

**2020 Half-Year Report**

LALIQUE  
GROUP

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# LALIQUE GROUP

## Management Comment

Lalique Group SA generated operating revenue of EUR 49.1 million in the first half of 2020. This 30% decrease compared to the prior year is attributable to the particularly challenging conditions for the luxury goods sector due to the Covid-19 pandemic and was partly offset by savings measures. In addition, the Group recorded a non-cash impairment charge of EUR 4.3 million before taxes on the brand value of Lalique, leading to a reduction in EBIT to EUR -10.0 million. In view of the improved trends in all segments since the second half of May, Lalique Group expects that for the full year 2020, the reduction in sales will be less pronounced than in the first half of the year, provided the severity of the pandemic does not increase again. Barring unforeseen events, the Group expects growth in sales to be in the low double-digit percentage range for 2021 compared to 2020.

In the first half of 2020, the Covid-19 pandemic and the resulting disruption to the economy had an adverse impact on the activities of Lalique Group in all segments and market regions. In particular, global lockdown measures – which were in place in most countries from mid-March until around the end of May – led to a significant decline in sales that equally affected the wholesale and retail businesses. Overall, the Group's operating revenue decreased by 30% to EUR 49.1 million compared to the first half of 2019. In local currencies, the reduction in sales was also 30%.

As a result of the easing of lockdown measures, Lalique Group has seen an improvement in sales trends in all segments since the second half of May, although the global economic downturn and continued protective measures at a local level are continuing to impact on the business.

On the cost side, Lalique Group implemented measures to maintain the company's capital and liquidity position and to generate savings. These included a substantial reduction in marketing initiatives, the deferral of projects to develop and launch new products, a hiring freeze, and salary and bonus waivers by members of the Board of Directors and the Executive Board. The Group also introduced short-time working or equivalent support measures for the majority of employees at its head office in Zurich and in all its locations in France, as well as overseas. Further, it was able to secure rent reductions for points of sale that were closed temporarily. These measures contributed to an 18% decrease in personnel costs to EUR 14.1 million in the first half of 2020. At EUR 10.0 million, other operating expenses were 36% lower than in the prior-year period.

Due to the subdued prospects as a result of the Covid-19 crisis and the anticipated delay in the implementation of its strategic plans, Lalique Group recorded a non-cash impairment charge in the first half of 2020 on the value of the Lalique brand that was acquired in 2008, which had an impact of EUR -4.3 million on earnings before interest and taxes (EBIT) and of EUR -3.2 million on net Group profit. As a result, EBIT totaled EUR -10.0 million (excluding impairment charge: EUR 5.7 million) in the first half of 2020, compared to EUR 0.5 million in the prior-year period. Net Group profit amounted to EUR -10.6 million, compared to EUR -2.8 million in the first half of 2019.

Lalique Group continues to have a solid liquidity and capital position with an equity ratio of 50.7% at the end of June 2020, compared to 50.1% at the end of 2019.

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## Segment results

The Lalique segment recorded a 31% reduction in sales to EUR 24.6 million in the first half of 2020, with a decrease of 51% in the perfume business and 21% in the crystal business. The decline in sales at Lalique boutiques was partly offset by higher sales via Lalique's own online channels as well as with online merchants. From a regional perspective, sales in the US were most severely affected by the Covid-19 situation. The segment's costs were reduced by 23%, the impairment charge excluded. Including the impairment charge this resulted in EBIT of EUR -10.7 million (prior-year period: EUR -4.5 million).

Ultrasun achieved sales of EUR 12.5 million in the seasonally stronger first half of 2020, down 20% compared to the prior-year period. In the key markets Switzerland and the UK in particular the drop in sales was limited despite the Covid-19 situation, with decreases of 12% and 15%, respectively. In Switzerland, the proportion of sales generated from the distribution of products through pharmacies and drugstores continued to grow. In the UK, distribution via TV and online channels offset a significant portion of the reduction in sales at retail outlets. Overall, costs decreased by 7%. Profitability at EBIT level was EUR 2.0 million (prior-year period: EUR 3.9 million).

In the Jaguar Fragrances segment, sales declined by 40%. However, with EBIT of EUR 0.2 million, the top-selling perfume brand in Lalique Group's portfolio remained profitable (prior-year period: EUR 1.8 million). The Parfums Grès segment saw sales fall by 39% as its core markets in Spain and Latin America were severely affected by the pandemic. EBIT was EUR 0.0 million (prior year: EUR 0.6 million).

Among the other brands, Bentley Fragrances experienced a 34% decline in sales. Parfums Samourai recorded a decrease of 47%, primarily reflecting strict protective measures in Japan. The perfume filling and logistics operation Lalique Beauty Services achieved a slight increase in sales during the reporting period, reflecting the fact that it was also able to use the filling facility for the production of hand disinfectants for third-party clients. The whisky distillery The Glenturret, which has been fully consolidated by Lalique Group since the acquisition on 28 March 2019, recorded a 53% decrease in sales compared to the period from April to June 2019. On the one hand, the launch of a new whisky range had to be postponed, and on the other hand, there were practically no sales due to the closure of the visitor centre because of the lockdown.

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## Outlook

Provided the severity of the Covid-19 pandemic does not increase again – and in view of the improved trends in all segments since the second half of May – Lalique Group expects that for the full year 2020, the decrease in sales will be less pronounced than in the first half of the year.

Aligned with the development in sales, Lalique Group will continue to exercise strict cost management in the second half of 2020. At the same time, the Group is planning to resume preparations for selected projects and new launches that had been deferred. The rebranding of the distillery The Glenturret – together with the launch of the new whisky range led by the renowned whisky maker Bob Dalgarno – is currently planned for the fourth quarter of 2020, depending on the development of Covid-19 in Scotland. The launch of the first perfume under the new Brioni license that was originally scheduled for the fourth quarter of 2020 is now planned for spring 2021. Digital marketing and online activities, as well as distribution via online merchants, will be further expanded for all segments.

Against the backdrop of the corona situation and the ongoing recession, Lalique Group will continue to systematically pursue its diversification strategy to make use of the breadth of its business. Barring a renewed increase in the severity of the Covid-19 pandemic or other unforeseen events, Lalique Group expects growth in sales to be in the low double-digit percentage range for 2021 compared to the anticipated reduced level of sales for 2020. As already announced in April 2020, the Group expects the achievement of its medium-term goals (sales growth in the mid-single digit percentage range and a gradual increase in the EBIT margin to 9%-11%) to be delayed. It will provide a further update when it presents its results for the full year 2020.

## Lalique Group

Lalique Group is a niche player in the creation, development, marketing and global distribution of luxury goods. Its business areas comprise perfumes, cosmetics, crystal, jewellery, high-end furniture and living accessories, along with art, gastronomy and hospitality as well as single malt whisky. Founded in 2000, the company employs approx. 720 staff and has its headquarters in Zurich. The Lalique brand, from which the Group derives its name, was created in Paris in 1888 by the master glassmaker and jewellery designer René Lalique. The registered shares of Lalique Group SA (LLQ) are listed on the SIX Swiss Exchange.

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## Interim Consolidated Income Statement

In EUR thousands	1st semester 2020	1st semester 2019 restated
Revenue from contracts with customers	48 122	69 612
Other operating income	981	348
<b>Revenue and other operating income</b>	<b>49 103</b>	<b>69 960</b>
Material costs, licences and third-party services	-22 817	-29 490
<b>Gross result</b>	<b>26 286</b>	<b>40 470</b>
Salaries and wages	-14 119	-17 153
Other operating expenses	-9 964	-15 531
<b>EBITDA</b>	<b>2 203</b>	<b>7 786</b>
Depreciation and amortization/ impairment <sup>1)</sup>	-12 163	-7 278
<b>EBIT</b>	<b>-9 960</b>	<b>508</b>
Financial income	5	6
Financial expenses	- 764	-1 021
Net foreign exchange differences	- 155	276
<b>Group profit / loss before taxes</b>	<b>-10 874</b>	<b>- 231</b>
Income taxes <sup>2)</sup>	247	-2 606
<b>Net Group profit / loss</b>	<b>-10 627</b>	<b>-2 837</b>
of which attributable to:		
Non-controlling interests	-1 999	-1 395
Owners of the parent company	-8 628	-1 442
Earnings per share basic/diluted (in EUR)	-1.44	-0.24

<sup>1)</sup> Including an impairment of EUR 4 320 thousand on Lalique Brand in 1st semester 2020 (Note 6)

<sup>2)</sup> Restatement of 1st semester 2019 for the correction of an error in deferred taxes (Note 2.2)

## Interim Consolidated Statement of Comprehensive Income

In EUR thousands	1st semester 2020	1st semester 2019 restated
<b>Net Group profit / loss</b>	<b>-10 627</b>	<b>-2 837</b>
Foreign currency translation	- 930	912
<b>Items that can be reclassified subsequently to the income statement, net of tax</b>	<b>- 930</b>	<b>912</b>
Remeasurements of pension plans	- 65	- 664
Tax on remeasurements of pension plans	13	139
<b>Items that cannot be reclassified subsequently to the income statement, net of tax</b>	<b>- 52</b>	<b>- 525</b>
<b>Other comprehensive income, net of tax</b>	<b>- 982</b>	<b>387</b>
<b>Consolidated comprehensive income</b>	<b>-11 609</b>	<b>-2 450</b>
of which attributable to:		
Non-controlling interests	-3 118	-1 234
Owners of the parent company	-8 491	-1 216

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## Interim Consolidated Balance Sheet

### ASSETS

in EUR thousands	30.06.2020	31.12.2019
Cash and cash equivalents	37 217	48 845
Trade accounts receivable	18 275	21 070
Inventories	87 508	82 790
Other receivables	9 024	9 679
<b>Total current assets</b>	<b>152 024</b>	<b>162 384</b>
Property, plant and equipment	74 314	77 915
Intangible assets	86 265	93 031
Other non-current assets	5 460	5 459
Deferred tax assets	3 853	4 025
<b>Total non-current assets</b>	<b>169 892</b>	<b>180 430</b>
<b>Total assets</b>	<b>321 916</b>	<b>342 814</b>

### LIABILITIES AND EQUITY

in EUR thousands	30.06.2020	31.12.2019
Bank overdrafts	32 281	41 623
Trade accounts payable	12 516	15 953
Income tax liabilities	548	1 737
Other current liabilities	42 718	31 667
<b>Total current liabilities</b>	<b>88 063</b>	<b>90 980</b>
Other non-current liabilities	3 305	4 149
Provisions	165	159
Non-current financial liabilities	32 097	36 947
Defined benefit obligation	5 897	5 712
Deferred tax liabilities	11 818	12 687
<b>Total non-current liabilities</b>	<b>53 282</b>	<b>59 654</b>
<b>Total liabilities</b>	<b>141 345</b>	<b>150 634</b>
Share capital	1 204	1 204
Capital reserves	85 378	85 378
Retained earnings / other reserves	76 785	85 276
<b>Total equity attributable to owners of the parent company</b>	<b>163 367</b>	<b>171 858</b>
Non-controlling interests	17 204	20 322
<b>Total equity</b>	<b>180 571</b>	<b>192 180</b>
<b>Total liabilities and equity</b>	<b>321 916</b>	<b>342 814</b>

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## Interim Consolidated Cash Flow Statement

in EUR thousands	1st semester 2020	1st semester 2019
Group profit / loss before taxes	-10 874	- 231
Depreciation and amortization / impairment <sup>1)</sup>	12 977	7 870
Change in defined benefit obligation	64	198
Change in provisions	6	73
Financial income	- 5	- 6
Financial expenses	764	1 021
Net foreign exchange differences	155	- 276
Other non-cash income / expenditure	- 243	- 470
<b>Cash flow from operations before change in net current assets</b>	<b>2 844</b>	<b>8 179</b>
Decrease (+) / increase (-) in trade accounts receivable	2 967	-3 610
Decrease (+) / increase (-) in inventories	-4 678	-4 249
Decrease (+) / increase (-) in other receivables	- 4	- 624
Increase (+) / decrease (-) in trade accounts payable	-3 497	2 605
Increase (+) / decrease (-) in other current liabilities	1 155	-1 252
Interest paid	- 353	- 738
Tax paid	- 235	-1 467
Interest received	3	2
<b>Cash flow from operating activities</b>	<b>-1 798</b>	<b>-1 154</b>
Investments in subsidiaries net of cash acquired	-	-29 003
Investments in property, plant and equipment	-4 553	-2 061
Investments in other non-current assets	- 1	-
Sale of property, plant and equipment	-	- 15
Investments in intangible assets	- 291	- 335
<b>Cash flow from investing activities</b>	<b>-4 845</b>	<b>-31 414</b>
Capital contribution from NCI shareholders	-	20 780
Reduction in shareholder loans	-9 295	-
Receipt of / increase in shareholder loans	-	21 781
Receipt of / increase in NCI shareholder loans	-	835
Repayment of short-term loan of Glenturret Limited	-	-7 281
Purchase of treasury shares	-	- 202
Net cash flow from bank overdrafts	-10 088	4 835
Repayment of principal amount of lease liabilities	-2 746	-4 343
Repayments/outflows other current financial liabilities	- 778	-1 136
Proceeds/inflows other current financial liabilities	12 020	-
Repayments/outflows other non-current liabilities	- 28	-
Proceeds/inflows other non-current liabilities	5 277	907
Dividend payment	-	-2 657
<b>Cash flow from financing activities</b>	<b>-5 638</b>	<b>33 519</b>
Exchange differences on cash and cash equivalents	653	229
<b>Decrease / increase in cash and cash equivalents</b>	<b>-11 628</b>	<b>1 180</b>
Balance of cash and cash equivalents as at 01.01.	48 845	15 336
Balance of cash and cash equivalents as at 30.06.	37 217	16 516

1) Including an impairment of EUR 4 320 thousand on Lalique Brand in 1st semester 2020 (Note 6)

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## Interim Consolidated Statement of Changes in Equity

in EUR thousands	Share capital	Capital reserves	Treasury shares	Accumulated foreign currency translation	Retained earnings	Total equity of parent	Non-controlling interests	Total equity
Balance as at 01.01.2019 restated <sup>1)</sup>	988	46 039	-	-3 217	84 253	128 063	1 361	129 424
Effect of adoption of IFRS 16 Leases	-	-	-	-	-1 306	-1 306	- 65	-1 371
Balance as at 01.01.2019 adjusted <sup>2)</sup>	988	46 039	-	-3 217	82 947	126 757	1 296	128 053
Net Group profit / loss <sup>1)</sup>	-	-	-	-	-1 442	-1 442	-1 395	-2 837
Foreign currency translation	-	-	-	751	-	751	161	912
Remeasurement IAS 19 (incl. tax)	-	-	-	-	- 525	- 525	-	- 525
Other comprehensive income	-	-	-	751	- 525	226	161	387
<b>Consolidated comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>751</b>	<b>-1 967</b>	<b>-1 216</b>	<b>-1 234</b>	<b>-2 450</b>
Dividend payout	-	-2 657	-	-	-	-2 657	-	-2 657
Contribution from NCI / acquisition	-	-	-	-	-	-	20 780	20 780
Purchase of treasury shares	-	-	- 202	-	-	- 202	-	- 202
Balance as at 30.06.2019 restated <sup>1&amp;2)</sup>	988	43 382	- 202	-2 466	80 980	122 682	20 842	143 524
Balance as at 01.01.2020	1 204	85 378	- 551	- 82	85 909	171 858	20 322	192 180
Net Group profit / loss	-	-	-	-	-8 628	-8 628	-1 999	-10 627
Foreign currency translation	-	-	-	189	-	189	-1 119	- 930
Remeasurement IAS 19 (incl. tax)	-	-	-	-	- 52	- 52	-	- 52
Other comprehensive income	-	-	-	189	- 52	137	-1 119	- 982
<b>Consolidated comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>189</b>	<b>-8 680</b>	<b>-8 491</b>	<b>-3 118</b>	<b>-11 609</b>
Balance as at 30.06.2020	1 204	85 378	- 551	107	77 229	163 367	17 204	180 571

<sup>1)</sup> The Group has restated the balance at 1 January 2019 and the net group profit / loss of the 1st semester 2019 for the correction of an error in deferred taxes

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

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## Notes to the Interim Consolidated Financial Statements

### 1. Basis of preparation

The Interim Consolidated Financial Statements 2020 for the period ending 30 June 2020 were prepared in accordance with IAS 34 (Interim Financial Reporting) and have been authorized for issue by the board of directors on 7 September 2020.

### 2. Selected accounting policies and correction of the deferred taxes

#### 2.1 Selected accounting policies of Consolidated Financial Statements

The accounting principles applied correspond to the Consolidated Financial Statements as of 31 December 2019. The Interim Consolidated Financial Statements 2020 should therefore be read in conjunction with the Consolidated Financial Statements 2019.

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

The accounting policies adopted in the preparation of the Interim Consolidated Financial Statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements as of 31 December 2019, except for the following new or revised Standards and Interpretations adopted in these Interim Consolidated Financial Statements (effective 1 January 2020).

A number of new or amended standards became applicable for the current reporting period:

- Amendments to IAS 1 and IAS 8 (Definition of Material)
- Amendments to IFRS 3 (Definition of a Business)
- Amendments to IFRS 9, IAS 39 and IFRS 7 (Interest Rate Benchmark Reform)
- Amendment to IFRS 16 (Covid-19 Related Rent Concessions)
- Revised Conceptual Framework for Financial Reporting

#### Impact of the Covid-19 pandemic and Amendment to IFRS 16

At the beginning of 2020 the novel coronavirus (Covid-19) was first discovered in China and started spreading internationally, triggering an economic downturn. Lalique Group's business was visibly affected across all the group's segments in the first half of 2020. During this period, one of the Group's top priorities consisted in cutting costs and preserving cash to compensate as far as possible for lost sales. In addition, the group negotiated deferrals e.g. for lease payments, which is reflected in the Interim Consolidated Cash Flow Statement.

In line with IFRS, the Group reviews its intangible assets (e.g. goodwill and brand values) at least annually for impairment or whenever events or changes in circumstance indicate that the asset's balance sheet carrying amount may not be recoverable. The Covid-19 pandemic has generated an accounting impairment "triggering event" for Lalique Group. Therefore, impairment tests were performed in accordance with accounting principles (See note 6). The Group will keep monitoring the situation and implications on its intangible assets, as potentially impairment charges could have a materially adverse impact on Lalique Group's results of operations and financial condition in the future.

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In May 2020, the IAS-Board issued an amendment to IFRS 16 providing lessees with an exemption from assessing whether a Covid-19 related relief of lease obligations is a lease modification, requiring lessees that apply the exemption to account for Covid-19 related rent concessions as if they were not lease modifications. Lalique Group adopted this amendment applying it for the full year 2020. The exemption applies only to rent concessions occurring as a direct consequence of the Covid-19 pandemic and subject to certain conditions. The Group recognized in the first semester 2020 a net relief of lease obligations of EUR 443 thousands presented as lease reduction (expense reduction).

Other changes in IFRS that became effective on 1 January 2020 do not have an impact on these Interim Consolidated Financial Statements.

## 2.2 Correction of the deferred taxes

End of 2019, the Group identified an error in the amount of deferred tax liabilities, which was overstated due to non-recognition of income tax deductible losses carried forward, even though there were sufficient taxable temporary differences recognized relating to the same taxation authority and the same taxable entity. Further, the Group identified an error in the amount of deferred tax assets, which was overstated due to recognition of tax deductible temporary differences in several entities, even though there were not sufficient taxable temporary differences recognized nor taxable profits expected in those entities.

Therefore, the equity as of 1 January 2019 was increased by EUR 4 206 thousand as restated in the annual report 2019. In addition, the following correction has been made to the comparative Interim Consolidated Income Statement of the first semester 2019 resulting in a net increase of deferred tax expenses by EUR 1 995 thousand:

In EUR thousands	1st semester 2019 as published	Correction overstatement DTA	1st semester 2019 restated
<b>Group profit / loss before taxes</b>	<b>- 231</b>	<b>-</b>	<b>- 231</b>
Income taxes	- 611	-1 995	-2 606
<b>Net Group profit</b>	<b>- 842</b>	<b>-1 995</b>	<b>-2 837</b>
of which attributable to:			
Non-controlling interests	-1 295	-100	-1 395
Owners of the parent company	453	-1 895	-1 442

The corrections are also reflected in the comparative Interim Consolidated Statement of Changes in Equity.

## 3. Seasonal Influences on Business Activities

The various segments are subject to seasonal influences, which are offset in the overall analysis. The Ultrasun segment, for example, tends to generate higher revenue in the first half (sales of sunscreen products), in contrast to the Lalique segment, which normally sees an increase in revenue in the second half due to Christmas trade (sales of crystal-glass objects).

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## 4. Scope of Consolidation

The scope of consolidation of Lalique Group as of 30 June 2020 did not change compared with 31 December 2019.

However, in January 2020 the Group and the NCI shareholder at Lalique Japan Co. Ltd., Japan, agreed to change the capital structure of the company by increasing the participating interest of Lalique Group from 57% to 90% at no consideration.

## 5. Fixed Assets

During the first half of 2020, the group's additions to fixed assets amounted to EUR 4 684 thousand (2019: EUR 8 619 thousand). The largest positions relate to investments mainly in the hospitality infrastructure of Glenturret Limited in Scotland as well as in production and logistic facilities of Lalique Beauty Services SASU in Ury, France and of Lalique SA in Wingen-Sur-Moder, France. In prior year, the higher investments were mainly due to the acquisition of Glenturret Limited in March 2019.

## 6. Intangible Assets

During the first half of 2020, the group's additions to intangible assets amounted to EUR 292 thousand (2019: EUR 23 543 thousand). The largest prior year position relates to the acquisition of Glenturret Limited.

The multiperiod-excess-earnings method was used to test the various brand values for impairment as at 30 June 2020. Estimating future cash flows and defining the other for the impairment test relevant assumptions are particularly challenging because of the increased economic uncertainty following the Covid-19 pandemic. The management determined the parameters of the multiperiod-excess-earnings calculation based on its expectations for future group and market development.

At Ultrasun, Parfums Grès, Parfums Samouraï and Glenturret the values in use exceed their carrying values. The Group believes that no reasonably possible changes in the key assumptions would cause the recoverable amounts to fall below the carrying values. However, the Group came to the conclusion that the carrying amount of Lalique brand may not be recoverable as at 30 June 2020 and has recognized an impairment charge of EUR 4.320 million on Lalique brand, reducing the carrying amount to EUR 38.976 million:

in EUR thousands	Lalique Brand
<b>Carrying value 01.01.2019</b>	<b>42 952</b>
Exchange differences	218
<b>Carrying value 31.12.2019</b>	<b>43 170</b>
Impairment	-4 320
Exchange differences	126
<b>Carrying value 30.06.2020</b>	<b>38 976</b>

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The impairment test on Goodwill (of which GBP 9.6 million are attributed to Glenturret) did not result in any impairment of carrying amounts as at 30 June 2020:

in EUR thousands	Goodwill
<b>Carrying value 01.01.2019</b>	<b>335</b>
Additions from acquisitions under common control	11 233
Exchange differences	368
<b>Carrying value 31.12.2019</b>	<b>11 936</b>
Exchange differences	- 734
<b>Carrying value 30.06.2020</b>	<b>11 202</b>

## 7. Provisions

Additional provisions of EUR 69 thousand (2019: EUR 132 thousand) were recognized during the reporting period. The provisions of EUR 63 thousand were released.

## 8. Segment Reporting

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

The not brand related holdings and consolidation are presented in a separate segment called “Holding and eliminations”. Other brands and business activities have been combined in the residual segment “Other brands” for segment reporting purposes. This residual segment includes Lalique Group’s smaller brands (such as Parfums Samouraï, Bentley Fragrances and Glenturret) as well as Lalique Group’s two service companies (Lalique Beauty Distribution and Lalique Beauty Services), which, despite their names, provide services to all brands and segments.

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## Segment Reporting for the First Half of 2020

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

in EUR thousands	Lalique <sup>4)</sup>	Ultrasun	Jaguar	Grès	Other brands <sup>1)</sup>	Holding and elim. <sup>2)</sup>	Group
<b>Revenue and other operating income</b>							
Revenue from contracts with external customers	23 398	12 451	6 332	1 911	4 068	- 38	48 122
Revenue from transactions with other segments	92	-	5	38	1 920	-2 055	-
Other operating income	802	-	-	-	159	20	981
Other operating income with other segments	304	3	1	-	506	-814	-
<b>Total revenue and other operating income</b>	<b>24 596</b>	<b>12 454</b>	<b>6 338</b>	<b>1 949</b>	<b>6 653</b>	<b>-2 887</b>	<b>49 103</b>
<b>EBIT</b>	<b>-10 737</b>	<b>2 030</b>	<b>163</b>	<b>29</b>	<b>-1 167</b>	<b>- 278</b>	<b>-9 960</b>
<b>Financial result</b>							
Group profit / loss before taxes							- 914
Income tax expenses							247
<b>Net Group profit / loss</b>							<b>-10 627</b>
<b>Assets and liabilities</b>							
Segment assets	184 881	28 004	16 258	12 326	77 827	2 620	321 916
Segment liabilities	164 916	11 772	7 782	4 884	36 879	-84 888	141 345
<b>Other segment information</b>							
<b>Investments</b>							
Property, plant and equipment <sup>3)</sup>	2 291	48	-	-	2 295	50	4 684
Intangible assets	23	40	38	-	162	29	292
<b>Impairment, depreciation and amortization</b>							
Property, plant and equipment	5 890	207	110	37	1 016	16	7 276
Intangible assets <sup>4)</sup>	4 489	144	39	15	198	2	4 887

1) Revenue and other operating income other brands

Parfums Samourai	1 434	22%
Bentley Fragrances	1 263	19%
Parfums Alain Delon	96	1%
Lalique Beauty Distribution	383	6%
Lalique Beauty Services	3 151	47%
Glenturret	326	5%
Total Revenue and other operating income other brands	6 653	

2) The "Holding + elim." segment covers the holding and management companies, and eliminations. The segment's assets mainly include cash and cash equivalents, long-term receivables of the holding and management companies, and eliminations between the segments. Segment liabilities mainly comprise current liabilities, loans and eliminations.

3) The Property, plant and equipment investments of other brands include investments in the perfume production facility in Ury of EUR 1016 thousand and in the hospitality infrastructure of Glenturret Limited of EUR 1275.

4) Including an impairment of EUR 4320 thousand on Lalique Brand (Note 6)

# LALIQUE GROUP

## Segment Reporting for the First Half of 2019

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

in EUR thousands	Lalique <sup>4)</sup>	Ultrasun	Jaguar	Grès	Other brands <sup>1)</sup>	Holding and elim. <sup>2)</sup>	Group
<b>Revenue and other operating income</b>							
Revenue from contracts with external customers	34 622	15 488	10 574	3 112	5 872	- 56	69 612
Revenue from transactions with other segments	233	-	9	61	2 678	-2 981	-
Other operating income	319	-	-	-	-	29	348
Other operating income with other segments	308	-	-	-	547	- 855	-
<b>Total revenue and other operating income</b>	<b>35 482</b>	<b>15 488</b>	<b>10 583</b>	<b>3 173</b>	<b>9 097</b>	<b>-3 863</b>	<b>69 960</b>
<b>EBIT</b>	<b>-4 516</b>	<b>3 874</b>	<b>1 801</b>	<b>621</b>	<b>- 730</b>	<b>- 542</b>	<b>508</b>
Financial result							- 739
Group profit / loss before taxes							- 231
Income tax expenses							-2 606
<b>Net Group profit / loss</b>							<b>-2 837</b>
<b>Assets and liabilities</b>							
Segment assets	181 868	25 232	17 281	10 381	75 912	-2 603	308 071
Segment liabilities	151 461	10 910	12 960	3 390	32 910	-45 184	166 447
<b>Other segment information</b>							
<b>Investments</b>							
Property, plant and equipment <sup>3)</sup>	2 976	35	-	-	5 604	4	8 619
Intangible assets <sup>4)</sup>	134	116	37	-	23 181	75	23 543
<b>Depreciation and amortization</b>							
Property, plant and equipment	5 695	177	111	26	793	10	6 812
Intangible assets	126	125	38	4	172	1	466

1) Revenue and other operating income other brands

Parfums Samourāi	2 724
Bentley Fragrances	1 903
Parfums Alain Delon	36
Lalique Beauty Distribution	623
Lalique Beauty Services	3 123
Glenturret	688
<b>Total Revenue and other operating income other brands</b>	<b>9 097</b>

2) The "Holding + elim." segment covers the holding and management companies, and eliminations. The segment's assets mainly include cash and cash equivalents, long-term receivables of the holding and management companies, and eliminations between the segments. Segment liabilities mainly comprise current liabilities, loans and eliminations.

3) The Property, plant and equipment investments of other brands include investments in the perfume production facility in Ury of EUR 857 thousand and fixed assets of acquired subsidiaries of EUR 4707 thousand.

4) Intangible assets of other brands include intangible assets of acquired subsidiaries of EUR 22231 thousand.

# LALIQUE GROUP

## 9. Transactions with Related Parties

in EUR thousands	30.06.2020	30.06.2019	Type of transaction
<b>Liabilities:</b>			
Affiliates under common control	2	3	Château Lafaurie-Peyraguey, hospitality services
	18	20	Denz Weine, purchase of wine
	61	-	Wermuth Auktionen, purchase of wine
	-	60	Art & Terroir SA, reimbursements
	109	-	Ermitage Estate Limited, rent
Principal shareholder	6	22 040	Loan and expenses
Members of the Board of Directors of Lalique Group SA	7	13	Mont-Blanc resourcing, consulting
	4	-	Claudio Denz, purchase of stemware
<b>Receivable:</b>			
Affiliates under common control	-	75	Château Lafaurie-Peyraguey, sale of Lalique products
Principal shareholder	-	3	Silvio Denz, sale of Lalique products

in EUR thousands	1st semester 2020	1st semester 2019	Type of transaction
<b>Proceeds from:</b>			
Affiliates under common control	-	1	Art & Terroir SA, reimbursements
	-	70	Château Lafaurie-Peyraguey, sale of Lalique products
Principal shareholder	1	13	Proceeds from sale of Lalique products
<b>Expenditure of:</b>			
Affiliates under common control	63	8	Wermuth Auktionen, purchase of wine
	2	26	Vignobles Silvio Denz, purchase of wine
	20	25	Denz Weine, purchase of wine
	10	16	Château Lafaurie-Peyraguey, purchase of wine
	17	8	Château Lafaurie-Peyraguey, hospitality services
	-	413	Art & Terroir SA, reimbursements
	219	195	Ermitage Estate Limited, rent
Principal shareholder	6	43	Interest on loan and expenses
Members of the Board of Directors of Lalique Group SA	38	39	Mont-Blanc resourcing, consulting
	4	-	Claudio Denz, purchase of stemware
	-	90	Adbodmer SA, transaction fees Project Clyde

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

# LALIQUE GROUP

## **10. Dividends**

In accordance with the motion of the Board of Directors and the resolution passed at the Annual General Meeting held on 8 May 2020 in Zurich, no dividends were paid out.

## **11. Contingent Liabilities and Assets Pledged**

Contingent liabilities and assets pledged are detailed in the Notes to the Consolidated Financial Statements 2019 (note 29 and 30) and have remained unchanged since then.

## **12. Subsequent Events**

Lalique Group has evaluated events from 30. June 2020 up to the date these financial statements were issued. There were no significant events after the balance sheet date of 30 June 2020.

# LALIQUE GROUP

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