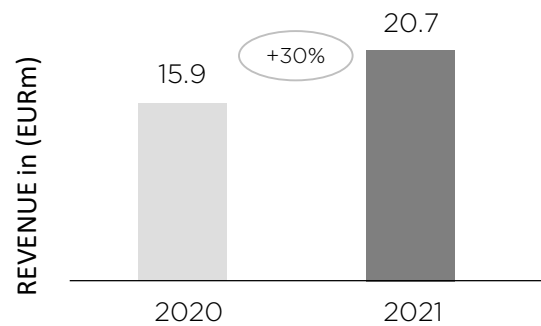
- Sales rebounded by 29% vs. 2020 and were up 5% vs. the 2019 pre-pandemic level, primarily reflecting strong perfumes sales
- In Lalique Parfums (up 70%), growth was particularly driven by establishment of own distribution in Middle East and strong demand in China
- In Crystal (up 14%), sales recovered but remained below pre-pandemic level, as some markets were still impacted by Covid-19 in the first half of the year
- Gastronomy/hospitality establishments resumed business after lockdowns; newly acquired Château Lafaurie-Peyraguey H&R contributed with additional revenues
- Costs remained stable (up 2%), excluding the provision for litigation in France (EUR 2.4m) and the non-cash impairment on the brand value of Lalique (EUR 4.3m) recognized in 2020, despite the acquisition of Château Lafaurie-Peyraguey H&R in July 2021
- EBIT increased to EUR 5.8m, thanks to improved operating results across all business areas

Ultrasun: impacted by travel restrictions and lower demand in Far East

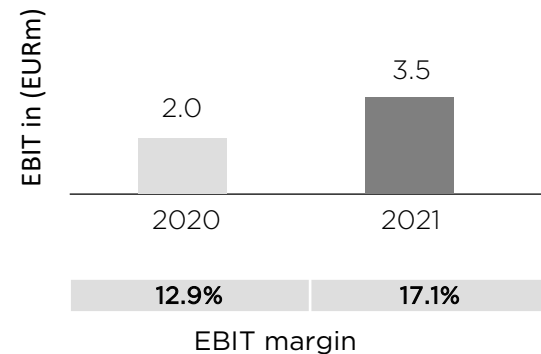


- Operating revenue down 11% due to continued restrictions on holiday travel and lower demand in Far Eastern markets
- Performance in selected key markets:
 - CH: flat vs. prior year
 - UK: sales growth despite lockdown at beginning of the year
 - DE: increased revenues due to set-up of own sales team
- Operating costs remained on prior-year level
- EBIT declined to EUR -1.1m as a function of lower top-line volume and decrease in gross margin due to the liquidation as well as scrapping of discontinued product lines

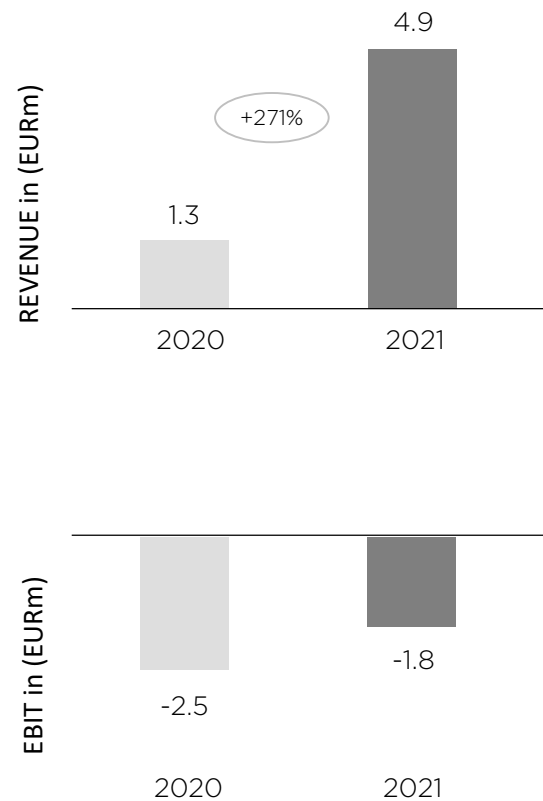
Jaguar: strong profitability based on solid sales growth and stable operating costs



- Operating revenues up 30%, driven particularly by key markets Germany and Poland, as well as the Middle East, Italy and Chile, albeit still below pre-pandemic levels
- Based on solid sales growth and stable operating costs, EBIT improved to EUR 3.5m
- EBIT margin increased to 17%, higher than pre-pandemic level (2019: 16%)

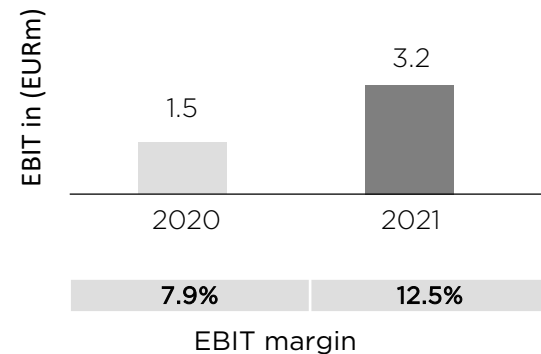
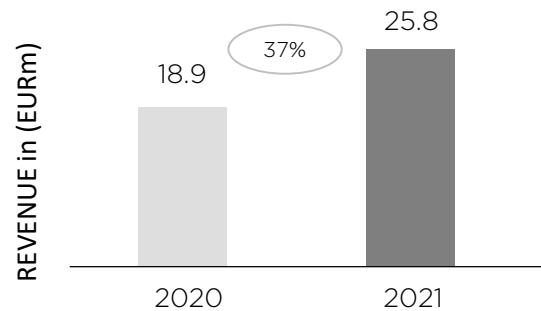


Glenturret: strong growth of whisky sales



- Whisky sales noticeably increased in 2021
- Visitor centre was affected by poor international travel to Scotland, but refurbished Café and new Lalique Restaurant contributed positively
- Operating expenses increased in connection with launch of Lalique restaurant
- EBIT reached EUR -1.8m, break-even expected in 2022

Other brands: doubled profitability with sales growth, Brioni brand and own distribution in ME



- Bentley Fragrances reported exceptionally strong performance (up 87%) in 2021 driven by the US, the online channel in Europe and solid contribution from the Middle East
- Parfum Grès grew 3.1% as markets in Southern Europe and Latin America were still strongly affected by the pandemic
- Parfums Samouraï remained on prior-year level as state of emergency remained in place in Japan for most of the year
- Perfume filling facility Lalique Beauty Services increased operating revenues thanks to higher filling and handling volumes for Lalique Beauty and growing business with third-party customers
- New Brioni license brand and new set-up with own distribution in Middle East also contributed to growth in sales and operating profit
- EBIT improved noticeably to EUR 3.2m at EBIT margin of 13%

Balance sheet remains solid

in EURm	31.12.2021	31.12.2020
Cash and cash equivalents	48.3	66.7
Trade accounts receivable	17.5	15.1
Inventories	80.0	78.0
Other current assets	7.4	8.0
Intangible assets	88.1	84.8
Property, plant and equipment	80.3	76.7
Other non-current assets	10.4	9.9
Total assets	332.0	339.2
Bank overdrafts	26.9	44.3
Trade accounts payable	18.9	17.6
Other current liabilities	41.5	23.7
Non-current financial liabilities	35.9	58.9
Other non-current liabilities	20.3	19.9
Total liabilities	143.5	164.4
Total equity	188.5	174.8
Total liabilities and equity	332.0	339.2

- Net cash position down by EUR 1.0m to EUR 21.4m due to reduction of cash and cash equivalents and bank overdrafts
- Covid credits due for repayment were reclassified from non-current financial liabilities in other current liabilities
- Net debt decreased from EUR 44.9m to EUR 41.0m
- Net debt / EBITDA ratio significantly improved from 5.9 to 1.7
- Strong equity ratio further improved to 50.9% (2020: 46.2%)

in EURm	31.12.2021	31.12.2020
Total equity before non-controlling interests	168.9	156.6
Equity ratio	50.9%	46.2%

Business Priorities and Outlook



Business priorities for 2022

- Recovery experienced in 2021 is expected to continue in 2022, although global economic environment is characterized by uncertainties, especially in view of current geopolitical tensions due to the Russian invasion of Ukraine and related economic sanctions
- Perfumes: continued focus on selected product launches and projects:
 - Roll-out of third Brioni fragrance started in April 2022
 - Expansion of brand portfolio with new brand Superdry (as recently announced); the Group will create and distribute a collection of women's and men's perfumes for Superdry, a global and multi-channel British fashion brand
- Ultrasun:
 - Development and launch of improved formulas for Far Eastern markets among others
 - Rebound in sales revenue forecasted following ease of Covid-related travel restrictions
- Lalique:
 - Continued development of Lalique brand through four exclusive establishments in the gastronomy and hospitality business
 - Roll-out of AW crystal collection and launch of new art project to contribute to sales growth
- The Glenturret:
 - Focus on further growth in whisky sales and increase in production capacity

Financial outlook

Both our short-term as well as mid-term outlook are subject to unforeseeable events such as a significant worsening of the global economic environment, e.g. in relation to the Russian/Ukraine war or due to a renewed aggravation of the Covid-19 pandemic

FY 2022:

- Lalique Group forecasts high single digit sales growth vs. 2021

Mid-term targets, as set in April 2019:

- Lalique Group expects to achieve annual mid-single-digit growth in local currencies
- Lalique Group continues to expect that the Covid-19 pandemic has led to a delay of around 2 years towards the achievement of a gradual increase in EBIT margin to 9-11%

Appendix



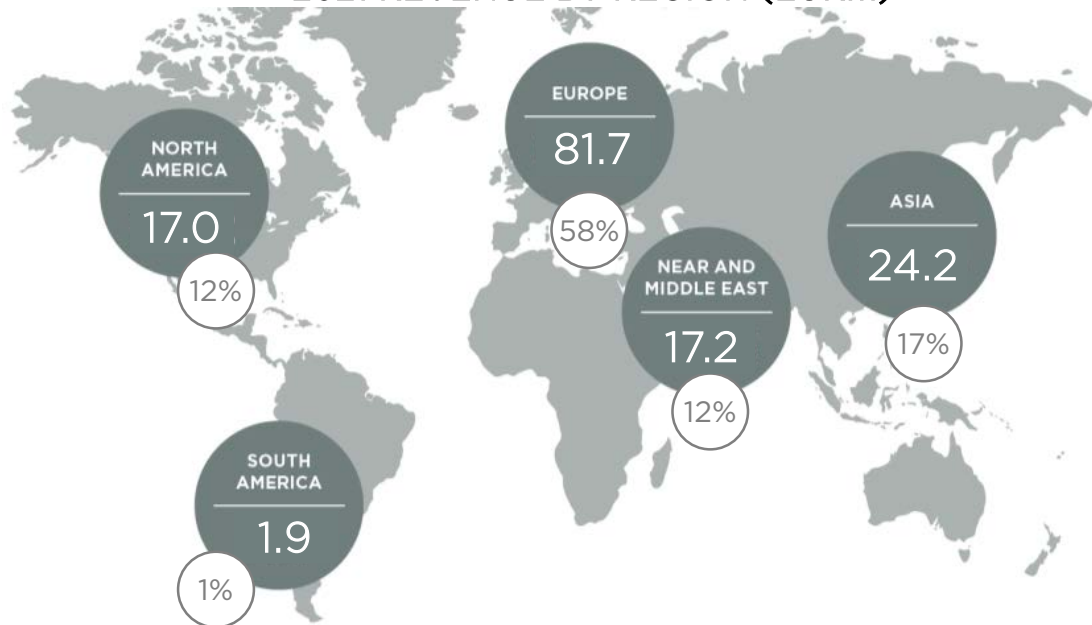
Lalique Group product portfolio reflects diversification strategy

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A successful niche player in luxury goods

- Lalique Group, headquartered in Zurich, specializes in the creation, development, production, marketing and global distribution of branded products
- 702 FTEs (31.12.2021)

2021 REVENUE BY REGION (EURm)



Revenues from transactions with third party customers



¹ Lalique Beauty Services: 1%; Lalique Beauty Distribution: 1%

Consolidated income statement

in EUR thousands	2021	2020
Revenue from contracts with customers	138,645	109,154
Other operating income	3,306	1,573
Operating revenue	141,951	110,727
Material costs	-61,789	-51,600
Gross profit	80,162	59,127
Salaries and wages	-34,554	-28,659
Other operating expenses	-21,763	-22,868
EBITDA	23,845	7,600
Depreciation and amortisation / impairment	-14,226	-20,167
EBIT	9,619	-12,567
Financial income	44	68
Financial expenses	-1,517	-1,258
Net foreign exchange differences	396	-1,268
Group loss before tax	8,542	-15,025
Income taxes	-1,722	-1
Net Group loss/ profit	6,820	-15,026
of which attributable to:		
Non-controlling interests	-1,367	-2,402
Owners of the parent company	8,187	-12,624
Earnings per share (EUR)	1.14	-1.76

Consolidated balance sheet

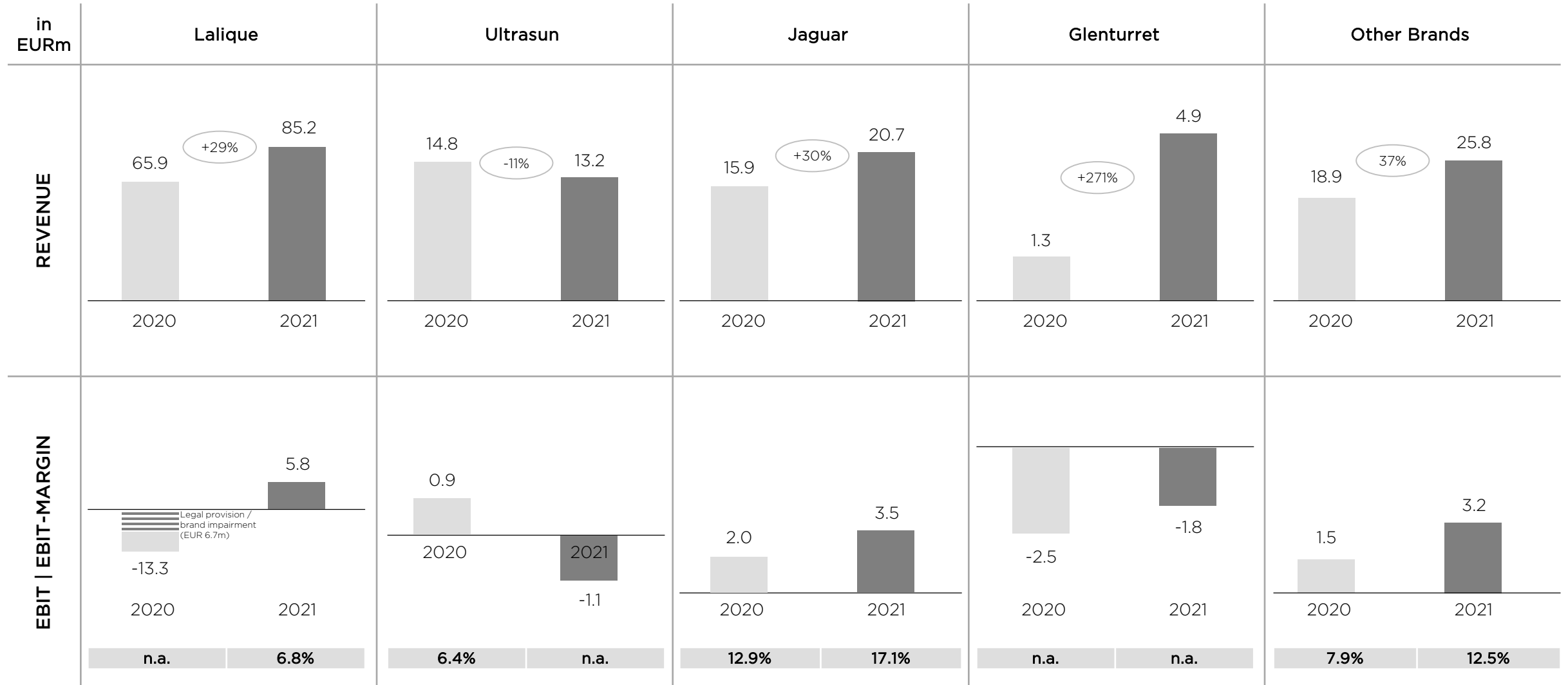
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in TEUR	31.12.2021	31.12.2020
Cash and cash equivalents	48,256	66,697
Trade accounts receivable	17,489	15,101
Inventories	80,031	77,987
Other receivables	7,363	7,957
Total current assets	153,139	167,742
Intangible assets	88,121	84,818
Property, plant and equipment	80,293	76,671
Financial assets	1,050	650
Other non-current assets	5,481	5,451
Deferred tax assets	3,906	3,867
Total non-current assets	178,851	171,457
Total assets	331,990	339,199

in TEUR	31.12.2021	31.12.2020
Bank overdrafts	26,852	44,271
Trade accounts payable	18,921	17,614
Current provisions	820	2,526
Income tax liabilities	1,269	927
Other current liabilities	39,478	20,197
Total current liabilities	87,340	85,535
Other non-current liabilities	1,219	2,460
Non-current provisions	1,437	517
Non-current financial liabilities	35,864	58,923
Defined benefit obligation	5,432	5,427
Deferred tax liabilities	12,236	11,524
Total non-current liabilities	56,188	78,851
Total liabilities	143,528	164,386
Share capital	1,204	1,204
Capital reserves	85,378	85,378
Retained earnings	82,305	70,036
Total equity before non-controlling interests	168,887	156,618
Non-controlling interests	19,575	18,195
Total equity	188,462	174,813
Total liabilities and equity	331,990	339,199

Revenue and EBIT by segments 2021

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Note: Total operating revenue incl. revenue from transactions with other segments

Global presence

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Headquarters ●

Lalique Group SA

- Grubenstrasse 18, Zurich, Switzerland

Lalique SA

- Rue Royale 11, Paris, France

Manufacturing sites ●

- Lalique
- Lalique Beauty Services

The Glenturret ●

- Whisky Distillery, The Hosh, Crieff, United Kingdom

Lalique own boutiques ●

Europe: 12 stores

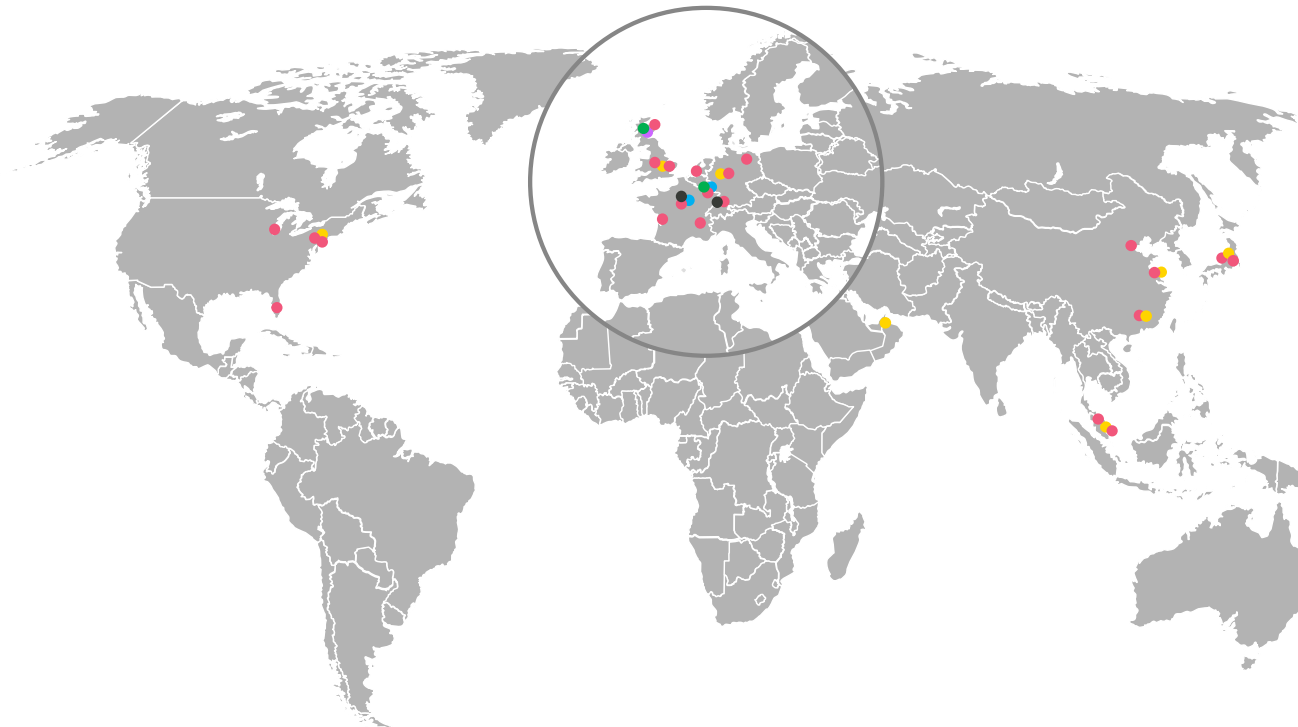
USA: 4 stores

Asia: 13 stores

>14,200 GLOBAL POINTS OF SALE

Lalique division >700

Beauty division: >13,500



● Foreign subsidiaries

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

● Gastronomy/Hospitality Villa René Lalique

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

Château Hochberg

- Four-star hotel and brasserie-style restaurant

Both hotels are located in Alsace, F

Château Lafaurie-Peyraguey

(operates under Lalique brand on licensing basis)

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

The Glenturret Lalique Restaurant

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

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