

LALIQUE
GROUP



Annual Report 2022

LONG VERSION



Cover
Perfume flacon Range Rider –
James Turrell × Lalique

This spread
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.

4	Letter to Shareholders
8	Lalique Group at a Glance
10	Highlights 2022
18	Our Business Model and Strategy
26	Our Brands and Activities
60	Sustainability Report
76	Corporate Governance
94	Consolidated Financial Statements



Made by excellence

Excellence for us is both an aspiration and a promise.

It is founded on the creativity and experience of our staff and long-standing partnerships with renowned suppliers. We constantly reinvent it by developing unique products of unsurpassed quality. It is underpinned by a well-structured distribution strategy and expressed in the way we communicate.

We strive to achieve our goals with enthusiasm and commitment, driven by the ambition to be a reliable and efficient partner and an exemplary company in everything we do.



SILVIO DENZ
Executive Chairman of the Board of Directors



ROGER VON DER WEID
Chief Executive Officer

Letter to shareholders

Brief an die Aktionäre

Dear shareholders and friends of Lalique Group

Lalique Group delivered good financial results in 2022. In the challenging market environment of recent months, which saw a dramatic change in the geopolitical situation as well as economic uncertainty, our Group succeeded in generating further growth in sales. This reflects the breadth of our product range and our employees' commitment to bringing the world of Lalique closer to our clients.

Our financial results for 2022 encourage and motivate us to continue systematically executing our diversification strategy. Our portfolio comprises an attractive offering of luxury goods that appeals to a broad clientele—especially in view of the power of the Lalique brand.

We reported a strong, broad-based increase in sales for the 2022 financial year. This reflects contributions from all of our business segments, which generated double-digit growth rates. Like in the prior year, the perfume business was a particularly strong driver of growth.

Our costs also rose due to higher business volumes and the expansion of the business as well as intensified marketing and sales activities compared to the reduced cost base in the prior year as a result of lockdown-related closures. We also strengthened our production capacity in 2022 with a view to driving future growth. This included investing in a more powerful and efficient melting furnace and increasing resources in the area of cold glass production at the Lalique manufacture as well as in a new mash tun at the whisky distillery.

Liebe Aktionärinnen und Aktionäre, liebe Freunde des Unternehmens

Lalique Group hat im Jahr 2022 gute Ergebnisse erzielt. Im anspruchsvollen Marktumfeld der vergangenen Monate, in dem sich die geopolitische Situation dramatisch veränderte und sich wirtschaftliche Unsicherheiten manifestierten, vermochte unsere Gruppe den Umsatz weiter zu erhöhen. Das zeugt von der Breite unserer Produktpalette und dem Engagement unserer Mitarbeiterinnen und Mitarbeiter, unseren Kundinnen und Kunden die Welt von Lalique näher zu bringen.

Der Geschäftsabschluss des vergangenen Jahres bestärkt uns darin, unsere Diversifikationsstrategie konsequent weiter umzusetzen. Unser Portfolio vereint ein attraktives Angebot im Luxusgüterbereich, das insbesondere dank der Strahlkraft der Marke Lalique eine breite Kundschaft zu erreichen vermag.

Im Geschäftsjahr 2022 verzeichneten wir einen kräftigen, breit abgestützten Umsatzanstieg, zu welchem alle Geschäftssegmente mit zweistelligen Wachstumsraten beitrugen. Als besonders kräftiger Wachstumstreiber erwies sich wie im Vorjahr unser Parfümgeschäft.

Wegen der höheren Geschäftsvolumen und im Zuge des Geschäftsausbaus sowie wieder intensivierter Marketing- und Vertriebsaktivitäten stieg auch der Aufwand gegenüber dem Vorjahr an, als die Lockdown-bedingten Betriebs-schliessungen für eine tiefere Kostenbasis sorgten. Zudem stärkten wir 2022 die Produktionskapazitäten für künftiges weiteres Wachstum, unter anderem durch Investitionen in einen effizienteren und leistungsstärkeren Schmelzofen und in die Erhöhung der Ressourcen in der Kaltglasfertigung in der Kristallmanufaktur sowie in einen neuen Maischbottich in der Whisky-Destillerie.

Financial result

Lalique Group's operating revenue increased by 20% to EUR 170.0 million in 2022. As previously announced, this includes extraordinary income of EUR 1.7 million recorded in the first half of 2022 in connection with the resolution of a legal matter.

Personnel costs totalled EUR 42.0 million, an increase of 22% compared to the prior year. Other operating expenses totalled EUR 27.8 million, corresponding to an increase of 28%. At EUR 15.7 million, depreciation and amortisation were 10% higher than in the prior year.

As a result, earnings before interest and taxes (EBIT) rose to EUR 13.2 million in 2022, compared to EUR 9.6 million in the prior year. The EBIT margin improved to 7.7%, compared to 6.8% in 2021. Excluding the above-mentioned extraordinary income of EUR 1.7 million, Lalique Group grew its EBIT by 19% to EUR 11.5 million in the year under review, with an EBIT margin of 6.8%. Net Group profit rose to EUR 9.6 million in the year under review, compared to EUR 6.8 million in the prior year.

The results of the individual business segments can be found in the "Segment reporting" section on page 22 of the Financial Report.

Dividend

In view of the good financial result for the 2022 financial year, the Board of Directors will propose the distribution of dividend of CHF 0.50 per share to the Annual General Meeting of 31 May 2023. This corresponds to an increase of CHF 0.10 compared to the dividend of CHF 0.40 per share for the 2021 financial year. It is planned that half of the distribution will take the form of an ordinary dividend, with the other half being paid out of capital contribution reserves (free of Swiss withholding tax).

Outlook

The uncertainty surrounding the global economic environment and the geopolitical situation has continued in 2023 and it is likely to persist for the foreseeable future. Lalique Group will continue to systematically execute its diversification strategy as the breadth of its business has proven to be a strength in a global economic environment characterized by challenges and uncertainties.

Lalique Group will continue to move ahead with selected product launches and projects in the current year. In the perfume business, this includes the launch of new Lalique, Jaguar, Bentley and Brioni fragrances. Lalique and The Glenturret will also present a further collaboration with the artist James Turrell.

Finanzielles Ergebnis

Der Betriebserlös von Lalique Group stieg im Jahr 2022 um 20% auf EUR 170.0 Mio. Wie wir bereits früher mitgeteilt haben, verzeichneten wir im ersten Halbjahr 2022 einen Sonderertrag von EUR 1.7 Mio. im Zusammenhang mit einem abgeschlossenen Rechtsverfahren. Dieser ist im Betriebserlös enthalten.

Der Personalaufwand lag mit EUR 42.0 Mio. um 22% über dem Vorjahr. Die übrigen betrieblichen Aufwendungen beliefen sich auf EUR 27.8 Mio., entsprechend einem Anstieg von 28%. Die Abschreibungen und Wertberichtigungen waren mit EUR 15.7 Mio. um 10% höher als im Vorjahr.

Daraus resultierte im Jahr 2022 ein Betriebsergebnis (EBIT) von EUR 13.2 Mio., verglichen mit einem EBIT von EUR 9.6 Mio. im Vorjahr. Die EBIT-Marge stieg auf 7.7% nach 6.8% im Vorjahr. Unter Ausklammerung des erwähnten Sonderertrags von EUR 1.7 Mio. erhöhte Lalique Group den EBIT im Berichtsjahr um 19% auf EUR 11.5 Mio. bei einer EBIT-Marge von 6.8%. Das Konzernergebnis stieg im Berichtsjahr auf EUR 9.6 Mio., im Vergleich zu EUR 6.8 Mio. im Vorjahr.

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

Dividende

Aufgrund des guten Ergebnisses für das Geschäftsjahr 2022 beantragt der Verwaltungsrat der Generalversammlung vom 31. Mai 2023 die Ausschüttung einer Dividende von CHF 0.50 je Aktie. Dies entspricht einer Erhöhung um CHF 0.10 gegenüber der Dividende von CHF 0.40 je Aktie für das Geschäftsjahr 2021. Die Ausschüttung ist je hälftig als ordentliche Dividende und als Zahlung aus der Kapitaleinlagereserve (ohne Abzug der Verrechnungssteuer) geplant.

Ausblick

Das weltwirtschaftliche Umfeld und die geopolitische Situation bleiben 2023 und auf absehbare Zeit mit Unsicherheiten verbunden. Lalique Group wird ihre Diversifikationsstrategie weiter konsequent umsetzen. Insbesondere die vergangenen Jahre haben gezeigt, dass die Breite ihres Geschäfts unter wirtschaftlich herausfordernden und mit Unsicherheit behafteten Bedingungen eine Stärke ist.

Lalique Group wird auch im laufenden Jahr ausgewählte Produkteinführungen und Projekte vorantreiben. Hierzu gehören im Parfümbereich die Lancierung neuer Düfte von Lalique, Jaguar, Bentley und Brioni. Zudem werden Lalique und The Glenturret eine weitere Kollaboration mit dem Künstler James Turrell präsentieren.

Preparations are underway this year for the planned launch in spring 2024 of the first fragrance under the perfume licence agreement with the global fashion brand Superdry. In addition, the Group wants to seize further opportunities to promote the Lalique brand through the world of experiences offered by its gastronomy and hospitality business.

As announced in July 2022, Lalique Group will run “Villa Florhof”, a Zurich hotel steeped in tradition, in the future. It is planned that the hotel will reopen in autumn 2024. Preparations are also being carried out this year for the relaunch of the Fabric Frontline silk label, which is scheduled for 2024. The acquisition of Fabric Frontline was announced in September 2022. Further, Lalique’s new flagship store at St. Peterstrasse 16 in Zurich will open its doors shortly, marking the completion of the move from the existing location in Talstrasse.

Excluding unforeseeable events, Lalique Group expects to generate sales growth in the low 10% range for the full year 2023, while profitability is likely to be slightly lower than in 2022 due to higher costs, especially for energy. In terms of its medium-term targets, the Group expects the achievement of the profitability targets set in 2019 (gradual increase in the EBIT margin from 9% to 11%) to be delayed by around two years due to the Covid-19 situation.

Our teams are fully committed to creating high-quality products and to offering our clientele unforgettable experiences. We see this as the basis for the generation of sustained value.

We wish to thank our employees for their hard work and dedication to Lalique Group, and our business partners for our great collaboration, which is founded on trust. We also wish to express our gratitude to our shareholders for the trust they place in Lalique Group and in us.

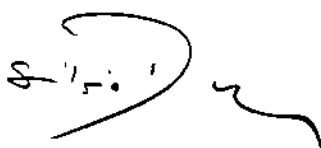
Im laufenden Jahr wird auch die im Frühling 2024 geplante Lancierung des ersten Dufts unter der Parfüm-Lizenzvereinbarung mit dem globalen Fashion-Brand Superdry vorbereitet. Zudem will die Gruppe weiter Chancen nutzen, um die Bekanntheit der Marke Lalique durch die Erlebniswelt des Gastronomie- und Hotelleriebereichs zu fördern.

Wie im Juli 2022 bekanntgegeben, wird Lalique Group künftig das Zürcher Traditionshotel «Villa Florhof» betreiben, dessen Wiedereröffnung im Herbst 2024 geplant ist. Im laufenden Jahr vorbereitet wird auch der 2024 geplante Re-Launch des Seidenlabels Fabric Frontline, dessen Übernahme im September 2022 bekannt gegeben wurde. Zudem wird in Zürich in Kürze der neue Flagship-Store von Lalique an der St. Peterstrasse 16 eröffnet und der Umzug vom bisherigen Standort an der Talstrasse abgeschlossen.

Unvorhersehbare Ereignisse vorbehalten, erwartet Lalique Group für das Gesamtjahr 2023 ein Umsatzwachstum im tiefen Zehnprozentbereich, während die Profitabilität aufgrund höherer Kosten, insbesondere für Energie, geringfügig tiefer sein dürfte als im Jahr 2022. Bezüglich ihrer Mittelfristziele geht die Gruppe wie bereits früher mitgeteilt davon aus, dass die Covid-19-Situation die Erreichung der im Jahr 2019 gesetzten Profitabilitätsziele (schrittweise Steigerung der EBIT-Marge auf 9% bis 11%) um rund zwei Jahre verzögert.

Unsere Teams werden weiterhin alles daran setzen, qualitativ hochstehende Produkte herzustellen und unserer Kundschaft unvergessliche Erlebnisse zu vermitteln. Das ist unsere Grundlage, um nachhaltig Wert zu schaffen.

Wir danken unseren Mitarbeiterinnen und Mitarbeitern für den Einsatz, den sie für Lalique Group leisten, und unseren Geschäftspartnern danken wir für die vertrauensvolle Zusammenarbeit. Ihnen, geschätzte Aktionärinnen und Aktionäre, danken wir für das Vertrauen, das Sie Lalique Group und uns entgegenbringen.



SILVIO DENZ
Executive Chairman of the Board of Directors



ROGER VON DER WEID
Chief Executive Officer

2022 at a glance

KEY FIGURES 2022/2021

Kennzahlen 2022/2021

Revenue in EUR million

Betriebserlös in Millionen EUR

170.0 142.0

Net group profit in EUR million

Konzernergebnis in Millionen EUR

9.6 6.8

EBIT in EUR million

EBIT in Millionen EUR

13.2 9.6

Number of FTEs

Mitarbeitende (Vollzeitäquivalente)

766 702

Lalique points of sale

Verkaufspunkte Lalique

700

Beauty division points of sale

Verkaufspunkte Beauty Division

13 500

KEY FIGURES IN EUR MILLION

Kennzahlen in EUR Millionen

	2022	2021
Revenue Betriebserlös	170.0	142.0
EBIT	13.2	9.6
Net group profit Konzernergebnis Gruppe	9.6	6.8
Equity Eigenkapital	196.7	188.5
Net debt Nettoverschuldung	50.0	41.0
Equity ratio Eigenkapitalquote	49.96%	50.87%
EBIT margin EBIT-Marge	7.70%	6.80%

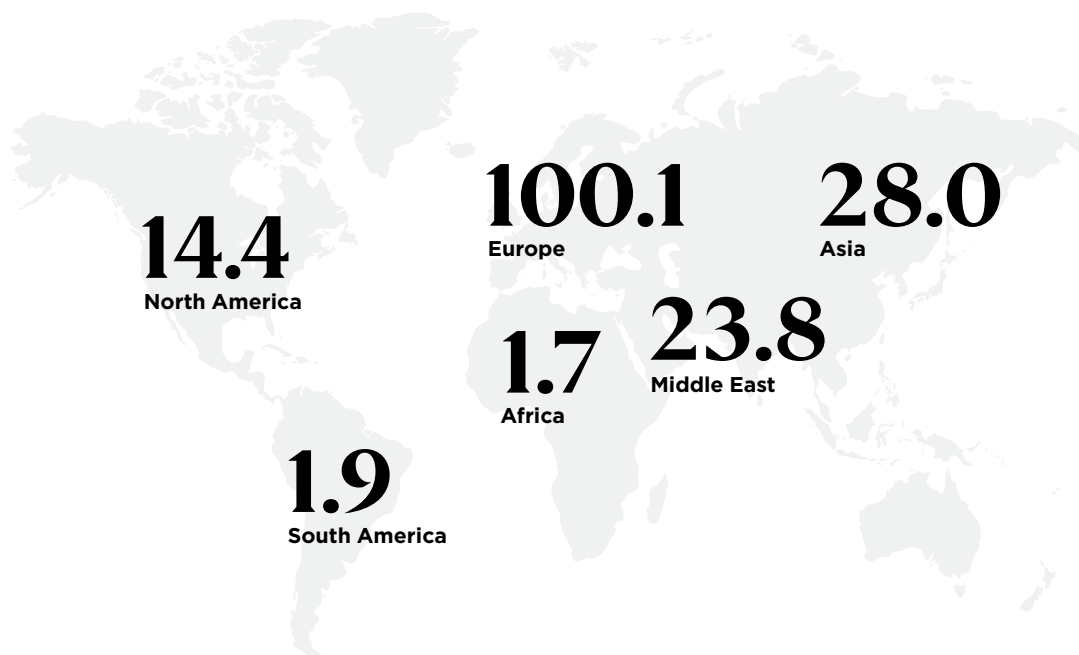
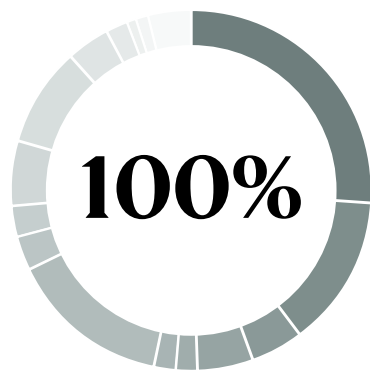
SHARE STATISTICS

Aktienkennzahlen

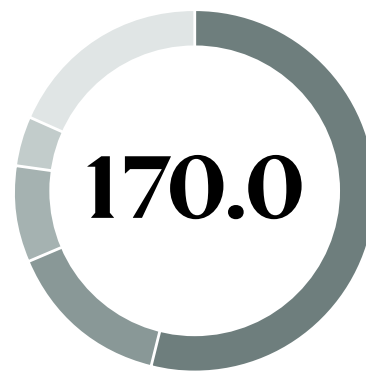
		2022	2021
Earnings per share Ergebnis pro Aktie	EUR	1.35	1.14
Equity per share Eigenkapital pro Aktie	EUR	27.32	26.18
Share price high Höchstkurs Aktie	CHF	39.60	41.00
Share price low Tiefstkurs Aktie	CHF	26.60	32.80

REVENUE BY REGION IN EUR MILLION

Umsatzerlös nach Regionen in EUR Millionen

**OPERATING REVENUE BY BUSINESS IN %**
Betriebserlös nach Geschäftsbereichen in %

- 27% Lalique Decorative Items
- 14% Lalique Fragrances
- 5% Lalique Interior Design
- 5% Lalique Hospitality
- 2% Lalique Jewellery
- 2% Lalique Art
- 15% Jaguar Fragrances
- 3% Parfums Samouraï
- 3% Parfums Grès
- 6% Bentley Fragrances
- 9% Ultrasun
- 4% Glenturret
- 2% Brioni
- 1% Lalique Beauty Services
- 1% Lalique Beauty Distribution
- 4% Lalique Tamer Beauty

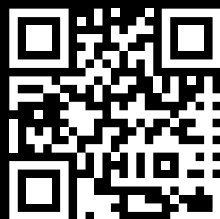
OPERATING SEGMENT IN EUR MILLION
Geschäftssegmente in EUR Millionen

- 91.8 Lalique
- 24.9 Jaguar Fragrances
- 14.8 Ultrasun
- 7.4 The Glenturret
- 31.1 Other brands¹

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



LALIQUE





Impossible?

In 2022, Lalique Group successfully launched its first Non-Fungible Token (NFT) project — ‘The Impossible Vases’ — under the Lalique brand. The Bacchantes vase, one of the Group’s finest creations, has been launched in the form of high-end digital, animated artworks. Ten NFTs were successfully sold at a fixed price equivalent to EUR 10 000 each. NFT holders received a real Bacchantes crystal vase as well as other exclusive VIP experiences.

Scan the QR code with your device

Your device recognizes the QR code and shows a virtual Bacchantes vase that you can place “digitally” in your home.

Im Jahr 2022 lancierte Lalique Group erfolgreich ihr erstes Non-Fungible Token (NFT)-Projekt - «The Impossible Vases» - unter der Marke Lalique. Die Bacchantes Vase, eine der schönsten Kreationen der Gruppe, wurde in Form von digitalen, animierten High-End-Kunstwerken lanciert. Zehn NFTs wurden erfolgreich zu einem fixen Preis von je 10 000 Euro verkauft. NFT-Inhaber erhielten zusätzlich zum digitalen Kunstwerk eine reale Bacchantes Kristallvase und profitierten zudem von weiteren exklusiven VIP-Erlebnissen.

Scannen Sie den QR-Code mit Ihrem Gerät

Ihr Gerät erkennt den QR-Code und zeigt eine virtuelle Bacchantes Vase, die sie in Ihrem Zuhause «digital» platzieren können.



SUPERDRY
®
冒險魂



The youngest addition to the brand portfolio

New licencing agreement

Lalique Group will exclusively create and distribute a collection of perfumes for global fashion brand Superdry, with the first fragrances being launched in spring 2024.

Neue Lizenzvereinbarung

Lalique Group wird exklusiv eine Kollektion von Parfüms für Superdry, ein globales Fashionlabel aus Grossbritannien, kreieren und vertreiben. Die Lancierung der ersten Düfte im Rahmen der neuen Lizenz ist für Frühling 2024 geplant.



The
GLENTURRET
HIGHLAND SINGLE MALT
SCOTCH WHISKY



Matured for half a century

A spectacular 50-year-old release by The Glenturret

The Glenturret is known for distilling a strictly limited volume of whisky, making the release of its coveted 50-year-old expression an exciting prospect for any serious collector. The historic malt has been produced in an edition of just 150 bottles, retailing at £50 000 each. The precious liquid is housed in Lalique black crystal decanters.

50-jähriger Whisky von The Glenturret

The Glenturret ist bekannt dafür, eine streng begrenzte Menge Whisky zu destillieren, was den 50-jährigen Whisky umso wertvoller macht. Das historische Malz wurde in einer Auflage von nur 150 Flaschen hergestellt, die im Einzelhandel für jeweils 50 000 £ verkauft werden. Die kostbare Flüssigkeit ist in Lalique-Dekantern aus schwarzem Kristallglas abgefüllt.



LALIQUE



Lalique illuminates the new SilverKris Lounge

Lalique and Singapore Airlines (SIA) have worked closely together since forming a strategic partnership in 2017. Once again, they realised a new project—this time on the ground. Guests at the new SilverKris Lounge will now be greeted by a stunning Lalique light dome at the entrance of The Private Room and a crystal wall installation at the bar—comprising more than 107 crystal flowers.

Lalique und Singapore Airlines (SIA) arbeiten seit der Gründung einer strategischen Partnerschaft im Jahr 2017 eng zusammen. Das aktuellste Projekt haben sie auf festem Boden realisiert. Die Gäste der neuen SilverKris Lounge werden von nun an von einer atemberaubenden Lalique-Lichtkuppel am Eingang des Private Rooms und einer Kristallwandinstallation an der Bar begrüßt – bestehend aus mehr als 107 Kristallblumen.

Business Model and Strategy

Lalique Group specializes in the creation, development, marketing and global distribution of luxury products—ranging from perfumes and cosmetics to crystal, jewellery, high-end furniture and lifestyle accessories. The Group is also active in the fields of art, gastronomy and hospitality, as well as single malt whisky.

LALIQUE

ultrasun
Professional Protection

SAMOURAÏ

Brioni

JAGUAR

GRÈS
PARIS


BENTLEY

The
GLENTURRET
HIGHLAND SINGLE MALT
SCOTCH WHISKY

SUPERDRY

®
冒險魂

PROFILE

The company employs approx. 770 staff, and has its headquarters in Zurich. Lalique Group generated revenue of EUR 170 million in 2022.

In addition to its headquarters in Zurich, Switzerland, the Group has offices in Paris and operates two industrial sites in France: a perfume filling and logistics centre in Ury, Seine-et-Marne, and a crystal glass factory in Wingens-sur-Moder, Alsace. It also operates a single malt whisky distillery in Crieff, Scotland. The Group maintains representative offices in the United Kingdom, Germany, the United States, China, Japan, Singapore and the United Arab Emirates (UAE).

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

GROUP HISTORY

Lalique Group SA, formerly known as Art & Fragrance SA, was founded in Zurich in 2000. The company initially focused on perfumes and then expanded into cosmetics with the acquisition of the Ultrasun brand in 2007. In 2008, the Group acquired Lalique, which has a long tradition of glassmaking and is synonymous with quality and craftsmanship, having developed its own specialized production processes over the last century.

Today, Lalique Group leverages its diversified portfolio of brands, state-of-the-art production facilities and management expertise to pursue its growth strategy.

Lalique Group has a portfolio with nine well-established brands in the perfume, cosmetics, crystal, gastronomy and jewellery sectors as well as the fine spirits industry. Lalique Group's current portfolio of fragrances features a number of perfume brands, including Lalique Perfumes, Jaguar Fragrances, Bentley Fragrances, Parfums Grès, Parfums Samouraï, Brioni, and Superdry Fragrances. The launch of the first fragrances under the new Superdry licence is planned for spring 2024.

Lalique Group holds 95% of the capital of Lalique SA, while private investors hold the remaining shares. Together with Swiss entrepreneur Hansjörg Wyss, Lalique Group acquired The Glenturret in March 2019. The Glenturret is Scotland's oldest working distillery of single malt whisky.

THE GROUP'S BRAND PORTFOLIO

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

- Parfums Samouraï (licence acquired in 2000; brand acquired in 2007)
- Parfums Grès (licence acquired in 2001; brand acquired in 2007)
- Jaguar Fragrances (licence acquired in 2002)
- Ultrasun (brand acquired in 2007)
- Lalique (brand acquired in 2008)
- Bentley Fragrances (licence acquired in 2011)
- The Glenturret (brand acquired in 2019)
- Brioni (licence acquired in 2019)
- Superdry Fragrances (licence acquired in 2022)

14 200

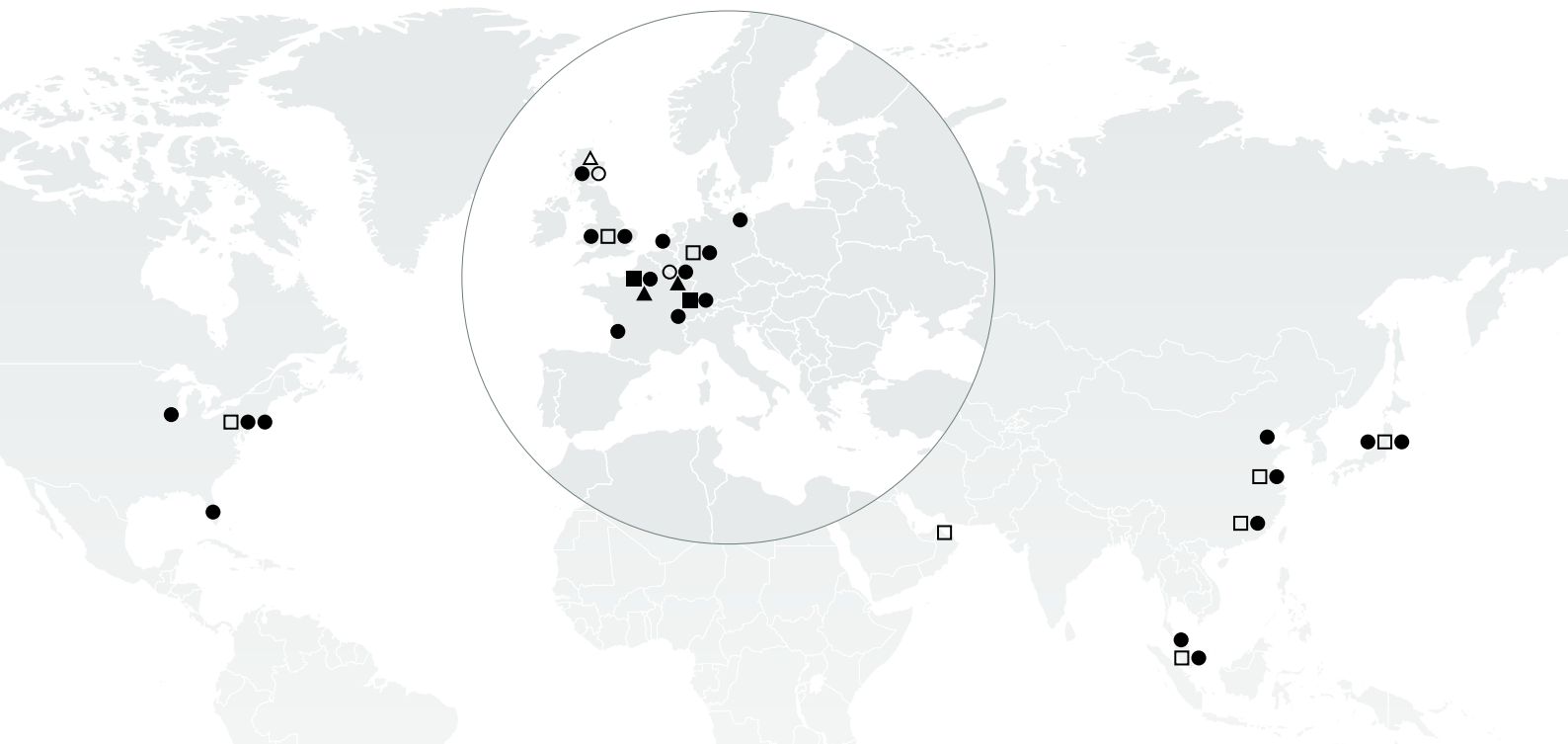
Global Points of Sale

Lalique division >700
Beauty division >13 500

GEOGRAPHIC PRESENCE

In addition to our headquarters in Zurich, Switzerland, the Group has offices in Paris and two production sites in France: a perfume filling and logistics centre in Ury, Seine-et-Marne,

and a crystal glass factory in Wingen-sur-Moder, Alsace. The Group also has representative offices in the UK, Germany, the USA, China, Japan, Singapore and the UAE.i.



■ HEADQUARTERS

- Lalique Group SA**
 - Grubenstrasse 18, Zurich, Switzerland
- Lalique SA**
 - 30 rue de Prony, Paris, France (from end of June 2023)

▲ MANUFACTURING SITES

- Lalique
- Lalique Beauty Services

△ THE GLENTURRET

- Whisky Distillery, The Hosh, Crieff, United Kingdom

● LALIQUE-OWNED BOUTIQUES

- Europe: 12 stores
- USA: 2 stores
- Asia: 14 stores

□ FOREIGN SUBSIDIARIES

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

○ GASTRONOMY/HOSPITALITY

- Villa René Lalique, Wingen-sur-Moder, France**
 - Five-star hotel and gourmet restaurant (2* Michelin)
- Château Hochberg, Wingen-sur-Moder, France**
 - Four-star hotel and brasserie-style restaurant
- Château Lafaurie-Peyreaguey Hôtel & Restaurant Lalique, Bommès, France**
 - Five-star hotel and gourmet restaurant (2* Michelin)
- The Glenturret Lalique Restaurant, Crieff, United Kingdom**
 - Scotland's first distillery to offer fine dining (1* Michelin)

Business Model

With a diversified product portfolio of established brands in different sectors, Lalique Group is well positioned to achieve future growth and create long-term value for shareholders. The Group has secured a strong competitive position as a niche player in industries primarily dominated by multinational companies.

ABOUT THE LALIQUE BRAND

The manufacturing, marketing and distribution of premium quality decorative crystalware is a specialist field with only a handful of competitors. Lalique distinguishes itself through its manufacturing methods, product design and ability to produce complex items with meticulous attention to detail. Lalique offers products that are extensively hand-crafted and created according to sophisticated designs. Furthermore, Lalique's product range is very diversified. The products are sold at over 700 points of sale via a global distribution network. Lalique owns 28 boutiques in major city centres throughout the world, with floorspace ranging from 60 to 250 m². The worldwide shipments are made from the production and logistics centre at Wingen-sur-Moder in France.

The arts and crafts are bearers of tradition and innovation, conveying the intangible heritage inherent in culture. At Lalique, the glassmaking craft has been handed down for generations, a legacy of artisanal and industrial expertise developed with dedication and precision over centuries of enterprise. Lalique Group has preserved and developed the Lalique factory founded by René Lalique at Wingen-sur-Moder in Alsace in 1922. The workforce in Alsace counts seven Meilleurs Ouvriers de France among its numbers.

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

Lalique's partnership programme includes collaborations with houses such as Steinway & Sons, Singapore Airlines, Peugeot, McLaren, The Macallan, Vodka Beluga and Patrón Tequila. The products are sold through Lalique's own distribution channels as well as those of the respective co-branding partners.

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

In 2022, Lalique responded to fresh inspirations and collectors' expectations with the launch of its first NFT (Non-Fungible Token) collection, The Impossible Vases, in which the iconic Bacchantes vase is presented as a digital work of art.

In 2022, Lalique responded to fresh inspirations and collectors' expectations with the launch of its first NFT (non-fungible token) collection.

SIX MAIN PILLARS OF THE PRODUCT RANGE



Decorative Items

Lalique has a tradition of unique artistry and craftsmanship dating back to 1888. Its creations feature distinctive Art Deco and Art Nouveau styles. The company's sole production site for its crystalware is located in Wingen-sur-Moder, Alsace, in France. There, Lalique crystal is produced using a complex manufacturing process with up to 40 different steps, performed by a team of expert artists and craftsmen. A total of 25 professions, from precision mechanics to ceramics, are represented among the workforce at its crystal glass factory.

Lalique was awarded the prestigious label of "Entreprise du Patrimoine Vivant" ("Living Heritage Company"), a mark of recognition conferred by the French government to reward French firms for the excellence of their traditional and industrial skills. A particular highlight is the casting of sculptures using the lost-wax process. Lalique's expert glassmakers are among the very few still to master this difficult artistic technique.

Lalique has a dedicated design studio which creates a wide range of products such as panels, furniture and lighting in the distinctive Lalique style.



Interior Design

Through the Lalique Interior Design Studio (LIDS), the brand offers an exclusive and personal service to an expanding international clientele. Conceived to embrace and enhance any interior space, each design places crystal at the heart of the layout and location, true to the creative approach of René Lalique.

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

LIDS works closely with its clients to design a wide range of creations that give crystal pride of place within the architectural context, such as lighting installations, wall decorations, furniture and partition walls.



Jewellery

Lalique's jewellery collection reflects the inspiration of the master jeweller, exploring the poetry of nature and myths as René Lalique so loved to do. Preserving their founder's heritage in finely crafted materials and with the mastery of their techniques, the most exceptional craftsmen give expression to these themes in bold, timeless designs devised to perfectly complement a woman's wardrobe.



Fragrances

The first Lalique fragrances were launched in 1992 and created specifically with confident, refined and sensitive women and men in mind. The portfolio includes perfumes, exclusive collections, crystal limited editions as well as home fragrances. Lalique perfume bottles, made from glass or crystal, have fascinated collectors for generations. Lalique uses exceptional ingredients, giving its high-quality fragrances a unique signature and unparalleled character.



Art

Lalique Art places the expertise of Lalique at the service of major contemporary artists, designers and artistic foundations. The aim is to provide new sources of inspiration and motifs, using the interplay of light, transparency, colour and shape where art meets crystal, unlocking new forms of creativity and exceptional works of art.

Lalique Art has collaborated with Damien Hirst, Anish Kapoor, Terry Rodgers, Arik Levy, Yves Klein Archives, Rembrandt Bugatti's family, Zaha Hadid, Mario Botta, Han Meilin, Elizabeth de Portzamparc, Lou Zhenggang and Nic Fiddian-Green. This year saw an exceptional collaboration with James Turrell, an outstanding artist whose reputation is informed by an enquiring mind and a free spirit. Like René Lalique, who was known in his day as the "sculptor of light", James Turrell is the artist of light.

At the beginning of the year, a collaboration was announced with the Magritte Foundation: 2023 will see the enigmatic and poetic universe of René Magritte translated into crystal sculptures. In creating outstanding pieces conceived by great artists, Lalique perpetuates the creative traditions of its highly skilled workforce in the modern world.



Gastronomy/ Hospitality

The Group's gastronomy/hospitality portfolio comprises four hotel-restaurants. Three of these exclusive establishments are located in France, and another fine dining restaurant is at the whisky distillery The Glenturret in Scotland.

The Group's collection of hotels and restaurants is the epitome of elegance and style, each establishment an enticing invitation to connoisseurs of the art of fine living. The Group's commitment to exclusivity has been rewarded with further stars in the 2022 Michelin Guide: a second star for Château Lafaurie-Peyraguey Hôtel & Restaurant Lalique in France and a first star for The Glenturret Lalique restaurant in Scotland—adding to the two stars already held by Villa René Lalique.

At the Lalique hotels and restaurants, guests can enjoy haute cuisine in an exclusive setting that embodies the ambience and style of Lalique.

Lalique Group's hotel-restaurant collection is among the finest that the European hospitality and gastronomy sector has to offer.

In Fall 2024, the latest venture will open its doors: Villa Florhof in Zurich, a historic residence rich in tradition—a venue that bears the hallmark of the House of Lalique.

LALIQUE BEAUTY—PERFUMES

The current Lalique Beauty brand portfolio features a number of perfume brands, including Jaguar Fragrances, Bentley Fragrances, Parfums Grès, Parfums Samourai, Brioni and, most recently, Superdry Fragrances. The launch of the first Superdry fragrances is planned for spring 2024.

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

Lalique Beauty ensures quality control, lean structures and short decision-making processes along a fully integrated value chain. International distribution is organized via the company's own sales operations in France and the Middle East region, combined with a worldwide network of independent distribution partners and agents. In this way, the most effective partner for the commercialization of each market and brand can be selected to ensure maximum market penetration.

Lalique Beauty Services is the Group's world production and logistics hub for perfumes—also for third-party customers. It is a full-service provider for perfume production, covering research, manufacture, maceration, filling and conditioning. Lalique Beauty Services also provides related logistics services such as warehousing of components and end-products, and the dispatch of finished goods to worldwide destinations.

The entire Lalique Beauty Services facility is certified to ISO 22716 (Cosmetic Good Manufacturing Practices).

ULTRASUN

Ultrasun manufactures multifunctional skincare products combining UV protection with ingredients against ageing or unwanted pigmentation, amongst others. Ultrasun regularly launches innovative, advanced UV protection products, driven by in-house formula expertise, extensive marketing and sales experience in cosmetics and dermatology, and external Swiss manufacturing support. The brand commands a strong position in the market thanks to its unmatched formulations, which are free of many controversial ingredients. After Western Europe, international expansion is focussed on countries with a high awareness of the need for daily UV protection (e.g. China/Hong Kong, etc.) and regions with year-round sunshine (e.g. the Middle East).

THE GLENTURRET

Since March 2019, The Glenturret, Scotland's oldest working single malt whisky distillery, has belonged to the Group's portfolio. Operating since at least 1763—based on available historical records—The Glenturret uses a largely hand-crafted process to make single malt Scotch whisky in the super-premium segment. The distillery is located in Perthshire in the Highlands of Scotland, within easy reach of Edinburgh and Glasgow. In 2022, the distillery released a spectacular 50 Years Old whisky for the first time ever, and has received numerous awards in the past year.

In 2022, the distillery released a spectacular 50 Years Old whisky for the first time ever, and has received numerous awards in the past year.

Strategy

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

Through art projects with world-famous artists, Lalique can generate new customers and make new contacts. Collaborations with two distinguished names in the art world were recently announced to universal acclaim, as Lalique teamed up with James Turrell and the René Magritte Foundation.

Collaborations with two distinguished names in the art world were recently announced to universal acclaim, as Lalique teamed up with James Turrell and the René Magritte Foundation.

Digitalization opens up new opportunities

Diversification and innovation have always been important elements of Lalique Group's strategy as they contribute considerably to minimizing risks and providing consistent growth opportunities. Diversification at Lalique Group includes aspects such as geography, market sectors, distribution channels and, increasingly, digitalization. Last year, the group took an important step towards further digitalization and launched its first NFT limited collection, The Impossible Vases. Each of the ten digital artworks initially depicts a crystal Bacchantes vase, designed by René Lalique in 1927, which then undergoes a metamorphosis—transcending the boundaries of reality. The Glenturret also presented its debut NFT collection in 2022. Both launches met with great success. The Group plans to further expand its NFT collections in the future.

The Digital Team is planning new projects and driving forward the digitalization of the Group's business. The Group also aims to offer customers a much enhanced experience at its points of sale. In Lalique Boutiques, customers will be able to visit the works in Alsace via virtual reality glasses and get an up-close view of the complex manufacturing processes there.

Diversification also encompasses the penetration of new sales channels and business models to increase brand awareness and foster growth by further linking the online and offline customer experience.

LALIQUE BEAUTY

New business—expanding the brand portfolio

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

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



Our brands and activities

28 Lalique Decorative Items

30 Lalique Interior Design

32 Lalique Jewellery

34 Lalique Perfumes

36 Lalique Art

38 Lalique Crystal Glass Factory

40 Lalique Gastronomy/Hospitality

42 Jaguar Fragrances

44 Parfums Grès

46 Brioni

48 Parfums Samouraï

50 Bentley Fragrances

52 Lalique Beauty Services

54 Ultrasun

56 The Glenturret

58 Superdry Fragrances



LALIQUE

LALIQUE DECORATIVE ITEMS
Brand acquired **2008**
Share of company revenue **27%**



Wild attraction

Empreinte Animale

The new Empreinte Animale collection presents crystal objects with striking animal-inspired designs, depicting feathers, fur, zebra stripes, and scales, giving them a wild, sensual character in a new tribute to the animal world that is close to Lalique's heart. The Empreinte Animale collection pays homage to wildlife in all its splendour. At first glance, the precision of the designs, the emphasis on details and the purity of the reflections place these pieces in the century-old tradition of light sculpture.

The textures, colours and finishes give even greater scope to these representations of the animal world. The relief of the materials, the contrast of satin and repolished finishes, soft and tactile surfaces, combine to create objects that invite the beholder to reach out and touch.

The Empreinte Animale wildlife collection offers a perfect replica of the animal materials. The lifelike appearance of the objects crafted by Lalique's expert artisans is a fitting tribute to their mastery of the art of light sculpture and the medium of crystal.

Above

The Empreinte Animale Collection 2023 offers a perfect replica of the animal wildlife.



LALIQUE

LALIQUE INTERIOR DESIGN
Brand acquired **2008**
Share of company revenue **5%**



Majestic flight

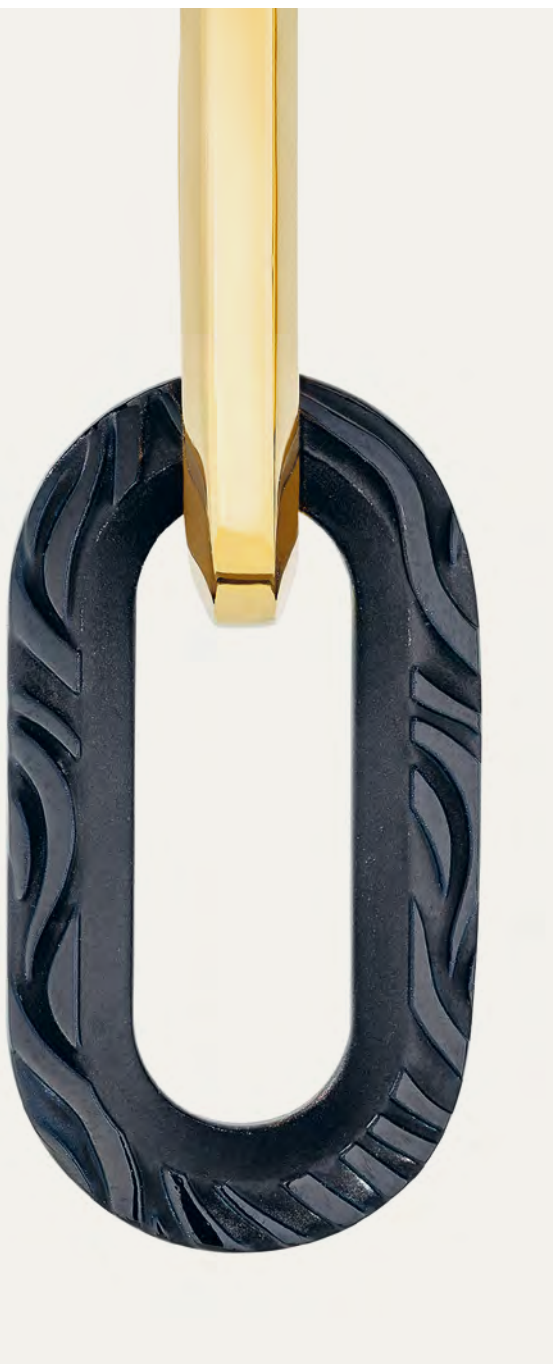
Luxury travel is something to be savoured

Guests at the new First Class SilverKris Lounge in the transit area of Changi Airport Terminal 3 will now be greeted by a stunning Lalique light dome at the entrance of The Private Room and a crystal wall installation at the bar. Both spaces have been designed to offer SIA Suites, First Class and Solitaire customers a 'home away from home' and a private and sophisticated area to rest and relax.

Harnessing its dynamism and technical flair for the commission, Lalique Interior Design Studio worked meticulously to develop pieces that would reflect both the Lalique and Singapore Airlines look and feel. The result is a Lalique light dome comprising more than 107 crystal flowers inspired by Aquatic Ginger, one of the ten native flowers featured in SIA's batik motif. Designed to appear as if it is 'a crystal bouquet floating in the sky', the complex suspended installation is set against dense foliage of polished metal leaves to further enhance the brightness of the flowers.

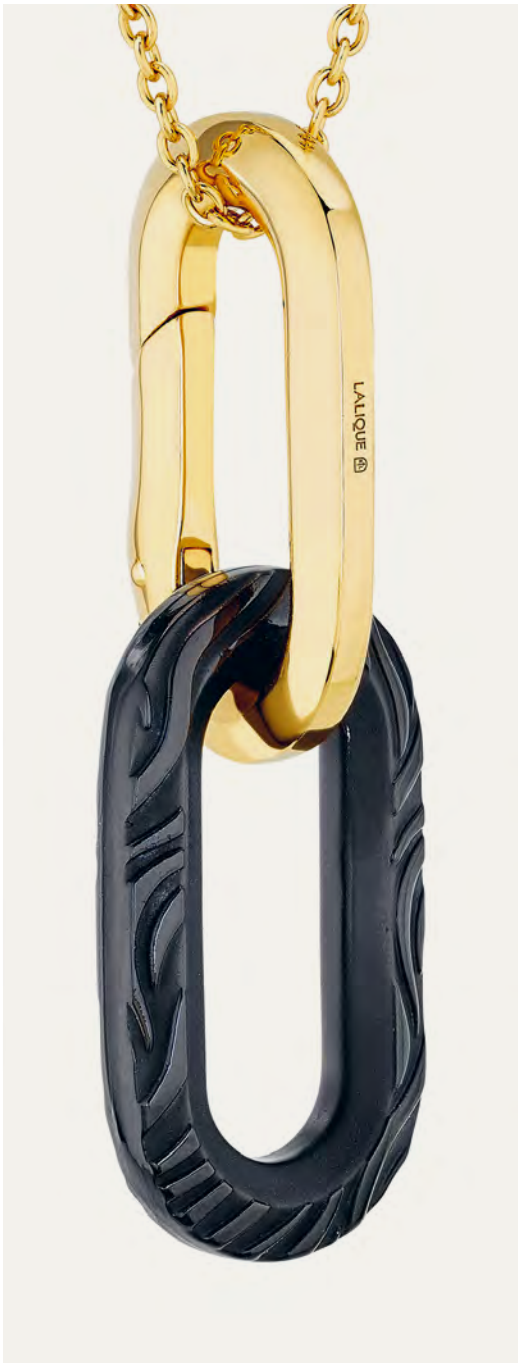
Above

Lalique lights up Singapore Airlines new SilverKris Lounge at Singapore Changi Airport Terminal 3 with over 107 crystal flowers.



LALIQUE

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



Flair and savoir-faire

Zebra lines

The Empreinte Animale inspiration is reflected in Lalioue's new Spring-Summer 2023 costume jewellery collection, which combines geometric zebra crystal with metal links and additional contrasts. Like a print, the zebra lines run through the crystal and are rounded off with smooth edges. The link crystal alternates in a rhythmic pattern between smooth sides with a satin finish in the centre and repolished on the outside, and sides sculpted with captivating zebra stripes with a satin finish and repolished in relief. A play of textures sensitive to the touch.

Each piece of Lalioue jewellery tells a story that mirrors René Lalique's avant-garde vision and legacy. Exquisite materials and technical mastery are used to express different themes, combining Lalique flair with savoir-faire.

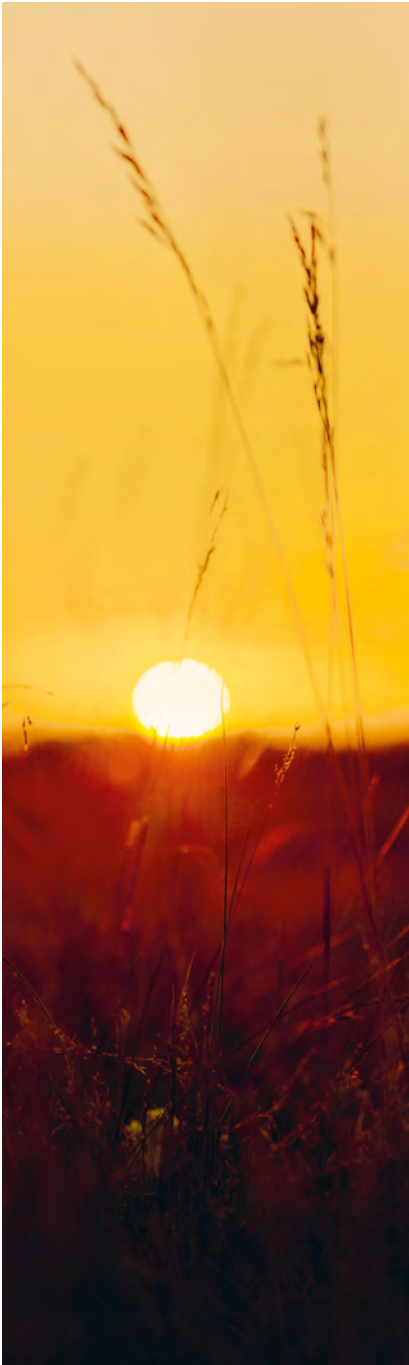
Above

The Empreinte Animale inspiration is reflected in Lalioue's new Spring-Summer 2023 costume jewellery collection.



LALIQUE

LALIQUE PERFUMES
Brand acquired **2008**
Share of company revenue **14%**



Honouring the oldest living creature

The scented splendour of wild nature

Originally introduced by Marie-Claude Lalique, granddaughter of René Lalique, the limited, signed and numbered collector's edition flacons have become an annual event since 1994. A new design is created each year, although it is always filled with the same signature fragrance: L'lique de Lalique.

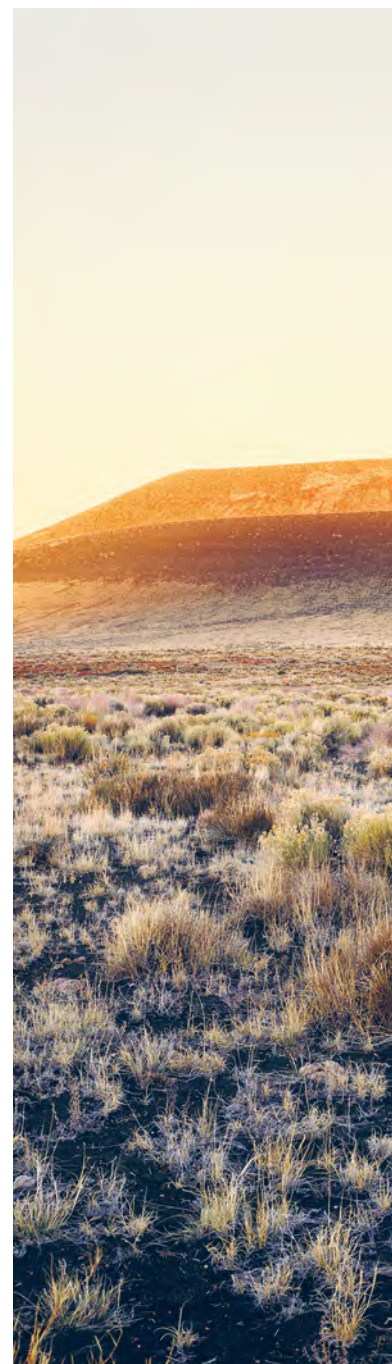
Lalique's 2023 limited-edition crystal flacon celebrates one of the earth's oldest living creatures—the crocodile—in all its glory and features the unmistakable imprint of crocodile skin, which is subtly sculpted into the crystal. The flacon is the result of extraordinary craftsmanship.

Unique signature and unparalleled character

The Lalique Fragrances' portfolio includes perfumes, exclusive collections, crystal limited-editions as well as home fragrances. Lalique perfume bottles, made from glass or crystal, have fascinated collectors for generations. Lalique uses exceptional ingredients, giving its high-quality fragrances a unique signature and unparalleled character.

Above

Lalique's 2023 crystal limited-edition on the left and Soleil Vibrant—Lalique's successful fragrance in the iconic sun-shaped flacon—on the right.



LALIQUE

LALIQUE ART

Brand acquired **2008**

Share of company revenue **2%**



Light and space

Magical fusion of art and crystal

Through the Lalique Art Division, Lalique partners with leading figures in the contemporary art world, with art foundations and exceptional designers, joining forces to create unique and rare pieces. Lalique Art offers artists fresh inspiration and motifs, opening new horizons through the interplay of light, transparency, colour and contours.

James Turrell and Lalique

The US artist James Turrell is renowned for his creations with light and the vastness of the sky, which he stages in his large-scale “skyspaces”. His light installations can be found in the desert and on lonely mountain peaks. In his collaboration with Lalique, he presents for the first time works on a more diminutive scale: 42 luminous panels made of crystal glass whose colours change thanks to

an adjustable screen, and two perfume bottles inspired by ancient Egypt.

From René Lalique to René Magritte

For the first time, works of René Magritte come to life in a new form through the medium of crystal. The Lalique Art collections now boast six pieces which combine the surrealist painting of Magritte with the glassmaking genius of Lalique.

Above

The crystal perfume bottle Purple Sage on the left and on the right a craftsman in the cold-glass workshop, working on the crystal version of René Magritte's masterpiece, which he painted in 1929: “Ceci n'est pas une pipe” (this is not a pipe).



LALIQUE

LALIQUE CRYSTAL GLASS FACTORY

Number of employees: 250 (FTE)

Crafted items produced every year:
between 350,000 and 400,000



Hand-crafting by talented master artisans

Exceptional craftsmanship

The crystal glass factory in Wingen-sur-Moder has a workforce of 250, which combines a wide range of skills, some of them subtle and difficult techniques specific to Lalique. Thanks to a team of passionately committed designers, Lalique creates beautiful pieces each year that are inspired by three themes dear to René Lalique: flora, fauna and the female form.

Once at the factory, the manufacturing process begins. A single crystal piece can require up to 40 different steps to produce.

In the seclusion of the workshops, which have doubled in size over the past hundred years to cover an area of 17 000 m², the artisans of Lalique create between 350 000

and 400 000 pieces each year, creations that are a source of delight to art lovers. More than 40 museums around the world house the iconic Lalique pieces from the furnaces in Alsace.

The Group increased its production capacity in 2022 with a view to driving future growth. This included investing in a powerful and efficient melting furnace for the crystal manufacturing business and increasing resources in the area of cold glass production.

Above

Every piece that leaves the Lalique factory is engraved with a traditional signature, symbolizing the quality and continuity of Lalique craftsmanship.



LALIQUE

LALIQUE GASTRONOMY/HOSPITALITY

Established **2015**

Share of company revenue **5%**



Five stars and counting

The art of crystal meets the art of hospitality

The Group's gastronomy and hospitality portfolio comprises five hotel-restaurants, three of which are located in France. A new venture was added in 2021: The Glenturret Restaurant at Scotland's oldest working malt whisky distillery. The latest member of the Group's prestigious hotel collection is Villa Florhof in Zurich, Switzerland, which is due to open its doors in Spring 2024. A listed historical monument, this 15th-century former silk mill, once owned by one of the most influential families in Zurich, will be renovated in Lalique style. No doubt the planned restaurant, as sumptuous as its French and Scottish cousins, will be a sensation on the Zurich fine dining scene. The hotel's fifteen suites, a vaulted wine cellar, a bar and terrace, and a lounge and smoking room will provide elegant settings for sublime Lalique creations.

At the Lalique hotels and restaurants, guests can enjoy haute cuisine in an exclusive setting that embodies the ambience and style of Lalique. The Lalique Collection represents the finest in the French "art of living"—savoir-faire à la française. Three of the Group's restaurants have been awarded Michelin stars.

Above

The external view of the Florhof, which will be run as Lalique hotel and restaurant 'Villa Florhof', on the left, and The Glenturret's Lalique Restaurant on the right.



JAGUAR

JAGUAR FRAGRANCES
Brand acquired **2002**
Share of company revenue **15%**



Reload your imagination

Powerful and impulsive appeal

The perfumes draw on the DNA of the Jaguar aesthetic and its iconic heritage. They are a constant source of surprise and inspiration, combining powerful character and proud dynamism. Each Jaguar Fragrances line stylishly symbolizes a strong personality and reflects a distinctive, modern scent and design philosophy to satisfy a wide range of tastes.

The story continues

The new Jaguar Era product line, launched as recently as 2021, is now complemented by a second fragrance: ERA RELOADED. The fresh oriental fragrance comes in a deep blue, cylindrical flacon, which perfectly mirrors the intensity of the fragrance. The scent beautifully reflects the message

of this new product line: Live every moment to the full! Step out and stand in the spotlight. Don't wait for the right opportunity: create it! Your future is in your hands—don't waste a minute of it, and intensify your experience of life.

[jaguar-fragrances.com](https://www.jaguar-fragrances.com)
#JaguarFragrances

Above

Jaguar ERA RELOADED is a strikingly contemporary twist on the most vibrantly sensuous of fragrance families: ambery scents.



GRÈS
PARIS

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



Confident and chic

Iconic fragrances by Grès

Founded in 1941, the Grès fashion house has been an uncompromising leader in haute couture for several decades. Grès entered the perfume world in 1959. Over the years, the company has built a rich heritage and achieved genuine legitimacy in perfumery. Parfums Grès targets confident, chic women with a feel for vintage style. Its reach is enhanced thanks to a fresh and modern digital appearance which will appeal to the next generation and further boost the brand's in-store presence in the future.

Digital investment

The brand intends to continue the legacy and plans to generate even greater brand awareness in the future through customized, broad-based campaigns, and the use of new social media channels.

Above

The new campaign of Cabochard from Parfums Grès. The woman who chooses Cabochard is not afraid to express an unconventional and sophisticated version of femininity.



Brioni

BRIONI
Licence acquired **2019**
Share of company revenue **2%**



The finishing touches

Brioni Eaux de Parfum Collection

Since December 2019, L'Oréal Group has been creating and distributing a range of exclusive perfumes for the Italian luxury menswear brand Brioni.

The Eaux de Parfum Collection is the ideal complement to Brioni's sartorial universe, enveloping the wearer in an irresistible aura and adding the final touch to an impeccable outfit.

The fragrances are tailored in the spirit of Brioni garments, evoking a sense of wellbeing, confidence and deep emotional connection. Enriched with top-tier raw materials and housed in a sleek, sustainable glass bottle, each scent captures a different facet of the Brioni man and becomes part of who you are.

#TailorYourLegend
brioni.com

Above

A new creation, this scented signature unveils a blissful facet of the modern legend: Brioni Eau de Parfum Éclat.



SAMOURAI

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



Modern tradition

The ethos of Parfums Samouraï draws on power and wisdom, energy and spirituality, and pays homage to a proud tradition. The first Samouraï for Men fragrance was launched in 1995 and became an international success. Since then, the Samouraï fragrances have been particularly popular in Japan and rank among the country's best-selling perfumes due to their focused product development, marketing and brand name.

Samouraï continuously adds new masculine and feminine scents to its portfolio. This includes the Samouraï Black cap smart edition, which has an unmistakable appearance with the black caps and underlines the personality of the wearer in an unobtrusive way.

Above

The new fragrances Samouraï Smart Edition on the left and UltraWater on the right.



BENTLEY

BENTLEY FRAGRANCES

License acquired **2011**

Share of company revenue **6%**



Elegantly timeless

A unique expression of luxury

Bentley Fragrances' olfactive signature, made up of premium ingredients, has inspired the most seasoned perfume lovers. The brand has called on renowned perfumers from French perfume houses and draws its inspiration from the prestigious world in which leather and wood panelling become a work of art. Perfumes bearing the Bentley label use fine materials such as chrome and solid glass for their masculine bottle design, as well as leather and wood for the fragrance composition, ensuring authenticity and timeless elegance.

New scent with exotic and spicy notes

The scents of Bentley Beyond—The Collection explore extraordinary landscapes and a vast spectrum of colours, turning every adventure into an olfactory emotion and every scent into a journey. The latest fragrance of the Bentley Beyond line is Magnetic Amber—a spicy, smoky and magnetic scent—this sensuous fragrance is characterized by its rich mixture of exotic spices.

Above

Bentley Beyond—The Collection and the latest addition to the line: the spicy scent of Magnetic Amber.



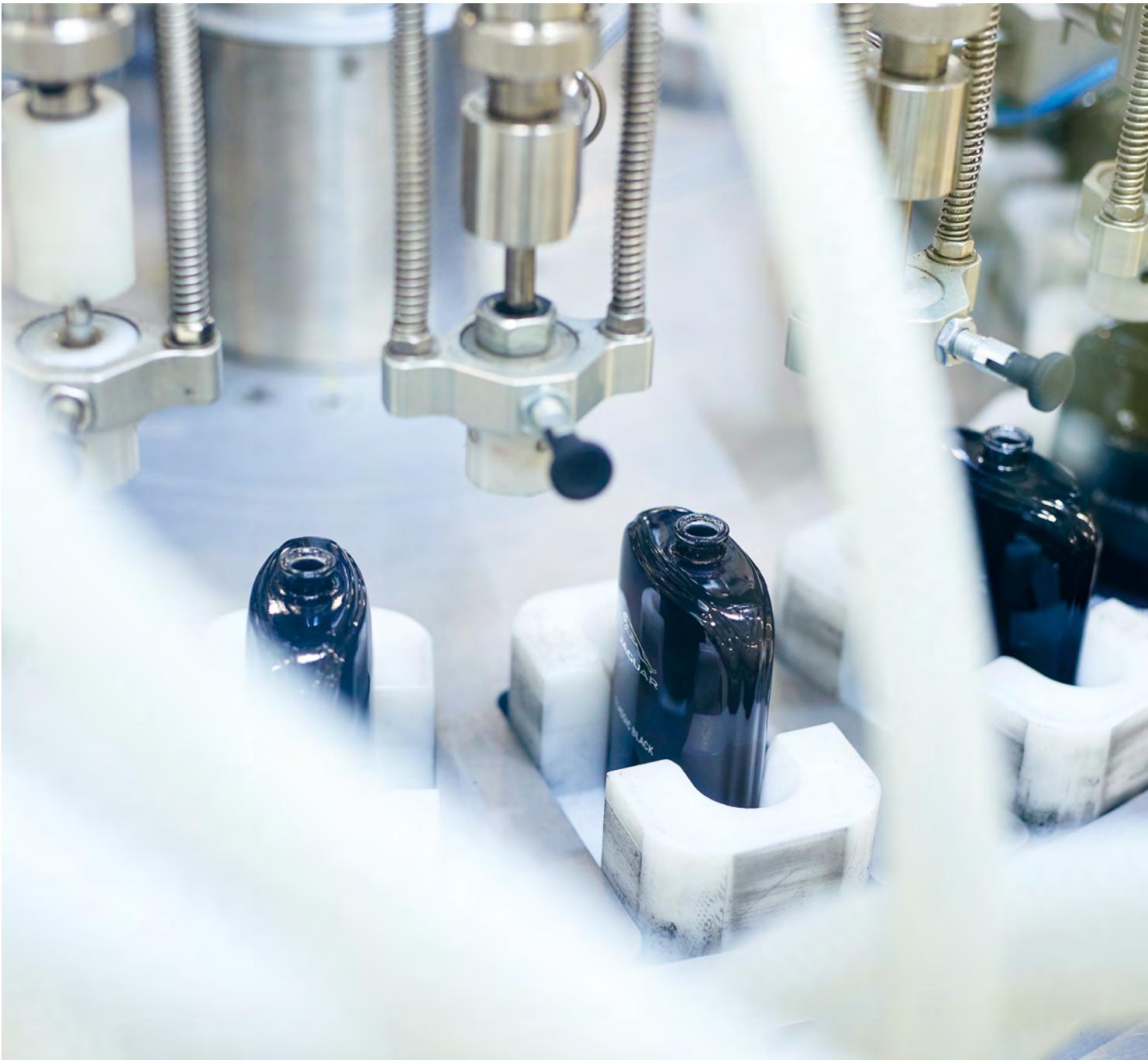
LALIQUE

LALIQUE BEAUTY SERVICES

Number of employees **100 (FTE)**

Perfume production capacity per year **12 000 000 units**

Facility acquisition **January 2013**



Full service provider

Lalique Beauty Services is a perfume filling, making and logistics company and a subsidiary of Lalique Group. It is a full-service provider active in the fields of perfume preparation, filling and packaging, as well as research and development and logistics.

Lalique Beauty Services is equipped with manual, semi-automatic and fully automatic lines for fragrance filling. It can therefore fulfil orders of any size and is also able to assemble luxury products such as crystal flacons and candles.

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

Above

Lalique Beauty Services has a state-of-the-art bottling plant with six production lines.



ultrasun●
Professional Protection

ULTRASUN
Brand acquired **2007**
Share of company revenue **9%**



Sun protection for sensitive skin

Clean-formula philosophy

Ultrasun is an internationally recognized leader in UV protection and has been on the market for over 30 years. All formulas comply with the brand's clean-formula philosophy that prohibits the use of controversial ingredients in any product.

Ultrasun manufactures multifunctional sun care products, combining UV protection with ingredients to combat skin aging and unwanted pigmentation. The brand has established a strong market position thanks to a combination of in-house expertise and external Swiss manufacturing support. Ultrasun regularly launches innovative, advanced UV protection products—leveraging its formulation expertise and extensive marketing experience in cosmetics and dermatological applications.

The focus on distribution through pharmacies, dermatologists and POS with trained skincare staff, combined with international expansion through leading online retailers, enables Ultrasun to convince consumers of the brand's effectiveness in UV protection and skincare benefits.

Above

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



The
GLENTURRET
HIGHLAND SINGLE MALT
SCOTCH WHISKY

THE GLENTURRET
Brand (50% stake) acquired **2019**
Share of company revenue **4%**



Limited release of 150

New mash tun

The Glenturret upgraded a key element of its production in 2022. The 'Mash Tun' is the vessel that washes the ground barley, carrying the starch to the next part of the process. The new investment has allowed the Glenturret to more than double its production capability from 200 000 LOA (litres of alcohol) to 500 000 LOA. Additional benefits to this new equipment include reduced water and natural gas usage, this has allowed a step change in The Glenturret's journey towards carbon neutrality.

The distillery is Scotland's oldest working distillery and has handcrafted single malt Scotch whisky since 1763 and joined the Group's portfolio in March 2019. The Glenturret is located in the "Hosh", Crieff, surrounded by the beautiful Perthshire countryside, within easy reach of both Edinburgh and Glasgow.

Above

Today, the distillery is both a hard-working home of traditional, handcrafted spirit production and a visitor centre.



SUPERDRY

SUPERDRY FRAGRANCES
Licence acquired 2022



Superdry is built on style

Youngest brand in the Group's portfolio

In April 2022, Lalique Group entered into an exclusive licence agreement with the British clothing company Superdry. The Group will exclusively create and distribute a collection of perfumes for Superdry, with the first fragrances launching in spring 2024.

Founded in the UK in 2003, Superdry has a significant global presence, operating in over 50 countries with approx. 690 points of sale, and its digital experience [superdry.com](https://www.superdry.com) retailing to over 100 countries worldwide.

The brand focuses on premium quality clothing for men and women that fuse vintage Americana and Japanese-inspired graphics with a British style.

[superdry.com](https://www.superdry.com)

Above

Superdry is focussed on delivering high style and premium quality products in four collections for men and women, inspired by the cultures of America, Japan and Britain.



Sustainability Report

- 62** Laliq Group
- 66** Product management and sourcing
- 70** Employees and social commitments
- 73** Environment and resources



Sustainability Report

Lalique Group takes responsibility for the environment and society at large, whether as a fair employer, as a player in the luxury goods segment that develops products without health risks for its customers, or as a company that is helping to shape a sustainable future in a fast-paced world.

Dear Reader

We are aware of our responsibility to society and the environment. This is why we stand for sustainable performance along the entire value chain: as a fair employer to our employees and a responsible economic player focusing on healthy corporate and business development. In terms of environmental sustainability, we focus on the efficient use of our resources, reduce waste and use the latest technologies to reduce our impact on the climate. In 2022, we also paid particular attention to job security.

Our sustainability strategy is based on three pillars:

- Product management and sourcing
- Employees
- Environment and resources

Many consumers are sensitive to issues such as responsible consumption and a sustainable way of life. Addressing sustainability issues is a major concern of ours. In order to continually improve our performance in this respect, we are investing in know-how and resources by successively integrating all sectors of our company into an effective sustainability management system. Sustainability efforts and goals are defined at strategic level and implemented at operational level.

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



ROGER VON DER WEID
Chief Executive Officer

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

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

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

1. About Lalique Group

Lalique Group is a niche player in the creation, development, marketing and global distribution of luxury goods. Its business areas comprise perfumes, cosmetics, crystal glass, jewellery, high-end furniture and home accessories, along with art, gastronomy, hospitality and single malt whisky. Headquartered in Zurich, Switzerland, the company employs approx. 770 staff (FTE) and operates two production sites in France as well as one whisky distillery in Scotland, while its products are marketed

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

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



2. Sustainability strategy

As a responsible company, Lalique Group is committed to protecting its employees, customers, partners and the environment. The Group takes this responsibility seriously and faces up to the challenges in the realm of

sustainability. To create the basis for its sustainability strategy, the Group identified the most relevant issues and defined key areas of action.

The sustainability strategy covers three main areas:



Product management and sourcing

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



Employees

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



Environment and resources

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

Current status

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

Lalique Group also tests sustainable product innovations with suppliers and other partners, including perfume license partners and co-branding partners.

Sustainable Development Goals

Lalique Group's ESG strategy is aligned with the United Nations' list of Sustainable Development Goals (SDGs).



The SDGs are a collection of 17 interlinked global goals designed to be a "shared blueprint for peace and prosperity for people and the planet, now and into the future". The SDGs were set up in 2015 by the United Nations General Assembly (UN-GA) and are intended to be achieved by 2030.





Product management and sourcing

TOPIC AREA I

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



RELEVANCE AND GOALS

Health and safety are top priorities at Lalique Group. The company is committed to developing and producing ecological and healthy products for its customers. The company makes every effort to ensure that its products do not cause skin irritations or allergies or pose

other risks to health. The main focus is on Ultrasun sun care products and perfumes, given that cosmetic and beauty products may provoke allergic reactions. Also, the chemical ingredients of such products may be harmful to the environment.

Lalique Group is pursuing the goal of developing its cosmetics range with products that offer added value, for example through various certifications. The company relies first and foremost on established industry standards that are in demand from customers and industry players with the ultimate objective of enabling existing and prospective customers alike to make a conscious consumer choice.


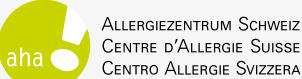
MEASURES





General




For the development and production of its perfumes and sunscreen products, Lalique Group collaborates with renowned suppliers and partners, which themselves strictly adhere to sustainability requirements. As a result, the Group's products use ingredients from environmentally and socially responsible sources through traceable supply chains.


Product labels and memberships

Lalique Group is committed to adhere to and support standards and specific labels established by various organizations and institutions, such as:

PARTNERSHIP	DESCRIPTION AND PURPOSE	RELEVANCE
<p>International Fragrance Association (IFRA)</p> 	<p>The International Fragrance Association (IFRA) is the global representative body of the fragrance industry. It seeks to represent the collective interests of the industry and promote the safe use of fragrances through regulation. In 2020, in response to the ongoing and increasing focus on sustainability in the beauty and fragrance sectors, IFRA, in association with the International Organization of the Flavor Industry (IOFI), launched the "IFRA-IOFI Sustainability Charter".</p>	<p>Lalique Group relies on fair and workable regulation that fosters the safe use and enjoyment of fragrances in accordance with IFRA guidelines. These stipulate that no products or ingredients may be tested on animals and no natural ingredients of animal origin used in the formulation of perfumes and sunscreens. Animal by-products customarily employed by the industry—of which beeswax is one example—are exempted from this rule for the time being.</p> <p>In particular, Lalique Group's recently launched perfume lines are free from artificial colouring, vegan and cruelty-free. The alcohol used is also natural, vegan and manufactured in France from agricultural ingredients such as beetroot and wheat. It contains no genetically modified organisms (GMOs).</p>
<p>aha! Allergy Centre Switzerland</p> 	<p>aha! Allergy Centre Switzerland is a non-profit foundation. As a nationwide umbrella and patient organization, it aims to support people who suffer from allergies, asthma, neurodermatitis (atopic dermatitis) or intolerances.</p>	<p>Ultrasun Sensitive products and the Ultrasun Mineral line are aha! certified.</p>

PARTNERSHIP	DESCRIPTION AND PURPOSE	RELEVANCE
<p>International Natural and Organic Cosmetics Association (NATRUE)</p> 	<p>Natrue is a Brussels-based international non-profit association committed to promoting and protecting natural and organic cosmetics worldwide. Founded in 2007, the association provides a home for all true friends of natural and organic cosmetics.</p>	<p>Up to the end of 2022, all production lots of the Ultrasun Mineral line are Natrue-certified. From 2023, the Natrue label will be replaced by Cosmos certification.</p>
<p>EcoSun Pass</p> 	<p>The EcoSun Pass is a tool used to evaluate the environmental impact of sunscreen products. To achieve the certification, the combination of sun filters in a product has to comply with specific parameters in a calculation designed to ensure minimal harm to the ocean environment. The EcoSun Pass allows transparent evaluation of eight different parameters, from biodegradability and aquatic toxicity to potential endocrine disruption. To earn the EcoSun Pass, sunscreens must be reef-friendly, containing only a minimal amount of chemicals with the potential to damage coral reefs and other marine life.</p>	<p>Ultrasun's product line for sensitive skin types was the first brand worldwide to be awarded the EcoSun Pass label. The label is valid for all products of the Sensitive line, ensuring that these products offer particularly eco-friendly sunscreen protection.</p>
<p>FSC® - Forest Stewardship Council</p> 	<p>The FSC® (Forest Stewardship Council) is an international non-governmental organization dedicated to the promotion of responsible forest management worldwide. FSC®-certified products are made from raw materials from well-managed forests and responsible sources. The label's traceability and integrity are upheld through stringent control measures, and by choosing FSC®-certified products, you help take care of forests and the people and wildlife that call them home.</p>	<p>Lalique Group uses FSC paper for folding boxes wherever possible.</p>
<p>Roundtable on Sustainable Palm Oil</p> 	<p>The Roundtable on Sustainable Palm Oil (RSPO) is an NGO established in 2004 with the objective of promoting the growth and use of sustainable palm oil products through global standards and multi-stakeholder governance.</p>	<p>For Ultrasun products, 13 out of 15 palm oil ingredients are currently RSPO-certified.</p>

PARTNERSHIP	DESCRIPTION AND PURPOSE	RELEVANCE
Ecocert Cosmos 	<p>The Cosmetic Organic and Natural Standard (COSMOS) sets certification requirements for organic and natural cosmetics products in Europe. The standard is recognized globally by the cosmetics industry. COSMOS certification guarantees environmentally friendly production and processing and also promotes human health, the development of the concept of green chemicals, responsible use of natural resources, respect for biodiversity, the absence of petrochemical ingredients (except for authorized preservatives) e.g. parabens, phenoxyethanol, perfumes and synthetic colorants, the absence of GMOs, and the use of recyclable packaging.</p>	<p>Ultrasun Baby Mineral will be Cosmos-certified as of 2023.</p>
ISO standards 	<p>The ISO 22716 (Cosmetic Good Manufacturing Practices) standard assesses the safety and quality of perfume products. It takes into account all relevant factors along the whole supply chain, including the processing of products and the date when they are first packaged. ISO 9001 is a standard for quality management systems. An organization must comply with these in order to be able to provide products and services that meet customer expectations as well as legal and regulatory requirements relevant to the product or service. At the same time, the management system should be subject to a continuous improvement process.</p>	<p>The perfume-filling and logistics operation of Lalique Beauty Services located in Ury, France, is ISO 22716-certified. So is Ultrasun's production partner for the entire sunscreen range.</p> <p>The latter is also ISO 9001-certified.</p>
REACH Regulation (Registration, Evaluation, Authorisation and Restriction of Chemicals) 	<p>REACH is an EU regulation adopted to improve the protection of human health and the environment from the risks that can be posed by chemicals, while enhancing the competitiveness of the EU chemicals industry. It also promotes alternative methods for the hazard assessment of substances in order to reduce the number of tests on animals.</p>	<p>Lalique Beauty Services and the Lalique crystal glass manufacturing site are committed to upholding national and international safety standards (REACH Regulation).</p>

PARTNERSHIP	DESCRIPTION AND PURPOSE	RELEVANCE
<p>Clef Verte</p> 	<p>Green Key is a non-governmental, non-profit, independent programme operating under the umbrella organization of the Foundation for Environmental Education, FEE. It is an international eco-label awarded to accommodations and other hospitality facilities that commit to sustainable business practices. Awarded establishments comply with strict criteria, independently verified through regular on-site audits. It aims to contribute to the prevention of climate change by awarding and advocating facilities with positive environmental initiatives. The programme is recognized and supported by the World Tourism Organization (WTO) and United Nations Environmental Programme (UNEP).</p> <p>Green Key is one of the largest eco-labels for the hospitality industry worldwide and currently has more than 3 200 awarded hotels and other establishments in 65 countries.</p>	<p>The Group's hotel restaurant Château Hochberg in Wingen-sur-Moder, France has been awarded the Clef Verte and complies with the standard.</p>

ASSESSMENT AND OUTLOOK

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

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

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



Employees and social commitments

TOPIC AREA II

- **Fair working conditions**
- **Occupational health and safety**
- **Employee training and development**
- **Social commitments**



RELEVANCE AND GOALS

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

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

- Acting responsibly as an employer and increasing its appeal by offering attractive working conditions and gender equality.
- Targeted personal development and continuing education as well as individual further training and internal succession planning. The retention of qualified personnel is relevant to the company's success as a manufacturer, particularly with regard to crystal glass products.

- Safeguarding employees' health, along with reduction of absences and downtime due to occupational accidents.
- Improving occupational safety and health protection: some employees at the production sites are performing physically demanding tasks.

MEASURES

Conditions of employment

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

Occupational health and safety

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

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

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

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

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

Nurturing young talent and training opportunities

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

Highly specific know-how and skills are required for the manufacture of crystal objects at the Laliq factory. To this end, the Group began over a decade ago to develop a dedicated internal training course (known as "École Laliq") in collaboration with the French government agency "Pôle Emploi", other public training and employment agencies located in the Alsace region, and professional


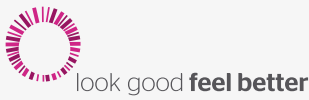

schools. The aim of this training course is to teach and pass on the highly specialized know-how required for handcrafting crystalware. École Lalique is currently employing more than twenty trainees in various types of glassmaking crafts, and some of them usually apply for a permanent job after their training period. This specialist

training is very successful and has already borne fruit: one of the trainees was awarded the title of “Meilleur Ouvrier de France”—Best Craftsman of France. Altogether seven Lalique Group artisans bear this title for their exceptional skills in glass manufacture. For some years, the relevance of training young people has been

growing in importance because some of the highly specialized glass artisans at the crystal glass factory in Wingen-sur-Moder are nearing retirement age.

Social commitments

Lalique Group is also committed to supporting non-profit and charitable organizations, such as:

PARTNERSHIP	DESCRIPTION AND PURPOSE	RELEVANCE
<p>International Centre for Missing & Exploited Children</p> 	<p>The International Centre for Missing & Exploited Children (ICMEC) is a private non-governmental, non-profit global organization. It combats child sexual exploitation, child pornography and child abduction.</p>	<p>Lalique Group has been supporting the International Centre for Missing & Exploited Children foundation since 2022.</p>
<p>Look Good Feel Better foundation</p> 	<p>Look Good Feel Better is a foundation dedicated to improving the quality of life and self-esteem of people undergoing cancer treatment. The programme offers complimentary group and virtual sessions that teach beauty techniques to help people with cancer to face their diagnosis with greater confidence.</p>	<p>Lalique Group has been supporting the Look Good Feel Better foundation in Switzerland since 2021. This charity operates throughout Switzerland to organize free workshops for cancer patients. In a relaxed atmosphere, participants can learn ways of coping with the visible effects of their therapy.</p>
<p>Advantage Africa</p> 	<p>Advantage Africa supports people affected by poverty, disability and HIV to improve their education, health and incomes. Their work helps some of East Africa’s most vulnerable people to overcome stigma, help themselves and build a better future for their families and communities.</p>	<p>Ultrasun has been supporting Advantage Africa since 2016 by donating sun protection products and investing £20 000 yearly, sponsoring the organization’s skin clinics, including staff and equipment.</p>

ASSESSMENT AND OUTLOOK

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

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

standardizing these performance indicators across all Group segments and divisions.

Occupational safety and measures to protect health are organized decentrally for the most part and accordingly no measurable targets have so far been defined on a Group-wide basis. Target attainment can be monitored and checked indirectly by means of performance indicators in the individual company units. This includes the number of

occupational accidents and absences due to accidents and sickness. These performance indicators are recorded, collated and evaluated in the systems of the individual corporate units.

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





Environment and resources

TOPIC AREA III

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



RELEVANCE AND GOALS

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

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

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

There are also increasing requirements regarding water abstraction and pre-treatment of wastewater.

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

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

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

MEASURES

Energy consumption

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

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

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

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

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

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

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

Mash tun refurbishment at The Glenturret

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

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

Water consumption

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

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

Wastewater

The crystal glass manufacturing site has its own wastewater treatment plant which processes industrial effluents. A new treatment plant is planned that will reduce pollutants in the effluent water by a further 30%.

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

Water at The Glenturret

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

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

Air pollution levels

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

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

Recycling and waste management

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

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

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

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

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

Electric cars

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

Food waste and regional cuisine

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

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

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

ASSESSMENT AND OUTLOOK

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

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



Corporate Governance

78 Principles	90 Compensation, shareholdings and loans
78 Group structure	91 Shareholders' participation
79 Capital structure	91 Changes of control and defence measures
80 Legal Group Structure	92 Auditors
82 Board of Directors	92 Information policy
86 Executive Board	

Corporate Governance

Principles

Lalique Group undertakes to comply with the principles of good corporate governance, which protects the interests of Company shareholders and other stakeholders while helping the Group achieve sustainable development. Lalique Group's corporate governance is based on its Articles of Incorporation. It follows the guiding principles of the Swiss Code of Best Practice for Corporate Governance. The information disclosed hereinafter meets the current requirements of the "Directive on Information Relating to Corporate Governance" (DCG) issued by SIX Swiss Exchange.

Group structure and shareholders

Group structure

Lalique Group SA, with its registered corporate headquarters at Grubenstrasse 18, 8045 Zurich, Switzerland, is the parent company of Lalique Group. It is a limited company (Aktiengesellschaft, société anonyme), pursuant to article 620 et seq. of the Swiss Code of Obligations. The shares of Lalique Group SA (ticker symbol: LLQ) were listed on the BX Swiss (formerly the BX Berne eXchange) from 19 September 2007 until 24 June 2018, and have been traded on the SIX Swiss Exchange since 25 June 2018 under Swiss Security Number 3381329, ISIN CH0033813293.

Lalique Group is a niche player in the creation, development, marketing and global distribution of luxury goods. Its business areas comprise perfumes, cosmetics, crystal, jewellery, high-end furniture and living accessories, along with art, gastronomy and hospitality as well as single malt whisky.

Founded in 2000, the Company initially focused on perfumes and then expanded into cosmetics with the acquisition of the Ultrasun brand in 2007. A major milestone was the acquisition of the house of Lalique

in 2008, which has a long tradition in the glass-making industry and is associated with high quality and craftsmanship, having developed specific production processes over the last century. Today, the Group leverages its diversified portfolio of brands, state-of-the art production facilities and the experience of its management to pursue its growth strategy.

The Group had approx. 770 full time employees (FTEs) as at 31 December 2022. In addition to its headquarters in Zurich, Switzerland, it has an office in Paris, France, as well as a perfume filling and logistics centre in Ury, France, a crystal glass-making factory in Wingen-sur-Moder, France, and a whisky distillery in Crieff, Scotland. The Group also maintains representational offices in the United Kingdom, Germany, the United States, China, Japan, United Arab Emirates and Singapore.

The list of principal consolidated subsidiaries, their domiciles, share capital and the Group's shareholding is presented in the Notes to the Consolidated Financial Statements, note 27. With the exception of Lalique Group SA, the companies included in the scope of consolidation are unlisted.

Significant shareholders

As at 31 December 2022, a total of 1 182 shareholders (previous year: 1 059) were entered in the share register of the Company. To the knowledge of the Company, the following were the only shareholders holding more than 3% of the share capital of Laliq Group SA as at 31 December 2022 (or as at the date of their last notification under article 120 of the Swiss Financial Market Infrastructure Act (FinMIA):

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

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

Capital structure

Ordinary share capital

As at 31 December 2022, the share capital of the Company amounted to CHF 1 440 000 (31 December 2021: CHF 1 440 000) and consisted of 7 200 000 registered shares with a nominal value of CHF 0.20 each (31 December 2021: 7 200 000 registered shares with a nominal value of CHF 0.20 each). All of the issued shares are registered shares. There are no preference rights or similar rights attached to the shares.

As at 31 December 2022 the Company held 59 929 treasury shares (31 December 2021: 25 207). At this time there were no cross-shareholdings with other companies. The market capitalization of the Company at 31 December 2022 was CHF 230 400 000 (31 December 2021: CHF 282 120 000).

Conditional and authorized share capital

Pursuant to article 3a of the Articles of Incorporation, the Company has a conditional share capital of CHF 50 000 corresponding to 250 000 shares with a nominal value of CHF 0.20 each. The conditional share capital is available for the exercise of options or subscription rights that the Company or Group

entities would grant to employees, including members of the Board of Directors. The pre-emptive rights of the shareholders are excluded in relation to the maximum of 250 000 shares with a nominal value of CHF 0.20 each. The issuance of new shares may take place at a price below their market value. The Board of Directors shall determine the details of the terms of the relevant issue.

After their acquisition, the new shares will be subject to the transfer restrictions set out in article 5 of the Articles of Incorporation.

As at 31 December 2022, the Company had no authorized share capital. Prior to 1 January 2023, the Company has increased its share capital from authorized capital in the total nominal amount of CHF 240 000.

Changes in capital

IN CHF	31.12.2020	31.12.2021	31.12.2022
Ordinary share capital	1 440 00	1 440 00	1 440 00
Conditional share capital	50 000	50 000	50 000
Treasury shares (numbers)	15 000	25 207	59 929

There were no changes in capital in 2021 and 2022.

Participation certificates and profit-sharing certificates

Laliq Group SA has not issued any non-voting equity securities, such as participation certificates (Partizipationsscheine, bons de participation) or profitsharing certificates (Genussscheine, bons de jouissance).

Dividend-right certificates

Other than the registered shares, there are no dividend right certificates.

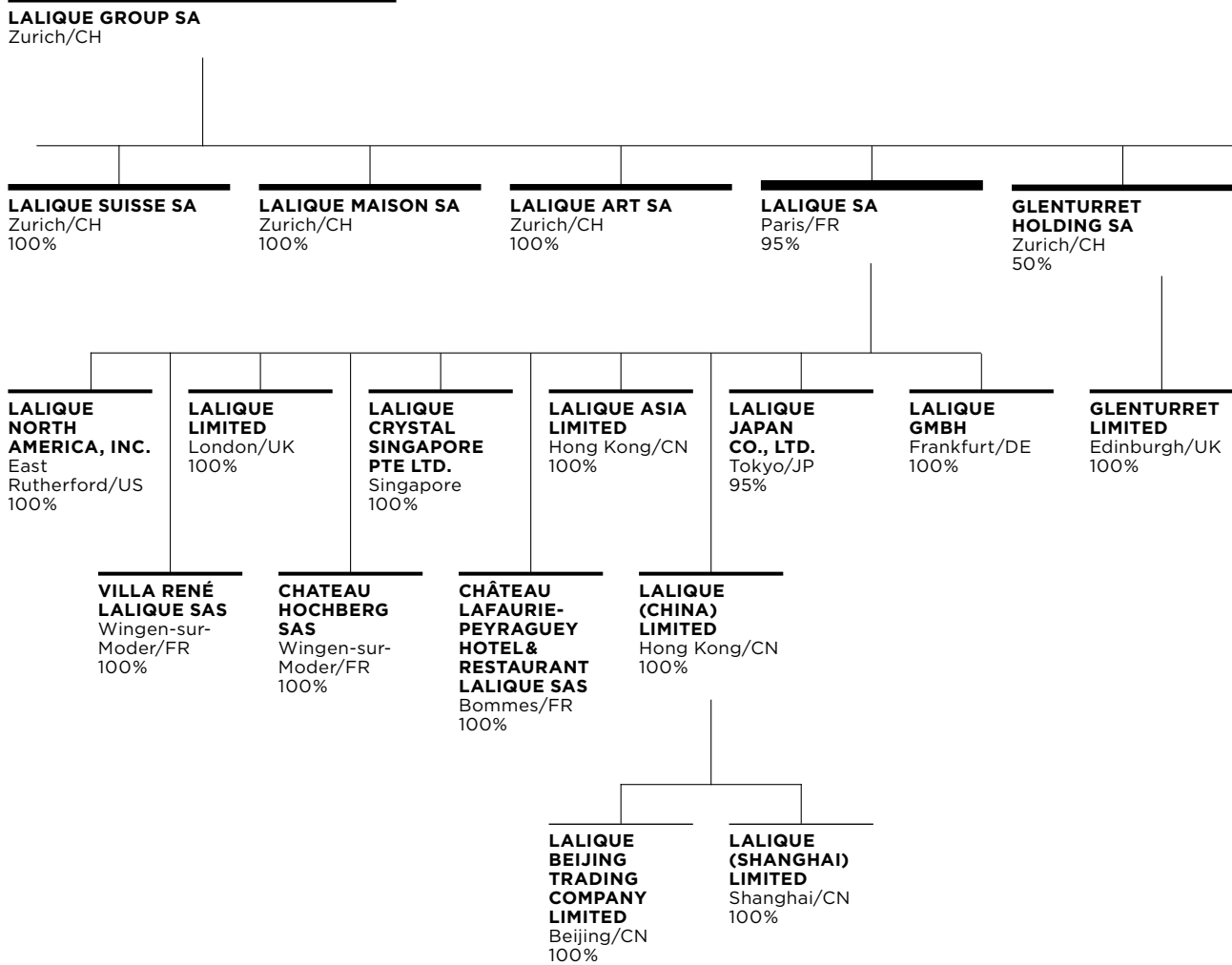
Limitations on transferability and nominee registrations

The transferability of the shares of Laliq Group SA is not subject to any restrictions as a matter of principle. Owners of shares are entered in a share register. The Company must be notified of any changes. The persons entered in the share register are deemed to be the shareholders in relation to the Company. The entry in the share register requires evidence of the share acquisition. The Company may cancel any relevant entry in the share register that was made on the basis of false information. Limitations on transferability and nominee registrations may be changed by a positive vote of the absolute majority of the share votes represented at a Shareholders' Meeting.

Convertible bonds and options

There are no bonds or warrants outstanding that are convertible into shares of Laliq Group SA.

Legal Group Structure



LALIQUE BEAUTY SA
Zurich/CH
100%

**SCI DU MONT
À GRILLON**
Ury/FR
100%

VILLA FLORHOF AG
Zurich/CH
100%

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

**PARFUMS
GRÈS SA**
Zurich/CH
100%

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

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

**SUPERDRY
FRAGRANCES
SA**
Zurich/CH
100%

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

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

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

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

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

ULTRASUN AG
Zurich/CH
100%

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

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

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

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

Board of Directors



Silvio Denz
Executive Chairman
of the Board of Directors

Dual Swiss and Italian citizen currently residing in Switzerland.

Silvio Denz founded Lalique Group SA, formerly known as Art & Fragrance SA, in 2000. He is currently serving the Group as Executive Chairman of the Board of Directors. He is also Chairman of the Board of Directors and CEO of Lalique SA in France. Moreover, he is the major shareholder in the Company. Before Silvio Denz set up the business with the incorporation of Art & Fragrance SA, he owned and managed Alrodo AG, a perfume distribution company and family business, as Chief Executive Officer. Alrodo was subsequently sold to Marionnaud in 2000. Silvio Denz holds a commercial diploma.

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



Roland Weber
Vice-Chairman
of the Board of Directors

Swiss citizen residing in the United Arab Emirates since 2007.

Roland Weber joined Lalique Group SA, formerly known as Art & Fragrance SA, in 2000. He has been a member and the Vice-Chairman of the Board of Directors since 2003. From 1994 to 2000, Roland Weber collaborated with Silvio Denz and served as Chief Executive Officer and delegate of the board of directors of Alrodo AG. Prior to that, he gained experience in sales and marketing, firstly as a manager for Jaguar Cars Switzerland at Emil Frey Group from 1985 to 1988 and secondly as Director of Perfumes for Yves Saint Laurent, Switzerland and Austria, from 1988 to 1993. Roland Weber holds a master's degree in business administration from the University of St. Gallen (HSG).

In 2002, he founded Retail Factory SA, Switzerland's largest agency for retail spaces. Besides his commitment to the Group, he has also made several investments in various fields and been active in the real estate sector for more than 15 years.



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

Swiss citizen currently residing in Switzerland.

Roger von der Weid joined the Group as Chief Executive Officer and member of the Board of Directors in 2006. Prior to his commitment to the Group, he served as Managing Director at a Swiss trust company for two years. Before this engagement, he practised as a lawyer for two major Swiss corporate law firms from 1998 to 2004. Roger von der Weid earned his Master of Law at Duke University School of Law, North Carolina (USA) in 1998 and was admitted to the bar in 1996. Furthermore, he became a federally certified tax expert in 2002 and graduated with an executive Master in corporate finance from IFZ Financial Services Institute in 2006.

He is a member of the board of directors of Lalique SA in France, Lalique Asia Limited and Lalique (China) Limited in China, Lalique North America in the USA, Lalique (UK) Limited and Glenturret Limited in the UK, as well as Lalique Beauty SA, Art & Terroir SA, Ultrasun AG, Glenturret Holding SA, and CIRON SA in Switzerland, among other Group companies. He is also a member of the board of directors of talsee AG, Switzerland.



Claudio Denz
Member of the Board of Directors

Dual Swiss and Italian citizen currently residing in Switzerland.

Claudio Denz has served as a member of the Board of Directors of the Company since 2011. Besides this engagement, he served as Head of Digital at the Company until 31 December 2021. Before he took on the above-mentioned responsibilities, he worked in the areas of marketing, branding and product management at the Company (formerly known as Art & Fragrance SA), with various assignments at Lalique North America and Lalique London between 2005 and 2011. In 2008, Claudio Denz graduated from the Commercial Minerva School, Switzerland.

Claudio Denz holds several board memberships, including Ermitage Estate AG, Madox Group AG and Denz Weine AG, among other Group companies, all of which are based in Zurich, Switzerland.



Jan Kollros
Member of the Board of Directors

Swiss citizen currently residing in Switzerland.

Jan Kollros studied mechanical engineering and industrial management at ETH Zurich and has been a member of the Board of Directors of the Company since 2017.

He gained professional experience in various international industrial groups. Since 2005 he has worked for adbodmer AG, a multi-family office specialized in direct investments, based in Zug. From 2009 until 2019 he was a Managing Partner at adbodmer AG, with responsibility for the operational management of the company. In 2019, adbodmer was acquired by the Swiss-based Bellevue Group. Jan Kollros joined the Group Executive Board, heading the Bellevue Private Markets division. Furthermore, Jan Kollros currently holds board memberships at The Hess Group AG, Evatec AG and Bédât & Co SA in Switzerland, among others.



Philippe Vidal
Member of the Board of Directors

French citizen currently residing in France.

Philippe Vidal has been a member of the Board of Directors of the Company since 2022. He has degrees from the Ecole Polytechnique Paris and the Ecole des Ponts Paris Tech. After seven years as a civil servant, where in particular he was in charge of supervising the electricity sector in France, he has enjoyed a long career in top management positions at the French banking group Crédit Industriel et Commercial (CIC). He was a member of the Executive Board and from 2012 until 2021 Deputy CEO. During the last ten years of his career at CIC, he was in charge of corporate and investment banking, private equity, asset management and private banking. In particular, he was Chairman of the Board of the CIC subsidiary in Switzerland. At the moment, he is working as an independent consultant. Philippe Vidal is a director of two other listed companies on Euronext: Eiffage and Lanson BCC.



Yugnesh Kumar Agrawal
Member of the Board of Directors

Indian citizen currently residing in India.

Yugnesh Kumar Agrawal is a chartered accountant and has a degree in law from Agra University, India. A seasoned professional, he has over 44 years of experience in finance and has worked at various companies in the construction, steel, ITES and manufacturing sectors in India and elsewhere.

Yugnesh Kumar Agrawal has held various positions at Dharampal Satyapal Limited, the flagship company of DS Group, India, and also holds board positions at a number of companies in the Group. DS Group was founded in 1929 as a small perfume business and is now a broadly diversified conglomerate with headquarters in Noida, India. Its portfolio spans food and beverages, hospitality, packaging and the agriculture sector, among others.

Members of the Board of Directors

The duties and responsibilities of the Board of Directors of Lalique Group SA are defined by the Swiss Code of Obligations and the Company's Articles of Incorporation and Organizational Regulations. The Board of Directors consisted of seven directors as at 31 December 2022. Two members of the Board of Directors are non-executive directors.

The following table summarizes the constitution of the Board of Directors as of 31 December 2022, as well as their position and year of appointment to the Board.

NAME	NATIONALITY	PLACE OF RESIDENCE	YEAR OF APPOINTMENT	YEAR OF BIRTH	POSITION
Denz, Silvio	Switzerland/Italy	Switzerland	2007	1956	Executive Chairman
Weber, Roland	Switzerland	United Arab Emirates	2003	1957	Vice-Chairman
von der Weid, Roger	Switzerland	Switzerland	2006	1970	Delegate and CEO
Denz, Claudio	Switzerland/Italy	Switzerland	2011	1988	Member
Kollros, Jan	Switzerland	Switzerland	2017	1978	Member
Vidal, Philippe	France	France	2022	1954	Member
Agrawal, Yugnesh Kumar	India	India	2022	1956	Member

Other activities and vested interests

With the exception of the positions listed above, none of the directors holds any material permanent management or consultancy function or engages in any activities of relevance to corporate governance in:

- governing or supervisory bodies of important organizations, institutions or foundations under private or public law;
- a permanent management or consultancy capacity for important interest groups;
- a public or political office.

Rules in the Articles of Incorporation on the number of permitted activities pursuant to article 12 para. 1 item 1 of the Ordinance against Excessive Compensation in Listed Stock Companies (OaEC)

The members of the Board of Directors may only assume the following maximum number of mandates in

management or administrative bodies of entities and organizations: up to five additional mandates in listed entities, up to ten mandates in non-listed entities, up to ten mandates in charity organizations, associations or foundations and other non-profit organizations. Exceeding these restrictions by one mandate in the short term is permitted. Several mandates in different entities under uniform control are considered as one mandate. There is no restriction for mandates in entities which are directly or indirectly controlled by the Company as well as entities which are not obliged to obtain entry in the commercial register or a

corresponding foreign register (see article 24 of the current Articles of Incorporation of the Company).

Elections and organization of the Board of Directors

The Shareholders' Meeting of the Company elects the members of the Board of Directors, the Executive Chairman of the Board of Directors, as well as the members of the Compensation and Nomination Committee. The Compensation and Nomination Committee may only consist of members of the Board of Directors. The Board of Directors may appoint a Vice-Chairman of the Board of Directors. The term of office of each member of the Board of Directors is one year.

The Executive Chairman presides over the Board of Directors. Furthermore, the Board of Directors appoints the members of the Executive Board.

The Board of Directors takes the view that the current dual functions of two members of the Board of Directors, Silvio Denz as Chairman of the Board of Directors and CEO of Lalique SA in France, as well as Roger von der Weid as CEO of Lalique Group SA are to the benefit of Lalique Group, facilitating efficient leadership and an excellent flow of information between shareholders, the Board of Directors and the Executive Board.

Definition of areas of responsibility

The Board of Directors has in particular the following non-transferable and inalienable duties and competencies

as required by law: the Board of Directors is ultimately responsible for the management of the Company. Accordingly, pursuant to the legal concept of the Swiss Code of Obligations, the Board of Directors has both executive and supervisory functions.

The ultimate management responsibilities include (i) issuing the Organizational Regulations (Organisationsreglement; règlement d'organisation), (ii) appointment and removal of the persons entrusted with the management and the representation of the Company, (iii) issuing principles for accounting and financial reporting, (iv) decisions and motions put to the Shareholders' Meeting, (v) determination of strategy, and (vi) establishment of the organization.

Supervising and monitoring the management includes

- establishing a suitable system of internal controls and receiving regular reports on the progress of business; and
- preparing the annual report and approving the annual financial statements and the half-year financial statements.

The Board of Directors is also responsible for preparing the Compensation Report and the Shareholders' Meeting and carrying out the shareholders' resolutions. Further, the Board of Directors must notify the court in case of capital loss and over-indebtedness.

Subject to the non-transferable and inalienable powers and duties mandatorily reserved to the Board of Directors pursuant to the Swiss Code of Obligations, as well as subject to the duties and competencies retained by the Board of Directors or delegated to one of the committees according to the Articles of Incorporation and the Organizational Regulations, the Board of Directors delegated the operational management activities to the members of the Executive Board.

The Board of Directors is quorate if at least half of the members are present and passes resolutions with the majority of votes cast. No such quorum is necessary for establishing resolutions in connection with share capital increases and amending the Articles of Incorporation in this context. In the event of a tie, the Executive Chairman has the deciding vote.

If no member of the Board of Directors requests a verbal debate, resolutions may also be passed by way of circular resolutions. Such resolutions have to be included in the minutes of the Board of Directors' meetings. The signatory powers of the members of the Board of Directors follow the entry in the commercial register. Currently, the members of the Board of Directors have joint signatory powers.

The Compensation and Nomination Committee consists of at least two members of the Board of Directors. The current members are Silvio Denz, Jan Kollros and Roland Weber. All members of the Compensation and Nomination Committee are individually elected by the Shareholders' Meeting for terms of one year. Re-election is permitted. The chairperson of the Compensation and Nomination Committee is appointed by the Board of Directors (article 26 section 3 of the current Articles of Incorporation of the Company).

The Compensation and Nomination Committee assists the Board of Directors in compensation-related matters, namely by:

- verifying compliance with the principles of compensation in accordance with the law, the Articles of Incorporation and the Organizational Regulations, as well as the resolutions of the Shareholders' Meeting regarding compensation;
- proposals to the Board of Directors for the establishment of principles, assessment criteria and qualitative and quantitative objectives for compensation within the framework of the requirements set out by law and in the Articles of Incorporation;
- calculation and proposals to the Board of Directors on the achievement of qualitative and quantitative targets for the assessment of variable compensation;
- proposals to the Board of Directors for the amounts of fixed and variable compensation for the members of the Board of Directors as well as the fixed and variable compensation for the members of the Executive Board;
- proposal to the Board of Directors regarding the Compensation Report;
- taking all further actions assigned to it by law, the Articles of Incorporation and the Organizational Regulations.

The Compensation and Nomination Committee is entitled to conduct investigations in all matters within its competence. In particular, it has full access, to the extent required for the fulfilment of its duties, to the employees, books and records of the Group and its subsidiaries. It may also request the services of independent advisors and experts to the extent required for the accomplishment of its duties.

The Audit Committee consists of at least two members of the Board of Directors. The current members are Philippe Vidal and Yugnesh Kumar Agrawal. All members of the Compensation and Nomination Committee are elected by the Board of Directors for terms of one year. Re-election is permitted. The purpose of the Audit Committee of the Board of Directors of the Company is to assist the Board of Directors in fulfilling its oversight responsibilities relating to the Company's financial accounting and controls.

The Audit Committee assists the Board of Directors in finance and accounting-related matters, namely by:

- supporting the Board of Directors in the fulfilment of its duties in the areas of accounting, financial planning and financial control systems by preparing and implementing the Board resolutions on these matters;
- supporting the Board of Directors in the nomination of the external auditors for proposal to the Shareholders' Meeting by evaluating candidates and making proposals to the Board of Directors;
- maintaining direct contact with the Company's external auditors, and determining the external auditors' responsibilities;
- assessing the effectiveness of the internal control systems, the state of compliance of the Company and submitting the necessary proposals to the Board of Directors;

- reviewing, and liaising with the CFO and the Consolidation Manager as needed, the Company's and/or the Group's annual report, the annual financial statements and related resolutions, and deciding whether to recommend them to the Board of Directors for presentation to the Shareholders' Meeting;
- reviewing the Company's and/or the Group's half-year and full-year financial statements and liaising with the CFO and the Consolidation Manager as needed;
- assessing the performance of the external auditors and ascertaining their independence;
- if requested by the Board of Directors, providing periodic reports to the Board of Directors on its activities and performance, and submitting the necessary proposals.

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

Information and control instruments vis-à-vis the Executive Board

During every meeting of the Board of Directors the CEO reports on the general course of business. Deviations from the expected course of business and significant occurrences are reported. The members of the Board of Directors receive monthly reports on the development of gross sales in the different business lines, quarterly consolidated profit and loss statements, as well as weekly treasury updates.

The Board of Directors is briefed directly by the CEO on the ongoing strategic and operational projects and the results achieved. Besides information relating to the annual budget, the Board of Directors is also given a projection of the expected annual results once or twice a year.

Furthermore, the Executive Chairman of the Board of Directors maintains close contact with the CEO and the members of the Executive Board. The course of business and all major issues of corporate relevance are discussed at regular meetings. The Executive Chairman of the Board of Directors is closely involved with the Company and focuses his attention primarily on strategic issues and projects. Each member of the Board of Directors can request information on the course of the Company's business from persons entrusted with management of the Company. Any unexpected incidents must be reported to the members of the Board of Directors, either by the CEO or the Executive Chairman, without delay.

Executive Board

Members of the Executive Board

In accordance with Swiss Law, the Articles of Incorporation and the Organizational Regulations, and subject to those affairs that lie within the responsibility of the Board of Directors by law, the Articles of Incorporation and the Organizational Regulations, the Board of Directors has delegated operational management to the Executive Board.

Besides the functions of Group CEO and Group CFO, the Executive Board of the Group is split into an Executive Board of the Beauty division and an Executive Board of the Lalique division. The Beauty division Executive Board and the Lalique division Executive Board together are defined as the Executive Board.

As of 31 December 2022, Roger von der Weid held the position of Group CEO and Alexis Rubinstein that of Group CFO. For the curriculum vitae of Roger von der Weid see "Members of the Board of Directors"; for Alexis Rubinstein see "Members of the Executive Board".

Operational structure

BOARD OF DIRECTORS LALIQUE GROUP

Silvio Denz, Executive Chairman; Roland Weber, Vice-Chairman; Roger von der Weid, Delegate and CEO; Claudio Denz, Member; Jan Kollros, Member; Philippe Vidal, Member, Yugnesh Kumar Agrawal, Member

GROUP CEO

Roger von der Weid

GROUP CFO

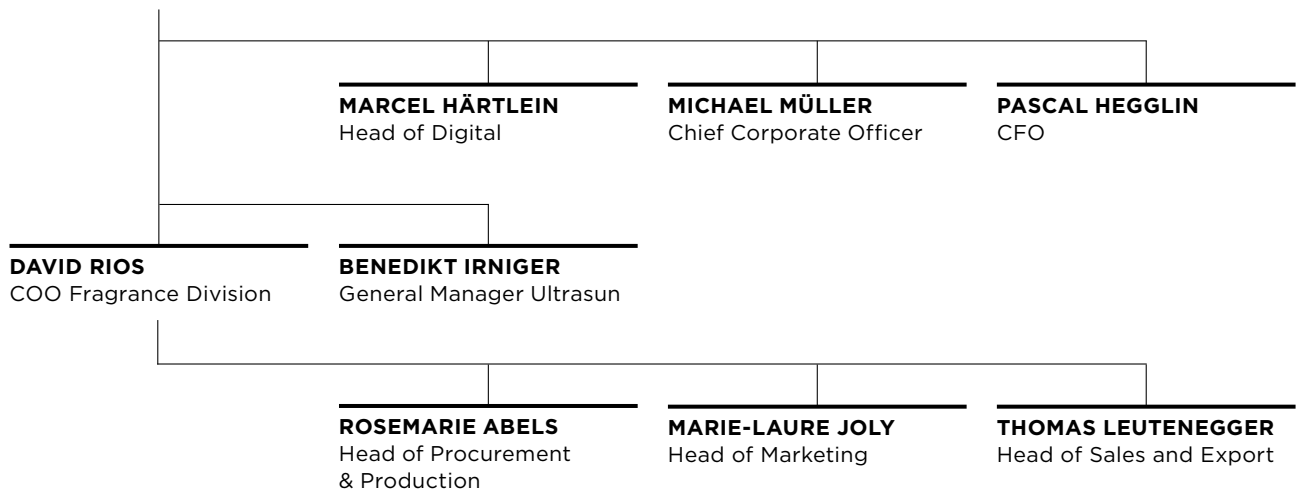
Alexis Rubinstein

AUDITORS

Deloitte AG

BEAUTY DIVISION**Executive Board**

ROGER VON DER WEID
CEO



The Beauty Division Executive Board comprises the following nine individuals:

NAME	NATIONALITY	PLACE OF RESIDENCE	YEAR OF APPOINTMENT	YEAR OF BIRTH	POSITION
von der Weid, Roger	Switzerland	Switzerland	2006	1970	CEO
Müller, Michael	Switzerland	Switzerland	2017	1978	Chief Corporate Officer
Hegglin, Pascal	Switzerland	Switzerland	2022	1987	CFO Laliq Beauty
Rios Lopez, David	Switzerland/Ecuador	Switzerland	2015	1975	COO Fragrance Division
Abels, Rosemarie	Switzerland/Germany	Switzerland	2010	1967	Head of Procurement & Production
Joly, Marie-Laure	France	Switzerland	2013	1969	Head of Marketing
Leutenegger, Thomas	Switzerland	Switzerland	2016	1968	Head of Sales and Export
Härtlein, Marcel	Switzerland	Switzerland	2022	1976	Head of Digital
Irniger, Benedikt	Switzerland	Switzerland	2013	1972	General Manager Ultrasun

Härtlein, Marcel, Group Head Digital is a Swiss citizen currently residing in Switzerland.

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

Müller, Michael, Chief Corporate Officer, is a dual Swiss and German citizen currently residing in Switzerland.

Michael Müller has served as Chief Corporate Officer for Lalique Group since 2022. Prior to this function he was the CFO of Lalique Beauty since 2017. Before joining the Group, he worked as Head of Finance and Head of Controlling in various industries in Switzerland and Asia. Michael Müller has 20 years experience in Finance and Consulting and holds a master's degree in business administration from the University of St. Gallen (HSG).

Pascal Hegglin, CFO Lalique Beauty, Swiss citizen currently residing in Switzerland.

He has served as CFO of Lalique Beauty since 2022. Prior to assuming his current position as CFO, he worked for four years in other functions within the Group e.g. as Head of Group Accounting and Consolidation. Before joining the Group, he worked as Group Accounting and Consolidation Manager in various industries in Switzerland. Pascal Hegglin has 12 years experience in finance and auditing and holds a master's degree in accounting and finance from the University of St. Gallen (HSG).

Rios Lopez, David, COO Fragrance Division, is a dual Swiss and Ecuadorian citizen currently residing in Switzerland.

In 2006, David Rios Lopez joined Lalique Group SA. Before his appointment as Chief Operating Officer of the Fragrance Division in 2015, he was an Area Sales Manager and subsequently took further responsibilities as Vice-President of Sales and Head of Sales and Export. Prior to joining the Group, he worked as Business Development Manager for Elizabeth Arden International in Geneva, Switzerland, for seven years. David Rios Lopez holds a postgraduate diploma in business administration from the Université d'Angers, France, and a Bachelor of Arts in business administration from the Catholic University of Santiago de Guayaquil, Ecuador.

Abels, Rosemarie, Head of Procurement and Production, is a dual German and Swiss citizen currently residing in Switzerland.

In 2010, Rosemarie Abels returned to Lalique Group SA as Head of Procurement and Production, after having worked at Intereurope GmbH and Scooter Fashion as Head of Purchasing for the previous three years. From 2001 to 2006, Rosemarie Abels had already been employed by the Group as Head of Procurement. Besides her current position as Head of Procurement and Production, Rosemarie Abels acts as Managing Director (directrice générale) of Lalique Beauty Services, Ury, France (since February 2014). Rosemarie Abels graduated in industrial management.

Joly, Marie-Laure, Head of Marketing, is a French citizen currently residing in Switzerland.

Marie-Laure Joly joined Lalique Group SA in 2013 as Head of Marketing in charge of the management and development of the Group's perfume brands. In 2016, the areas of trade and retail marketing were added to Marie-Laure Joly's areas of responsibility. Prior to her engagement for the Group, she worked in marketing for various international companies including Triumph, La Prairie, Rochas, Dior and Hermès. She has a total of 25 years' experience in the luxury goods industry. Marie-Laure Joly holds a master's degree in fashion and art marketing from IFM, Paris (1992), and a bachelor's in international business.

Leutenegger, Thomas, Head of Sales & Export, is a Swiss citizen currently residing in Switzerland.

Thomas Leutenegger joined Lalique Group SA in 2016 in his current role as Head of Sales & Export. Prior to his engagement with the Group, he worked as Regional Manager Asia/Pacific for Rado S.A. (Swatch Group) in Lengnau, Switzerland. Previously, he worked for Calida AG as Head of Wholesale until 2009, for Prionics AG, Schlieren, in the role of Area Director from 2004 to 2007 and in various national and international capacities within the Unilever Group from 1995 to 2003. Thomas Leutenegger holds a master's degree in business administration from the University of St. Gallen (HSG).

Irniger, Benedikt, General Manager Ultrasun, is a Swiss citizen currently residing in Switzerland.

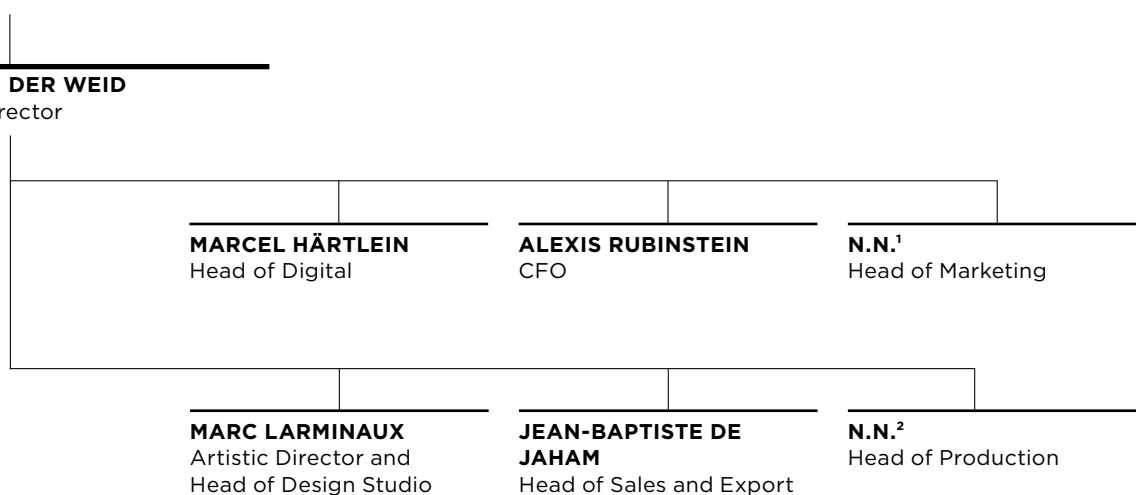
Benedikt Irniger joined Ultrasun in March 2013 as General Manager, after having worked for seven years for Kraft Foods (today: Mondelez) and seven years for Johnson & Johnson in brand/product management, sales and trade marketing roles in the FMCG and OTC sector. Benedikt Irniger graduated in business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

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

Chairman of the Board of Directors
& CEO

ROGER VON DER WEID

Managing Director



¹ The position as Head of Marketing will be newly occupied as of May 2023

² The position as Head of Production will be newly occupied as of June 2023

The Lalique Division Executive Board comprises the following eight individuals:

NAME	NATIONALITY	PLACE OF RESIDENCE	YEAR OF APPOINTMENT	YEAR OF BIRTH	POSITION
Denz, Silvio	Switzerland/Italy	Switzerland	2007	1956	Chairman and CEO
von der Weid, Roger	Switzerland	Switzerland	2006	1970	Managing Director
Rubinstein, Alexis	France	France	2014	1981	CFO
Larminaux, Marc	France	France	2013	1976	Artistic Director and Head of Design Studio
De Jaham, Jean Baptiste	France	France	2016	1967	Head of Sales
Härtlein, Marcel	Switzerland	Switzerland	2022	1976	Head of Digital
N.N.					Head of Marketing
N.N.					Head of Production

For the curricula vitae of Silvio Denz and Roger von der Weid see “Board of Directors”.

For the curriculum vitae of Marcel Härtlein see “Beauty Division Executive Board”.

Rubinstein, Alexis, Group CFO served as Chief Financial Officer of the Lalique division from 2014, before being nominated Group CFO in 2017. Before his commitment to the Group, he worked as a financial auditor specializing in due diligence from 2003 to 2008. Afterwards, Alexis Rubinstein spent over six years as an Auditing Director, working on various consulting commissions, particularly in external financial interim management and industrial controlling. He gained a master's degree in finance from IPAG Business School Paris in 2003.

Larminaux, Marc, Artistic Director and Head of Design Studio, is a French citizen currently residing in France. Marc Larminaux joined Lalique in 2002 as a Junior Designer. He took on further responsibilities over the years as a Senior Designer before being appointed Head of Design Studio in 2013 and Artistic Director in 2016. Marc Larminaux previously worked as a Graphic Designer in London for Keenan Design and as a Freelance Digital and Multimedia Designer for UNESCO. He holds a BTS in Ceramics and Glass Design from ENSAAMA (Olivier de Serres), Paris and a master's degree in industrial design from Central Saint Martins College, London.

De Jaham, Jean Baptiste, Head of Sales, is a French citizen currently residing in France. Jean Baptiste de Jaham is Head of Sales, responsible for Lalique's international sales operations. Before joining Lalique in 2016, he worked at Yves Delorme's subsidiary in Charlottesville, USA, as CEO of YD Inc. (2006 to 2008) and later worked as an International Sales Director in Paris (2013 to 2016). Prior to this, he worked as Sales Director and Area Manager for Hermès, Paris, France (1997 to 2006), and as Area Manager for LVMH Group, Paris, France (1991 to 1997). Jean Baptiste de Jaham holds a degree in finance and marketing from ACI in Paris, France and from Esucomex Santiago, Chile.

Other activities and vested interests

With the exception of the positions listed above, none of the members of the Executive Board holds any material permanent management or consultancy function or engages in any activities of relevance to corporate governance in:

- governing or supervisory bodies of important organizations, institutions or foundations under private or public law;
- a permanent management or consultancy capacity for important interest groups;
- a public or political office.

Rules in the Articles of Incorporation on the number of permitted activities pursuant to article 12 para. 1 item 1 of the Ordinance against Excessive Compensation in Listed Stock Companies (OaEC)

The members of the Executive Board may only assume the following maximum number of mandates in management or administrative bodies of entities and organizations subject to the approval of the Executive Chairman: up to two additional mandates in listed entities, up to two mandates in non-listed entities, up to two mandates upon instruction of the Company in entities which are not directly or indirectly controlled by the Company, and up to ten mandates in charity organizations, associations or foundations and other non-profit organizations.

Several mandates in different entities under uniform control are considered as one mandate. There is no restriction for mandates in entities which are directly or indirectly controlled by the Company as well as entities which are not obliged to obtain entry in the commercial register or a corresponding foreign register (see article 22 of the current Articles of Incorporation of the Company).

Management contracts

The Company has not entered into any management contracts with third parties that fall within the scope of subsection 4.4 of the SIX Directive on Information relating to Corporate Governance.

Compensation, shareholdings and loans

In accordance with the Swiss Code of Obligations and the SIX Directive on Information relating to Corporate Governance, the compensation and shareholdings of members of the Board of Directors, as well as the members of the Executive Board and any loans extended to them, are presented and discussed in the separate "Compensation Report", which is part of the consolidated financial statements of Lalique Group's annual report 2022.

Shareholder participation

Voting rights restrictions and representation

Holders of registered shares are registered on request in the Company's share register, subject to their signature of a written statement expressly confirming that they have acquired the shares in their own name and for their own account. All shareholders entered in the share register of the Company with voting rights are entitled to attend and vote at the Shareholders' Meeting. Each registered share entitles the holder to one vote. No restrictions on voting rights exist. Each shareholder may arrange to be represented at the Shareholders' Meeting by a representative or by the independent proxy. Any such representative must be identified by means of a written power of attorney.

Quorums required by the Articles of Incorporation

Unless otherwise stipulated by mandatory law or by provisions contained in the Articles of Incorporation, the Shareholders' Meeting passes its resolutions and confirms elections by an absolute majority of the votes represented. Abstentions are disregarded for the purpose of assessing a majority.

Convocation of the Shareholders' Meeting

Ordinary Shareholders' Meetings are convened by the Board of Directors, or, if necessary, by the auditors or a liquidator and must be held annually within six months of the close of the Company's fiscal year.

Extraordinary Shareholders' Meetings shall take place as necessary, in particular in those cases stipulated by law. These meetings are called by the Board of Directors or, if necessary, by the auditors or a liquidator.

Invitations to the Shareholders' Meeting are issued in writing at least 20 days in advance, together with an announcement in the Company's official publication medium, the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt, SHAB/Feuille Officielle Suisse du Commerce, FOOSC)

For organizational reasons, only those shareholders entered in the share register on the day before invitations are sent may attend the Shareholders' Meeting. Shareholders are entitled to receive dividends and to lay claim to the rights stipulated in the Swiss Code of Obligations.

Inclusion of items on the agenda

The invitation to the Shareholders' Meeting contains in particular the agenda items, petitions by the Board of Directors and a short explanation of these, and any petitions submitted by shareholders who have convened the Shareholders' Meeting or requested the inclusion of an item in the agenda, if any.

Entries in the share register

Shareholders will be registered with a right to vote in the share register of Laliq Group SA until the record date set by the Board of Directors for each Shareholders' Meeting. The register date for the Ordinary Shareholders' Meeting is specified in the invitation and is set approximately two weeks before the meeting. Only shareholders who hold shares registered in the share register with a right to vote on the register date—or their representatives—are entitled to vote. Unless other cut-off dates are stipulated by the Board of Directors, no entries in the share register are permitted as from the date of dispatch of the invitations to the Shareholders' Meeting until the day after the date of the meeting.

Changes of control and defence measures

Duty to make an offer

According to the Swiss Financial Market Infrastructure Act (FinMIA), shareholders or a group of shareholders acting in concert who acquire more than 33.3% of the voting rights of a company domiciled in Switzerland and listed on an exchange in Switzerland are required to issue a public offer to acquire all listed equity securities of that company.

The Articles of Incorporation of Laliq Group SA do not allow for an opting-up or opting-out clause.

Clauses on changes of control

There are no change-of-control agreements with members of the Board of Directors or the Management Board or other executives.

Auditors

Duration of the mandate and term of office of the lead auditor

The Shareholders' Meeting of Lalique Group SA appointed Deloitte AG (CHE-101.377.666) in Zurich as its statutory auditor for the first time in 2020. According to the Articles of Incorporation of the Company, the auditors must be reappointed or confirmed each year by the Shareholders' Meeting. Christian Krämer, a Swiss certified accountant, is the lead auditor and held this position for the audit of the 2022 financial statements.

Auditing fees

The fees of Deloitte AG for professional services related to the audit of the Group's annual accounts for the year 2022 were CHF 362 042. This amount includes fees for the audit of Lalique Group SA and its subsidiaries, and of the consolidated financial statements.

Information instruments pertaining to the external audit

Supervision and control of auditors' performance is exercised by the whole Board of Directors. Before the interim audit, auditors prepare an audit plan. Based on an analysis of current business and audit risks, the main points to be audited are proposed in this plan. The scope of the audit is defined in an engagement letter.

The report on the final audit for the annual financial statement is dispatched to all members of the Board of Directors after the end of each reporting year. It is discussed with the auditors prior to approval of the annual report.

Auditors' direct access to the Board of Directors is guaranteed at all times. The auditor meets with the executive member of the Board of Directors and CEO during the year on an ad-hoc basis.

Information policy

Lalique Group undertakes to pursue an open, transparent and consistent information policy, publishing half-year and annual results in compliance with the requirements of the SIX Swiss Exchange. In addition to the detailed information published in conjunction with the Shareholders' Meeting, the Company also provides information on current events and developments through press releases, which are archived on the Company website at www.lalique-group.com. As a company listed on SIX Swiss Exchange, Lalique Group SA complies with the rules governing ad-hoc publicity, i.e. it is obligated to disclose potentially price-sensitive events and developments. The CEO is responsible for communication with investors.

The official publication medium of Lalique Group SA is the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt, SHAB/Feuille Officielle Suisse du Commerce, FOSC).

E-mails can be sent to investor.
relations@lalique-group.com at any time.

Events calendar

- Annual Shareholders' Meeting:
31 May 2023
- Publication of Half-Year Results 2022:
14 September 2023





Financials

3	Management Comment	58	Compensation awarded to the Executive Board
5	Consolidated Income Statement	59	Shares held by members of management bodies
5	Consolidated statement of Comprehensive Income	60	Loans and credit
6	Consolidated Balance Sheet	61	Report of the statutory auditor on the remuneration report
7	Consolidated Cash Flow Statement	65	Income statement
8	Consolidated Statement of Changes in Equity	66	Balance sheet
9	Notes to the consolidated financial statements	67	Notes to the financial statements
50	Report of the statutory auditor on the consolidated financial statements	70	Proposal for the allocation of retained earnings as of 31 December 2022
55	Compensation governance	71	Report of the statutory auditor on the financial statements
56	Compensation awarded to the Board of Directors		

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
50	Report of the statutory auditor on the consolidated financial statements

Management Comment

In 2022 Lalique Group operating revenue of EUR 170.0 million in 2022, an increase of 20% compared to the previous year. EBIT rose to EUR 13.2 million, or EUR 11.5 million excluding extraordinary income recorded in the first half of 2022, and the EBIT margin was 7.7% or 6.8%, respectively. The Board of Directors will propose an increased dividend of CHF 0.50 per share to the 2023 Annual General Meeting. Lalique Group expects to achieve further sales growth in the low 10% range for 2023, while profitability is likely to be slightly lower than in 2022 due to higher costs, especially for energy.

In line with the preliminary announcement on 14 March 2023, Lalique Group reported a strong, broad-based increase in sales for the 2022 financial year, as expected. This result reflects contributions from all of its business segments, which generated double-digit growth rates. Like in the prior year, the perfume business was a particularly strong driver of growth. Overall, Lalique Group's operating revenue increased by 20% compared to 2021 to reach EUR 170.0 million. As previously announced, this includes extraordinary income of EUR 1.7 million recorded in the first half of 2022 in connection with the resolution of a legal matter.

Developments on the cost side reflect higher business volumes, the expansion of the business and intensified marketing and sales activities compared to the reduced cost base in the prior year as a result of lockdown-related closures. The Group also increased its production capacity in 2022 with a view to driving future growth. This included investing in a more powerful and efficient melting furnace and increasing resources in the area of cold glass production at the Lalique manufacture as well as in a new mash tun at the whisky distillery. Personnel costs totalled EUR 42.0 million, an increase of 22% compared to the prior year. Other operating expenses totalled EUR 27.8 million, corresponding to an increase of 28%. At EUR 15.7 million, depreciation and amortisation were 10% higher than in the prior year.

Earnings before interest and taxes (EBIT) rose to EUR 13.2 million in 2022, compared to EUR 9.6 million in the prior year. The EBIT margin improved to 7.7%, compared to 6.8% in 2021. Excluding the above-mentioned extraordinary income of EUR 1.7 million, Lalique Group grew its EBIT by 19% to EUR 11.5 million in the year under review, with an EBIT margin of 6.8%. Net Group profit rose to EUR 9.6 million in the year under review, compared to EUR 6.8 million in the prior year.

Lalique Group continues to have a solid liquidity and capital position with an equity ratio of 50.0% at the end of 2022 (2021: 50.9%).

SEGMENT RESULTS

The Lalique segment recorded sales of EUR 95.7 million in 2022, an increase of 12% compared to the strong prior year. The segment's two main pillars, the perfume business and the crystal business, increased their sales by a further 13% and 11%, respectively, and they delivered geographically broad-based growth. The gastronomy and hospitality business also experienced a good level of demand. The two hotels/restaurants—Villa René Lalique and Château Hochberg—as well as the Hotel & Restaurant Château Lafaurie-Peyraguey Lalique, which was acquired in July 2021, contributed to this growth. Personnel costs rose by 20% compared to 2021, and other operating expenses grew by 32%. These costs increased as business activities intensified again compared to the pandemic phase. The rise in costs also reflects the above-mentioned investments in production capacity in the crystal manufacturing business and costs related to the operations of the Hôtel & Restaurant Château Lafaurie-Peyraguey Lalique, which were recognised on a full-year basis for the first time. EBIT was EUR 4.3 million (EUR 2.6 million excluding the above-mentioned extraordinary income), compared to EUR 5.8 million in the prior year.

Ultrasun generated sales of EUR 14.8 million in 2022. This corresponds to an increase of 13% compared to the prior year, during which the demand for sunscreen products was impacted by restrictions on holidays and travel due to the pandemic. Although Ultrasun returned to a growth path, the segment's sales nevertheless remained below the pre-pandemic level (2019: EUR 21.8 million). The brand experienced a further strong increase in online sales. The gross margin increased compared to the previous year, which was impacted by clearance sales and the removal of older products that could no longer be sold. Costs rose by 9% overall, and profitability at EBIT level was EUR 0.5 million (2021: EUR -1.1 million).

The Jaguar Fragrances segment was able to maintain the previous year's strong growth and generated sales of EUR 26.4 million (+28%). This was driven by broad demand in Europe and pleasing results in India. EBIT rose to EUR 4.3 million (2021: EUR 3.5 million).

The Glenturret segment achieved a 54% increase in sales to EUR 7.6 million in 2022, reflecting renewed growth in the sale of whisky, although the launch of a new whisky range in the second half of the year took place later than originally planned. The distillery's visitor centre and shop, which were renovated in the Lalique style in the previous year, and The Glenturret Lalique Restaurant, which opened in July 2021, also contributed to the increase in sales. The expansion of the offering led to higher costs, as expected. EBIT in the year under review was EUR -0.9 million (2021: EUR -1.8 million).

Among the other brands, Bentley Fragrances saw another significant increase in sales, which rose by 59% on the back of its strong international brand presence. Parfums Samourai generated further growth in the Japanese market, with sales rising by 14%, and Parfums Grès, with key markets in Latin America, reported a 4% increase in sales. Both brands thus came close to pre-pandemic levels. Brioni Parfums generated a substantial increase in sales in 2022, partly driven by the launch of the third Brioni fragrance. The perfume filling and logistics business Lalique Beauty Services grew its sales by 19% compared to the prior year. The segment's EBIT was EUR 5.4 million (2021: EUR 3.2 million).

DIVIDEND PROPOSAL

In view of the good financial result for the 2022 financial year, the Board of Directors will propose the distribution of dividend of CHF 0.50 per share to the Annual General Meeting of 31 May 2023 (2021 financial year: CHF 0.40 per share). It is planned that half of the distribution will take the form of an ordinary dividend, with the other half being paid out of capital contribution reserves (free of Swiss withholding tax).

OUTLOOK

The uncertainty surrounding the global economic environment and the geopolitical situation has continued in 2023 and it is likely to persist for the foreseeable future. Lalique Group will continue to systematically execute its diversification strategy as the breadth of its business has proven to be a strength in a global economic environment characterized by challenges and uncertainties.

Lalique Group will continue to move ahead with selected product launches and projects in the current year. In the perfume business, this includes the launch of new Lalique, Jaguar, Bentley and Brioni fragrances. Lalique and The Glenturret will also present a further collaboration with the artist James Turrell.

Preparations are underway this year for the planned launch in spring 2024 of the first fragrance under the perfume licence agreement with the global fashion brand Superdry. In addition, the Group wants to seize further opportunities to promote the Lalique brand through the world of experiences offered by its gastronomy and hospitality business. As announced in July 2022, Lalique Group will run "Villa Florhof", a Zurich hotel steeped in tradition, in the future. It is planned that the hotel will reopen in autumn 2024. Preparations are also being carried out this year for the relaunch of the Fabric Frontline silk label, which is scheduled for 2024. The acquisition of Fabric Frontline was announced in September 2022. Further, Lalique's new flagship store at St. Peterstrasse 16 in Zurich will open its doors shortly, marking the completion of the move from the existing location in Talstrasse.

Excluding unforeseeable events, Lalique Group expects to generate sales growth in the low 10% range for the full year 2023, while profitability is likely to be slightly lower than in 2022 due to higher costs, especially for energy.

LALIQUE GROUP

Lalique Group is a niche player in the creation, development, marketing and global distribution of luxury goods. Its business areas comprise perfumes, cosmetics, crystal, jewellery, high-end furniture and lifestyle accessories, along with art, gastronomy and hospitality as well as single malt whisky. Founded in 2000, the company employs approx. 770 staff and has its headquarters in Zurich. The Lalique brand, from which the Group derives its name, was created in Paris in 1888 by the master glassmaker and jewellery designer René Lalique. The registered shares of Lalique Group (LLQ) are listed on the SIX Swiss Exchange.

Consolidated Income Statement

IN EUR THOUSANDS	REF.	2022	2021
Revenue from contracts with customers	4	167 530	138 645
Other operating income	5	2 471	3 306
Revenue and other operating income		170 001	141 951
Material costs, licences and third-party services	6	-71 287	-61 789
Gross result		98 714	80 162
Salaries and wages	7	-42 034	-34 554
Other operating expenses	8	-27 819	-21 763
EBITDA		28 861	23 845
Depreciation and amortization/impairment	16/17	-15 707	-14 226
EBIT		13 154	9 619
Financial income	9	100	44
Financial expenses	9	-1 891	-1 517
Net foreign exchange differences	9	-210	396
Group profit before taxes		11 153	8 542
Income taxes	10	-1 511	-1 722
NET GROUP PROFIT		9 642	6 820
of which attributable to:			
Non-controlling interests	27	-12	-1 367
Owners of the parent company		9 654	8 187
Earnings per share basic/diluted (in EUR)	11	1.35	1.14

Consolidated Statement of Comprehensive Income

IN EUR THOUSANDS	REF.	2022	2021
NET GROUP PROFIT		9 642	6 820
Foreign currency translation		442	6 874
Items that may be reclassified subsequently to the income statement, net of tax		442	6 874
Remeasurements of pension plans	19	2 511	345
Deferred tax on remeasurement of pension plans		-506	-67
Items that will not be reclassified subsequently to the income statement, net of tax		2 005	278
Other comprehensive income, net of tax		2 447	7 152
TOTAL COMPREHENSIVE INCOME		12 089	13 972
of which attributable to:			
Non-controlling interests		-1 643	146
Owners of the parent company		13 732	13 826

Consolidated Balance Sheet

ASSETS

IN EUR THOUSANDS	REF.	31.12.22	31.12.21
Cash and cash equivalents	12	40 147	48 256
Trade accounts receivable	13	20 088	17 489
Inventories	14	86 505	80 031
Other receivables	15	7 068	7 363
Total current assets		153 808	153 139
Intangible assets	16	98 680	88 121
Property, plant and equipment	17	94 851	80 293
Financial assets	18	1 730	1 050
Other non-current assets	18	5 502	5 481
Deferred tax assets	25	3 223	3 906
Total non-current assets		203 986	178 851
TOTAL ASSETS		357 794	331 990

LIABILITIES AND EQUITY

IN EUR THOUSANDS	REF.	31.12.22	31.12.21
Bank overdrafts	12	29 487	26 852
Trade accounts payable		22 996	18 921
Current provisions	22	327	820
Income tax liabilities		2 454	1 269
Other current liabilities	20	30 664	39 478
Total current liabilities		85 928	87 340
Other non-current liabilities	21	12 272	1 219
Non-current provisions	22	1 096	1 437
Non-current financial liabilities	23	47 286	35 864
Defined benefit obligation	19	3 173	5 432
Deferred tax liabilities	25	11 350	12 236
Total non-current liabilities		75 177	56 188
Total liabilities		161 105	143 528
Share capital	26	1 204	1 204
Capital reserves	26	83 984	85 378
Retained earnings	26	93 569	82 305
Total equity attributable to owners of the parent company		178 757	168 887
Non-controlling interests	27	17 932	19 575
Total equity		196 689	188 462
TOTAL LIABILITIES AND EQUITY		357 794	331 990

Consolidated Cash Flow Statement

IN EUR THOUSANDS	REF.	2022	2021
Group profit before taxes		11 153	8 542
Depreciation and amortization/impairment	16/17	17 675	15 745
Early termination of lease contracts		-	12
Change in defined benefit obligation		-381	-127
Change in provisions		-860	-811
Financial income	9	-100	-44
Financial expenses	9	1 891	1 517
Net foreign exchange differences	9	210	-396
Other non-cash items		-162	38
Cash flow from operations before change in net current assets		29 426	24 476
Decrease (+)/increase (-) in trade accounts receivable		-1 997	-1 692
Decrease (+)/increase (-) in inventories		-5 000	1 451
Decrease (+)/increase (-) in other receivables		-886	2 753
Increase (+)/decrease (-) in trade accounts payable		3 813	614
Increase (+)/decrease (-) in other non-financial current liabilities		2 477	-846
Interest paid		-1 054	-1 430
Tax paid		-1 422	-1 149
Interest received		29	3
Cash flow from operating activities		25 386	24 180
Investments in subsidiaries net of cash acquired ¹		-	-4 118
Investments in property, plant and equipment	17	-15 168	-6 643
Sale of property, plant and equipment	17	3	8
Investments in intangible assets	16	-884	-478
Net cash flow financial assets		-640	-402
Cash flow from investing activities		-16 689	-11 633
Capital contribution from NCI shareholders		-	34
Reduction in short term NCI shareholder loans	23	-544	-
Receipt of/increase in short term NCI shareholder loans	23	322	198
Receipt of/increase in NCI shareholder loans	23	3 429	786
Purchase of treasury shares		-1 074	-357
Net cash flow from bank overdrafts	23	1 345	-18 632
Repayment of principal amount of lease liabilities	23	-7 213	-7 073
Repayments/outflows other current financial liabilities	23	-18 789	-3 194
Proceeds/inflows other current financial liabilities	23	826	1 391
Repayments/outflows other non-current liabilities	23	-	-6 991
Proceeds/inflows other non-current liabilities	23	6 133	1 222
Dividend payment		-2 788	-
Cash flow from financing activities		-18 353	-32 616
Exchange differences on cash and cash equivalents		1 547	1 628
Decrease/increase in cash and cash equivalents		-8 109	-18 441
Balance of cash and cash equivalents as at 01.01.	12	48 256	66 697
Balance of cash and cash equivalents as at 31.12.	12	40 147	48 256

¹ Net cash flow for share acquisition Château Lafaurie Peyraguey Hotel & Restaurant SAS in 2021

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 01.01.2021	1 204	85 378	-551	-1 407	71 992	156 616	18 195	174 813
Net Group profit	-	-	-	-	8 187	8 187	-1 367	6 820
Foreign currency translation	-	-	-	5 361	-	5 361	1 513	6 874
Remeasurement IAS 19 (incl. tax)	-	-	-	-	278	278	0	278
Other comprehensive income	-	-	-	5 361	278	5 639	1 513	7 152
Total comprehensive income	-	-	-	5 361	8 465	13 826	146	13 972
Capital contribution from NCI shareholders	-	-	-	-	-	-	34	34
Effect of capital contribution in subsidiaries with NCI	-	-	-	-	-1 200	-1 200	1 200	-
Purchase of treasury shares	-	-	-357	-	-	-357	-	-357
BALANCE AS AT 31.12.2021	1 204	85 378	-908	3 954	79 257	168 885	19 575	188 462
BALANCE AS AT 01.01.2022	1 204	85 378	- 908	3 954	79 257	168 885	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 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	89 518	178 755	17 932	196 689

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

Notes to the consolidated financial statements

1. INFORMATION ON THE COMPANY

These Consolidated Financial Statements of Lalique Group SA and its subsidiaries (collectively, the Group or Lalique Group) for the year ended 31 December 2022 were approved by the Board of Directors on 18 April 2023 and recommended for approval by the General Meeting of Shareholders on 31 May 2023.

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

Lalique Group is a niche player in the creation, development, marketing and global distribution of luxury goods. Its business areas comprise perfumes, cosmetics, crystal, jewellery, high-end furniture and lifestyle accessories, along with art, gastronomy and hospitality as well as single malt whisky. Founded in 2000, the company employs approx. 770 staff (full time equivalents) and has its headquarters in Zurich. The Lalique brand, from which the Group derives its name, was created in Paris in 1888 by the master glassmaker and jewellery designer René Lalique. The registered shares of Lalique Group (LLQ) are listed on the SIX Swiss Exchange.

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

2. ACCOUNTING POLICIES

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

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

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

New accounting policies

The IASB has published the following new amendments to existing standards and interpretations that are effective for the 2022 financial statements:

STANDARD/ INTERPRETATION	DESIGNATION	EFFECTIVE DATE
IAS 37	Onerous Contracts— Costs of Fulfilling a Contract— Amendments	1 January 2022
IFRS 3	Reference to the Conceptual Framework— Amendments	1 January 2022
IAS 16	Property, Plant and Equipment: Proceeds before Intended Use— Amendments	1 January 2022
IFRS 1	First-time Adoption of International Financial Reporting Standards (Subsidiary as a first-time adopter)	1 January 2022
IFRS 9	Financial Instruments (Fees in the “10 per cent” test for derecognition of financial liabilities)	1 January 2022
IAS 41	Agriculture (Taxation in fair value measurements)	1 January 2022
IFRS 16	Removal of the illustrative example of reimbursement of leasehold improvements by the lessor (Illustrative Example 13 accompanying IFRS 16)	1 January 2022

Onerous Contracts— Costs of Fulfilling a Contract— Amendments to IAS 37

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

These amendments had no impact on the consolidated financial statements of the Group as no onerous contracts exist.

Reference to the Conceptual Framework— Amendments to IFRS 3

The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements. The amendments add an exception to the recognition principle of IFRS 3 Business Combinations to avoid the issue of potential "day 2" gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date. The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date. In accordance with the transitional provisions, the Group applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period.

These amendments had no impact on the consolidated financial statements of the Group as there were no contingent assets, liabilities or contingent liabilities within the scope of these amendments that arose during the period.

Property, Plant and Equipment: Proceeds before Intended Use—Amendments to IAS 16 PPE

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

In accordance with the transitional provisions, the Group applies the amendments retrospectively only to items of PPE made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment (the date of initial application).

These amendments had no impact on the consolidated financial statements of the Group as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

IFRS 1 First-time Adoption of International Financial Reporting Standards—Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported in the parent's consolidated financial statements, based on the parent's date of transition to IFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

These amendments had no impact on the consolidated financial statements of the Group as it is not a first time adopter.

IFRS 9 Financial Instruments—Fees in the "10 per cent" test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39 *Financial Instruments: Recognition and Measurement*.

In accordance with the transitional provisions, the Group applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application).

These amendments had no impact on the consolidated financial statements of the Group as there were no modifications of the Group's financial instruments during the period.

IAS 41 Agriculture—Taxation in fair value measurements

The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.

These amendments had no impact on the consolidated financial statements of the Group as it did not have assets in scope of IAS 41 as at the reporting date.

Standards published but not yet effective

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

STANDARD/ INTERPRETATION	DESIGNATION	EFFECTIVE DATE	PLANNED APPLICATION BY LALIQUE GROUP
IFRS 17	Insurance Contracts—including amendments to IFRS 16	1 January 2023	2023 business year
IAS 1	Presentation of Financial Statements (Amendments to Classification of Liabilities as Current or Non-current including Deferral of Effective Date)	1 January 2024	2024 business year
	(Amended by Non-current Liabilities with Covenants)	1 January 2024	2024 business year
IAS 8	Operating Segments (Definition of Accounting Estimates—Amendments to IAS 8)	1 January 2023	2023 business year
IAS 12	Income Taxes (Deferred Tax related to Assets and Liabilities arising from a Single Transaction—Amendments to IAS 1 and IFRS Practice Statement 2)	1 January 2023	2023 business year
IFRS 16	Amended by Lease Liability in a Sale and Leaseback	1 January 2024	2024 business year

Consolidation principles and consolidated companies

The Consolidated Financial Statements comprise the financial statements of Laliq 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 presented on the same balance sheet date as those of the parent company.

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

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

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

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

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

received using the book values (carrying amounts) of those assets and liabilities determined by applying IFRS accounting standards. Costs incurred in the course of a business combination under common control are recognized as expenses.

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

Foreign-currency translation

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

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

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

The following EUR exchange rates were used:

	2022	2021
CHF		
Year-end rate (balance sheet)	1.0156	0.9649
Average rate for the year (income statement)	0.9952	0.9250
USD		
Year-end rate (balance sheet)	0.9393	0.8830
Average rate for the year (income statement)	0.9501	0.8454
GBP		
Year-end rate (balance sheet)	1.1314	1.1911
Average rate for the year (income statement)	1.1738	1.1629
HKD		
Year-end rate (balance sheet)	0.1205	0.1132
Average rate for the year (income statement)	0.1213	0.1088
SGD		
Year-end rate (balance sheet)	0.6973	0.6528
Average rate for the year (income statement)	0.6888	0.6197
CNY		
Year-end rate (balance sheet)	0.1348	0.1386
Average rate for the year (income statement)	0.1413	0.1310
JPY		
Year-end rate (balance sheet)	0.0070	0.0077
Average rate for the year (income statement)	0.0073	0.0077
AED		
Year-end rate (balance sheet)	0.2557	0.2404
Average rate for the year (income statement)	0.2586	0.2301

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

Significant judgements, estimates and assumptions

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

Impairments on intangible assets

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

The Group's CGUs all have significant headroom with the exception of "Lalique", to which intangible brand asset of EUR 39 526 thousand is allocated as at 31 December 2022.

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

Pension schemes

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

Provisions

Provisions are recognized whenever Lalique Group has a legal or constructive obligation arising from a past event, the future settlement of which will probably lead to an outflow of funds that can be reliably determined. Further details on this subject can be found in Note 22.

Leases

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

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

Consolidation of Glenturret Holding SA and its subsidiaries

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

Consolidation of Tamer Beauty Holding Limited

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

Accounting and valuation principles

Revenue recognition

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

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

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

Property, plant and equipment

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

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

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

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

Leases

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

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

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

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

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

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

Intangible assets

- Intangible assets with finite useful lives

Individually acquired intangible assets are measured at their acquisition cost on initial recognition. Thereafter, they are amortized over their estimated useful lives. 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 is carried at cost less accumulated impairment losses.

Collectibles

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

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

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

Borrowing costs

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

Impairment of non-financial assets

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

Financial assets

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

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

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

Impairment of financial assets

Virtually all the Group’s financial assets are 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). Therefore, the Group does not track changes in credit risk, but instead, recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Inventories

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

Cash and cash equivalents

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

Financial liabilities

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

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

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

Government grants

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

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

Provisions

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

Restructuring provisions

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

Contingent liabilities

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

Pension plans

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

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

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

Income taxes

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

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

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

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

Financial risk management

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

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

• Credit risk

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

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

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

• Liquidity risk

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

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

IN EUR THOUSANDS	MATURING IN LESS THAN 1 YEAR	MATURING IN > 1 YEAR, < 5 YEARS	MATURING IN MORE THAN 5 YEARS	2022 TOTAL	MATURING IN LESS THAN 1 YEAR	MATURING IN > 1 YEAR, < 5 YEARS	MATURING IN MORE THAN 5 YEARS	2021 TOTAL
Assets								
Cash and cash equivalents	40 147	-	-	40 147	48 256	-	-	48 256
Trade accounts receivable	20 088	-	-	20 088	17 489	-	-	17 489
Other financial receivables	4 164	-	-	4 164	4 674	-	-	4 674
Financial assets	-	1 416	314	1 730	-	706	344	1 050
Total	64 399	1 416	314	66 129	70 419	706	344	71 469
Liabilities								
Bank overdrafts ¹	29 487	-	-	29 487	26 852	-	-	26 852
Trade accounts payable	22 996	-	-	22 996	18 921	-	-	18 921
Short-term liabilities NCI shareholders ²	-	-	-	-	207	-	-	207
Short-term leasing liabilities	6 484	-	-	6 484	5 518	-	-	5 518
Other current liabilities	24 762	-	-	24 762	35 444	-	-	35 444
Loans from NCI shareholders ²	-	-	8 647	8 647	-	-	4 822	4 822
Long-term leasing liabilities	-	14 163	6 499	20 662	-	10 496	2 977	13 473
Other non-current financial liabilities	-	16 304	3 514	19 818	-	18 682	283	18 965
Total	83 729	30 467	18 660	132 856	86 942	29 178	8 082	124 202

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

² Liabilities and loans from NCI shareholders at Glenturret SA and Lalique Tamer Beauty Holding Ltd amounting to EUR 8 647 thousand (2021: EUR 5 029 thousand).

- Currency risk

Lalique Group operates around the world and is therefore exposed to currency risks in various currencies, especially with regard to the Swiss franc, the pound sterling and the US dollar. As in the previous year, the risk as at 31 December 2022 largely involved the Group's trade accounts payable and receivable, which are partly based

on transactions in foreign currencies and to a lesser extent on cash and cash equivalents and bank liabilities. The Group monitors its transaction-related foreign-currency risks.

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

IN EUR THOUSANDS	EUR	CHF	USD	GBP	OTHER	2022 TOTAL	EUR	CHF	USD	GBP	OTHER	2021 TOTAL
Assets												
Cash and cash equivalents	17 102	8 029	8 224	4 758	2 034	40 147	16 834	11 136	12 524	6 399	1 363	48 256
Trade accounts receivable	12 381	562	4 108	2 244	793	20 088	8 971	1 579	5 250	1 575	114	17 489
Other financial receivables	1 442	458	83	524	1 657	4 164	1 743	807	31	292	1 801	4 674
Financial assets	648	20	341	473	248	1 730	542	18	322	-	168	1 050
Total	31 573	9 069	12 756	7 999	4 732	66 129	28 090	13 540	18 127	8 266	3 446	71 469
Liabilities												
Bank overdrafts	11 104	2 571	6 664	9 148	-	29 487	12 082	2 486	9 250	3 034	-	26 852
Trade accounts payable	15 289	1 819	1 703	1 964	2 221	22 996	10 933	2 678	705	2 726	1 879	18 921
Short-term liabilities												
NCI shareholders	-	-	-	-	-	-	207	-	-	-	-	207
Short-term leasing liabilities	2 139	598	344	708	2 223	6 012	1 358	754	477	847	1 862	5 298
Other current liabilities	16 394	3 094	1 025	3 144	995	24 652	21 452	8 584	899	2 129	909	33 973
Loans from NCI shareholders	-	8 647	-	-	-	8 647	-	4 822	-	-	-	4 822
Long-term leasing liabilities	11 129	1 480	1 191	3 180	1 935	18 915	6 865	274	2 230	2 600	1 074	13 043
Other non-current financial liabilities	18 971	-	-	50	703	19 724	17 109	-	-	123	767	17 999
Total	75 026	18 209	10 927	18 194	8 077	130 433	70 006	19 598	13 561	11 459	6 491	121 115

As at 31 December 2022, the Group had no currency hedges (forward transactions) to safeguard future cash flows. The same applied as at 31 December 2021.

A change in the CHF/EUR exchange rate of +/- 5% in 2022 would have had an impact on the Group's profit before tax of EUR +/- 457 thousand (2021: EUR +/- 304 thousand) while a change in the USD/EUR exchange rate of +/- 5% in 2022 would have had an impact of EUR +/- 91 thousand (2021: EUR +/- 212 thousand), and a change in the GBP/EUR exchange rate of +/- 5% in 2022 would have affected figures by EUR +/- 510 thousand (2021: EUR +/- 160 thousand). The profit or loss impact has a corresponding impact in equity.

- Interest-rate risk

The risk of fluctuation of market interest rates as at the end of 2022, which Lalique Group is subject to, largely resulted from cash and cash equivalents and bank liabilities. Lalique Group is mainly exposed to interest-rate risks in Swiss francs and euros. Management of interest rates in connection with non-current liabilities is performed centrally; short-term interest-rate risk is normally not hedged.

Sensitivity analysis: Interest-rate risk is modelled via sensitivity analyses, which show the effect that changes in market interest rates would have on interest income and expense and on equity, provided that all other parameters remain constant. If the market interest rate on 31 December 2022 had been 1% point higher or lower, the Group's financial result or equity would have been EUR 160 thousand (2021: EUR 219 thousand) lower or higher.

- Capital management

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

IN EUR THOUSANDS	31.12.22	31.12.21
Share capital	1 204	1 204
Capital reserves	83 984	85 378
Retained earnings/other reserves	93 569	82 305
Total equity before non-controlling interests	178 757	168 887
TOTAL CAPITAL	357 794	331 990
Equity ratio	49.96%	50.87%

Further details on equity movements can be found in Note 26.

- Fair values

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

- As at 31 December 2022, the fair values of cash and cash equivalents, short-term bank liabilities, trade accounts receivable and payable, current financial liabilities, other receivables and other current liabilities approximated their carrying values, because of their short-term nature.
- The fair values of non-current financial liabilities are determined on the basis of discounted cash flows. The valuation model considers the present value of expected payments.

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

- Fair value hierarchy

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

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

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

3. SEGMENT REPORTING

Lalique Group has established itself as a brand builder 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, which together account for more than 75% of Lalique’s revenue.

The non-brand-related holdings and consolidation are presented in a separate reconciling item called “Holding and eliminations”. Other brands and business activities have been combined in the residual segment “Other brands” for segment reporting purposes. This residual segment includes Lalique Group’s smaller brands (such as Parfums Samouraï, Parfums Grès, Bentley Fragrances, 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 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	2022	2021
Decorative pieces	50%	48%
Perfume	26%	28%
Interior design	10%	11%
Jewellery	3%	3%
Art	3%	3%
Other diversification (incl. hotel-restaurants)	8%	7%

Segment 2—Ultrasun

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

Segment 3—Jaguar

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

Segment 4—Glenturret

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

Segment 5—Other brands

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

Reconciling item—Holding and eliminations

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

Segment reporting for the 2022 financial year

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

IN EUR THOUSANDS	LALIQUE	ULTRASUN	JAGUAR	GLEN-TURRET	OTHER BRANDS ¹	HOLDING AND ELIM. ²	GROUP
Revenue and other operating income							
Revenue from contracts with external customers	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	66 974	-14 426	357 794
Segment liabilities	155 569	6 883	8 853	27 825	48 955	-86 980	161 105
Other segment information							
Investments							
Property, plant and equipment ⁴	21 913	1 275	60	5 147	2 046	241	30 682
Intangible assets ⁵	135	204	6	262	13 269	-	13 876
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.							

Segment reporting for the 2021 financial year

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

IN EUR THOUSANDS	LALIQUE	ULTRASUN	JAGUAR	GLEN-TURRET	OTHER BRANDS ¹	HOLDING AND ELIM. ²	GROUP
Revenue and other operating income							
Revenue from contracts with external customers	81 172	13 162	20 639	4 730	19 077	-135	138 645
Revenue from transactions with other segments	634	-	33	59	5 584	-6 310	-
Other operating income ³	2 898	19	1	140	123	125	3 306
Other operating income with other segments	525	-	-	-	1 039	-1 564	-
Total revenue and other operating income	85 229	13 181	20 673	4 929	25 823	-7 884	141 951
EBIT	5 788	-1 057	3 525	-1 783	3 238	-92	9 619
Financial result							-1 077
Group profit before taxes							8 542
Income tax expenses							-1 722
NET GROUP PROFIT							6 820
Assets and liabilities							
Segment assets	187 650	25 925	18 679	55 279	53 382	-8 925	331 990
Segment liabilities	144 729	10 680	5 043	18 796	38 750	-74 470	143 528
Other segment information							
Investments							
Property, plant and equipment ⁴	14 008	158	15	2 034	1 981	764	18 960
Intangible assets ⁵	453	195	105	33	329	1	1 116
Depreciation and amortization							
Property, plant and equipment	9 705	261	231	574	1 826	63	12 660
Intangible assets	719	197	86	167	390	7	1 566
¹ Revenue and other operating income other brands							
Parfums Samourai					4 345		
Parfums Grès					4 555		
Bentley Fragrances					6 951		
Brioni					1 394		
Lalique Tamer Beauty					957		
Lalique Beauty Distribution					1 385		
Lalique Beauty Services					9 363		
Parfums Alain Delon					-		
Elimination intercompany other brands					-3 127		
Total revenue and other operating income other brands					25 823		
² The "Holding 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 2021, other operating income derived to a large extent from insurance claims of EUR 923 thousand, operating grants from governments of EUR 1 408 thousand (2020: EUR 618 thousand), profitable fixed asset transactions of EUR 91 thousand (2020: EUR 213 thousand) and short-term subleases of EUR 79 thousand (2020: EUR 66 thousand).							
⁴ The Property, plant and equipment investments of other brands include investments in the perfume production facility in Ury of EUR 1 826 thousand. The investments of the Brand Lalique include the assets of acquired subsidiaries of EUR 5 991 thousand.							
⁵ Intangible assets of Brand Lalique include intangible assets of acquired subsidiaries of EUR 308 thousand.							

Geographical regions

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

IN EUR THOUSANDS	2022	2021
Revenue from contracts with customers		
UK	35 292	24 280
France	20 723	16 833
UAE	17 717	10 523
USA	13 917	15 606
Germany	11 774	8 561
Japan	7 743	6 526
Czech Republic	5 818	3 722
Hong Kong	5 606	6 954
Poland	5 224	5 598
China	5 172	4 925
Switzerland	4 413	8 497
Other countries	34 131	26 620
Group	167 530	138 645

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

IN EUR THOUSANDS	31.12.22	31.12.21
Non-current operating assets		
France	102 135	93 758
Switzerland	46 377	32 668
UK	40 327	37 627
USA	2 553	4 099
China	2 748	796
Germany	2 425	2 744
Hong Kong	1 916	1 987
Japan	435	808
Singapore	75	458
UAE	42	-
Group	199 033	174 945

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

IN EUR THOUSANDS	2022	2021
Revenue from sale of goods and services	165 764	136 960
Licence income/royalties	1 766	1 685
TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS	167 530	138 645

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	2022	2021
Other operating income	2 471	3 306
TOTAL OTHER OPERATING INCOME	2 471	3 306

Other operating income comprises non-recurring income and the result from the disposal of assets. In 2022, other operating income was largely driven by the proceeds from a legal case won by Lalique SA in the amount of 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 disposal of property, plant and equipment of EUR 218 thousand (2021: EUR 91 thousand). Recharges, e.g. for accounting services, refunds for private expenses or other charges, totalled EUR 5 thousand (2021: EUR 433 thousand).

6. MATERIAL COSTS, LICENCES AND THIRD-PARTY SERVICES

IN EUR THOUSANDS	2022	2021
Cost of components and finished goods	49 919	44 205
Other directly attributable production costs	12 487	10 361
Licence expenses	3 398	2 680
Commission expenses	2 086	1 422
Other procurement costs	3 397	3 121
TOTAL MATERIAL COSTS, LICENCES AND THIRD PARTY SERVICES	71 287	61 789

Other directly attributable production costs mainly comprise wages and salaries of the production staff at the factory in Wingen-sur-Moder. Licence expenses arise mainly in connection with Jaguar Fragrances, Bentley Fragrances, Lalique Barberini Fragrances (Brioni brand licensee) and Superdry Fragrances. Commission expenses relate to the

mediation of transactions. The item "Other procurement costs" includes costs that are incurred in connection with the receipt and shipment of goods to/from stock, customs and freight charges related to purchasing, and lithography and plating costs, net of any supplier discount that are not directly attributable to the components or goods.

7. SALARIES AND WAGES

IN EUR THOUSANDS	2022	2021
Wages and salaries (incl. bonuses)	28 472	22 507
Social insurance and employee pension/welfare expenses	12 687	10 735
Other personnel costs	875	1 312
TOTAL PERSONNEL COSTS	42 034	34 554
Average number of FTE	766	702

In 2022, total personnel costs were reduced by government grants for furloughing in the amount of EUR 68 thousand (2021: EUR 1 206 thousand).

8. OTHER OPERATING EXPENSES

IN EUR THOUSANDS	2022	2021
Advertising and promotional expenses	9 261	6 164
Administrative expenses	6 492	5 955
Rental expenses	3 924	2 736
Property insurance, levies and charges	818	993
Vehicles	244	153
Miscellaneous operating expenses	7 080	5 762
TOTAL OTHER OPERATING EXPENSES	27 819	21 763

The item “Miscellaneous operating expenses” includes travel expenses (2022: EUR 2 941 thousand; 2021: EUR 2 061 thousand), expenses for creations that are not capitalizable (2022: EUR 51 thousand; 2021: EUR 55 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 2022, the Group recognized a net relief of lease obligations of EUR 117 thousand (2021: EUR 350 thousand) presented as a rental expense reduction.

9. FINANCIAL INCOME AND EXPENSES

IN EUR THOUSANDS	2022	2021
Financial income		
Interest on loans and advance financing	19	-
Other financial income	81	44
Total financial income	100	44
Financial expenses		
Interest on short- and long-term financial liabilities ¹	951	699
Other financial expenses	940	818
Total financial expenses	1 891	1 517
Income from exchange rate fluctuations	8 275	8 872
Expenses from exchange rate fluctuations	8 485	8 476
Net foreign exchange differences	-210	396
FINANCIAL RESULT	-2 001	-1 077

¹ Thereof interest expense on lease liabilities amount to EUR 495 thousand in 2022 (2021: EUR 272 thousand).

10. INCOME TAXES

The main components of income tax expenses are as follows:

IN EUR THOUSANDS	2022	2021
Current year income taxes	1 905	1 374
Income taxes from previous years	233	-35
Current income taxes	2 138	1 339
Deferred tax income/expenses resulting from change in temporary differences	1 064	2 111
Deferred tax income/expenses resulting from change in tax rates	-8	192
Deferred tax expenses/income resulting from usage or capitalization respectively of deferred taxes on accumulated losses	-1 683	-1 920
Deferred tax expenses	-627	383
TOTAL TAX EXPENSES	1 511	1 722

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

IN EUR THOUSANDS	2022	2021
Group profit before taxes	11 153	8 542
Expected tax rate	19.7%	19.7%
Expected tax expenses	2 197	1 683
Income not subject to income tax	-54	-935
Effect from application of participation relief	-	-162
Income taxes from previous years	233	-35
Effect from unaccounted tax loss and new temporary differences in the current reporting year	2 077	1 847
Effect from utilisation of unaccounted tax losses and temporary differences from previous years	-673	-229
Ex post accounting of previous unaccounted tax losses and temporary differences	-1 600	-1 558
Ex post unaccounting of previous accounted tax losses and temporary differences	279	355
Effect of change in tax rate	-8	192
Effect of revenues taxed at different rates	-1 467	390
Non-deductible expenses	504	213
Other effects	23	-39
TOTAL INCOME TAX	1 511	1 722

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

11. EARNINGS PER SHARE AND DIVIDENDS

		2022	2021
Average number of shares in circulation	Number	7 167 286	7 183 575
Net Group profit in favour of shareholders of Lalique Group SA	EUR thousands	9 654	8 187
EARNINGS PER SHARE	EUR	1.35	1.14

For the 2021 financial year, a dividend of CHF 0.40 per share was distributed. With respect to the 2022 financial year, the Board of Directors will propose a dividend of CHF 0.50 per share at the Annual General Meeting on 31 May 2023. It is planned that half of the dividend (CHF 0.25) will be paid out of the capital contribution reserve (without deduction of withholding tax) with the other half being paid from voluntary retained earnings (CHF 0.16 after the deduction of 35% withholding tax).

DETAILS ON THE CONSOLIDATED BALANCE SHEET**12. CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS**

IN EUR THOUSANDS	31.12.22	31.12.21
Cash	190	133
Bank	39 957	48 123
TOTAL CASH AND CASH EQUIVALENTS	40 147	48 256

Interest earned on assets denominated in CHF, EUR, GBP and USD was 0.00% (2021: 0.00%).

IN EUR THOUSANDS	31.12.22	31.12.21
Bank overdraft	29 487	26 852
BANK OVERDRAFT	29 487	26 852

Interest charged on liabilities in USD and GBP was between 1.0% and 6.0% (2021: between 0.65% and 1.20%) and on liabilities in EUR was between 0.25% and 3.26% (2021: between 0.29% and 2.55%). Interest charged on liabilities in CHF was between 1.0% and 2.0% (2021: 0.65%).

13. TRADE ACCOUNTS RECEIVABLE

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

IN EUR THOUSANDS	TOTAL OUT- STANDING ITEMS	NOT DUE	DUE	OF WHICH OVERDUE WITHIN 60 DAYS	OF WHICH OVERDUE 61-90 DAYS	OF WHICH OVERDUE MORE THAN 90 DAYS
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
2021						
Of which EUR	9 368	3 780	5 588	3 328	563	1 697
Of which CHF accounts shown in EUR	1 479	1 306	173	90	82	1
Of which USD accounts shown in EUR	6 537	3 288	3 249	811	238	2 200
Of which other currencies shown in EUR	1 891	666	1 225	902	84	239
Allowance for doubtful debts	-1 786	-22	-1 764	-51	-39	-1 674
Total	17 489	9 018	8 471	5 080	928	2 463

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 past 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
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
2021						
Expected credit loss rate	1.6%	0.1%	3.2%	1.0%	4.0%	7.0%
Estimated total gross carrying amount at default	17 777	9 030	8 747	5 131	967	2 649
Expected credit loss	-288	-12	-276	-51	-39	-186

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

IN EUR THOUSANDS	31.12.22	31.12.21
OPENING BALANCE	1 786	1 066
Formation (+)	368	694
Usage (-)	-110	-78
Reversed (-)	-584	-
Currency effect	102	104
CLOSING BALANCE	1 562	1 786

14. INVENTORIES

IN EUR THOUSANDS	31.12.22	31.12.21
Components and raw materials	29 126	23 908
Finished goods	55 538	54 907
Advance payments	1 841	1 216
TOTAL INVENTORIES	86 505	80 031

Scrapping and impairments on inventories recognized as expenditure amounted to EUR 1 058 thousand in 2022 (2021: EUR 581 thousand). Furthermore, reversal of write-down amounted to EUR 623 thousand in 2022 (2021: EUR 0).

15. OTHER RECEIVABLES

IN EUR THOUSANDS	31.12.22	31.12.21
VAT and other tax receivables	2 904	2 689
Goods-receipt/invoice-receipt (GR/IR)	299	471
Accrued income and prepaid expenses	2 307	2 748
Short-term rental deposits	988	1 115
Other receivables	570	340
TOTAL OTHER RECEIVABLES	7 068	7 363

16. INTANGIBLE ASSETS

IN EUR THOUSANDS	GOODWILL	BRANDS	LICENCE RIGHTS	CREATIONS	SOFTWARE	TOTAL INTANGIBLE ASSETS
Acquisition costs 01.01.2021	10 936	71 444	8 472	5 426	5 991	102 269
Additions ¹	-	-	-	701	107	808
Additions from acquisitions of Château Lafaurie-Peyraguey	-	-	85	665	-	750
Reclassification/transfers ²	-	-	-	371	2 330	2 701
Disposals	-	-	-8	-93	-100	-201
Exchange differences	852	1 935	364	288	106	3 545
Acquisition costs 31.12.2021	11 788	73 379	8 913	7 358	8 434	109 872
Additions ¹	-	-	12 868	975	33	13 876
Reclassification/transfers	-	-	-20	21	-1	-
Disposals	-	-	-1 299	-	-9	-1 308
Exchange differences	-591	779	670	294	65	1 217
Acquisition costs 31.12.2022	11 197	74 158	21 132	8 648	8 522	123 657
Amortization, cumulative 01.01.2021	-	-4 320	-4 172	-3 710	-5 249	-17 451
Additions ³	-	-	-1 538	-839	-669	-3 046
Reclassification/transfers	-	-	-	-371	-27	-398
Disposals	-	-	6	93	58	157
Impairment	-	-	-	-	-37	-37
Additions from acquisition of Château Lafaurie-Peyraguey	-	-	-37	-405	-	-442
Exchange differences	-	-	-252	-199	-83	-534
Amortization, cumulative 31.12.2021	-	-4 320	-5 993	-5 431	-6 007	-21 751
Additions ³	-	-	-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 31.12.2022	-	-4 320	-7 273	-6 632	-6 752	-24 977
NET INTANGIBLE ASSETS 31.12.2022	11 197	69 838	13 859	2 016	1 770	98 680
Net intangible assets 31.12.2021	11 788	69 059	2 920	1 927	2 427	88 121

¹ The additions of EUR 13 876 thousand (2021: EUR 808 thousand) resulted in a cash outflow of EUR 884 thousand (2021: EUR 478 thousand).

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

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

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 the goodwill values for impairment as at 31 December 2022. The cash-generating unit “Glenturret”, to which goodwill of GBP 9 601 thousand is allocated, comprises the material part of the Group’s goodwill. The goodwill value in use exceeds its carrying value, and its value in local currency has not changed from the previous year.

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

Brands

The multiperiod-excess-earnings method was used to test the various brand values for impairment as at 31 December

2022. At Lalique, Ultrasun, Parfums Grès, Parfums Samourai and Glenturret, the values in use exceed their carrying values. Carrying values of these brands as at 31 December 2022 were as follows: Lalique EUR 39 526 thousand (2021: EUR 39 169 thousand), Parfums Grès CHF 6 574 thousand (2021: CHF 6 574 thousand), Parfums Samourai CHF 1 800 thousand (2021: CHF 1 800 thousand), Ultrasun CHF 11 000 thousand (2021: CHF 11 000 thousand) and Glenturret GBP 9 400 thousand (2021: 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 %	2021	2022	2023	2027
Lalique	19.0	15.6	13.2	18.1
Ultrasun	-4.5	6.5	11.3	18.7
Parfums Grès	16.2	15.8	14.8	19.1
Parfums Samourai	38.0	29.2	31.8	33.7
Glenturret	-21.1 ¹	7.7	23.1	32.9

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

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

IN %	AVERAGE GROWTH IN SALES		AFTER-TAX DISCOUNT RATE	
	2022	2021	2022	2021
Lalique ¹	8.4	6.7	14.1	10.7
Ultrasun ¹	14.6	19.6	13.0	10.8
Parfums Grès ¹	5.7	3.5	13.7	10.7
Parfums Samourai ¹	1.9	2.9	10.9	9.3
Glenturret ²	27.6	28.8	10.0	9.4

¹ Calculated over the planning horizon of five years.

² Calculated over the planning horizon of nine years.

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

The residual value incorporates a growth rate of 3.6% for Lalique, 3.0% for Ultrasun, 0.5% for Parfums Samourai, 3.1% for Parfums Grès and 2.0% for Glenturret, respectively.

Lalique brand

At 31 December 2022, the carrying amount of the Lalique brand is EUR 39 526 thousand (2021: EUR 39 169 thousand), of which Lalique SA holds EUR 32 376 thousand (2021: EUR 32 376 thousand) and Lalique Parfums SA EUR 7 150 thousand (2021: EUR 6 793 thousand), or CHF 7 040 thousand in local currency:

IN EUR THOUSANDS	LALIQUE BRAND
Carrying value 01.01.2021	38 868
Exchange differences	301
Carrying value 31.12.2021	39 169
Exchange differences	357
Carrying value 31.12.2022	39 526

Furthermore, it has been assumed in the multiperiod-excess-earnings calculation that the EBITDA margin of the Lalique brand will increase from 15.6% in 2022 to 18.1% in 2027 (2021: 19.0%). Sales increased in 2022 by 12.3% compared to 2021 and by 45.2% compared to 2020.

The impairment test of the Lalique brand estimates an average growth in sales of 8.4% over the period of five years (2021: 6.7%). The discount rates have also been reviewed to reflect the current economic situation. The after-tax discount rate used within the Lalique brand impairment test is 14.1% (2021: 10.7%).

Sensitivity

The Group created 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 0.5% in each year of the five year planning horizon, or a decrease in EBITDA of more than 0.8% per year, or an increase in discount rates of more than 1.5%.

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

Licence rights

Amortization charges in 2022 are unchanged in relation to licence agreements and rights for Jaguar Fragrances, Bentley Fragrances and Brioni brand. The amortization charges are amortized over the contractual term or the useful life of the licence and recognized under licence expenses. The residual amortization period for the Bentley Fragrances licence rights is four years and for the Brioni brand seven years, after a five-year contract extension was concluded in 2022 for both brands. The licence agreement for Jaguar Fragrances ended by 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 brand Superdry.

In 2022, there were impairment losses of EUR 300 thousand (2021: EUR 0 thousand) 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 2022, no impairment losses were recognized on creations (2021: EUR 0 thousand).

Software

The item "Software" consists of purchased IT software usage licences and the costs customizing the software. In 2022, impairment losses of EUR 0 thousand (2021: EUR 37 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 01.01.2021	105 542	38 607	22 591	1 006	5 437	173 183
Additions ¹	7 373	2 931	721	508	1 436	12 969
Additions from acquisition of Château Lafaurie-Peyraguey	4 562	3 071	-	-	-	7 633
Reclassification/transfers ²	-377	108	136	-	-2 568	-2 701
Disposals	-4 188	-65	-141	-176	-21	-4 591
Exchange differences	3 540	539	612	44	48	4 783
Acquisition costs 31.12.2021	116 452	45 191	23 919	1 382	4 332	191 276
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 31.12.2022	132 679	47 591	26 317	1 460	8 600	216 647
Depreciation, cumulative 01.01.2021	-56 894	-20 698	-18 207	-713	-	-96 512
Additions	-7 974	-2 965	-1 519	-202	-	-12 660
Additions from acquisition of Château Lafaurie-Peyraguey	-928	-714	-	-	-	-1 642
Reclassification/transfers	378	20	-	-	-	398
Disposals	2 231	90	141	162	-	2 624
Impairment	-	-	- 2	-	-	-2
Exchange differences	-2 384	-363	-420	-22	-	-3 189
Depreciation, cumulative 31.12.2021	-65 571	-24 630	-20 007	-775	-	-110 983
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 31.12.2022	-73 572	-25 955	-21 274	-995	-	-121 796
NET PROPERTY, PLANT AND EQUIPMENT 31.12.2022	59 107	21 636	5 043	465	8 600	94 851
Thereof carrying amount of RoU assets³	25 624	186	351	193	-	26 354
Net property, plant and equipment 31.12.2021	50 881	20 561	3 912	607	4 332	80 293

¹ The additions of EUR 30 682 thousand (2021: EUR 12 969 thousand) resulted in a cash outflow of EUR -15 168 thousand (2021: EUR -6 643 thousand).

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

³ Refer to Note 24 for further information on RoU assets.

No items of plant and equipment serve as collateral for obligations. Certain property is pledged 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 collectables. The pieces were produced by the company's founder René Lalique or artists collaborating with the Group. In 2022, the Group acquired additional items in the amount of EUR 13 thousand (2021: EUR 0 thousand).

In 2022, financial assets contain long-term rental deposits of EUR 1 237 thousand (2021: EUR 1 049 thousand), net investment in subleases of EUR 442 thousand (2021: EUR 0 thousand) and other non-current financial assets of EUR 51 thousand (2021: EUR 1 thousand).

19. PENSION SCHEMES

IN EUR THOUSANDS	31.12.22	31.12.21
Defined benefit pension plans	3 014	5 228
Other long-term post-employment benefits	159	204
TOTAL DEFINED BENEFIT OBLIGATION	3 173	5 432

Defined benefit pension plans

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

with Swiss law, the pension fund guarantees its insured members' vested benefits, which are confirmed each year. Upon retirement, insured members are entitled to draw their benefits as a single lump-sum payment, an annuity, or a combination of both. For the purpose of providing an occupational pension scheme, Lalique Group has joined a collective foundation in which the assets are invested on a joint basis with other scheme participants (with the same investment profile). As at 31 December 2022, 100% of the plan assets were invested in a collective insurance policy held with Futura Pension Foundation. Direct pension entitlements vis-à-vis the insurance company constitute 100% of the investment. The pension plan meets legal provisions stipulating the minimum benefits payable. There were no significant changes, curtailments or settlements related to the plan during the reporting period.

Other long-term post-employment benefits

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

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

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

IN EUR THOUSANDS	DEFINED BENEFIT PENSION PLANS		OTHER LONG-TERM POST-EMPLOYMENT BENEFITS	
	31.12.22	31.12.21	31.12.22	31.12.21
Present value of defined benefit pension obligation	-13 174	-14 129	-159	-204
Fair value of the plan assets	10 160	8 901	-	-
(SHORTFALL)/SURPLUS	-3 014	-5 228	-159	-204

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	
	2022	2021	2022	2021
Current service cost	-746	-774	-18	-27
Net interest cost of pension plans	-9	-4	-	-
TOTAL EMPLOYEE BENEFIT EXPENSES RECOGNIZED IN THE INCOME STATEMENT	-755	-778	-18	-27

Breakdown of remeasurement of pension plans recognized directly:

IN EUR THOUSANDS	DEFINED BENEFIT PENSION PLANS		OTHER LONG-TERM POST-EMPLOYMENT BENEFITS	
	2022	2021	2022	2021
Actuarial gain/(loss) from the pension obligation	2 968	41	-	-
Change in the plan assets (not incl. interest)	-457	304	-	-
TOTAL REMEASUREMENTS RECOGNIZED IN OTHER COMPREHENSIVE INCOME	2 511	345	-	-
Actuarial gain/(loss) from the pension obligation	-	-	20	104
TOTAL REMEASUREMENTS RECOGNIZED IN THE INCOME STATEMENT	-	-	20	104

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

IN EUR THOUSANDS	DEFINED BENEFIT PENSION PLANS		OTHER LONG-TERM POST-EMPLOYMENT BENEFITS	
	2022	2021	2022	2021
Present value of defined benefit pension obligations on 1 January	-14 129	-12 942	-204	-279
Interest expenses	-40	-15	-	-
Current service cost	-746	-774	-18	-27
Employee contributions	-503	-418	-2	-2
Actuarial gains and losses arising from changes in financial assumptions	2 385	-534	38	70
Actuarial gains and losses arising from changes in demographic assumptions	583	575	-18	34
Benefits paid	-150	493	44	-
Administration costs	8	4	-	-
Currency effect	-581	-518	-	-
PRESENT VALUE OF DEFINED BENEFIT PENSION OBLIGATIONS ON 31 DECEMBER	-13 174	-14 129	-159	-204

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	
	2022	2021	2022	2021
Fair value of the plan assets on 1 January	8 900	7 792	-	-
Interest income from the plan assets	31	11	-	-
Change in the plan assets (not incl. interest)	-457	304	-	-
Employer contributions	484	407	-	-
Employee contributions	484	407	-	-
Benefits paid	235	-413	-	-
Currency effect	483	393	-	-
FAIR VALUE OF THE PLAN ASSETS ON 31 DECEMBER	10 160	8 901	-	-

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, and can be summarized as follows:

	2022	2021
Bases used for calculation of Swiss plan		
Discount rate	2.25%	0.32%
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 420 thousand (-3.9%)/increase of EUR 449 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 59 thousand (+0.5%)/decrease of EUR 57 thousand (-0.5%) in defined benefit pension obligations.
- An increase/decrease in life expectancies of one year would result in an increase of EUR 218 thousand (+2.0%)/decrease of EUR 222 thousand (-2.0%) in defined benefit pension obligations.

The average duration of the defined benefit pension obligation was 15.80 years at the end of the reporting period (2021: 18.90 years).

Forecasted contributions

The forecasted contributions of the company for the 2023 financial year amount to EUR 499 thousand.

Key actuarial assumptions for the French plan

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

	2022	2021
Bases used for calculation of French plans		
Discount rate	0.40%	0.80%
Expected rate of salary increase	1.75%/9.09%	1.50%/4.26%
Life expectancies	TGH 05/TGF 05	TGH 05/TGF 05

20. OTHER CURRENT LIABILITIES

IN EUR THOUSANDS	31.12.22	31.12.21
Current financial liabilities	7 378	5 786
Current Covid-19 credits	-	15 426
Accrued salary expenses	3 933	4 189
Accruals for social institutions	1 075	695
Short-term lease liabilities	6 012	5 298
Current minimal fees for licence rights	889	1 484
Government grants	312	324
Goods-receipt/invoice-receipt (GR/IR)	3 308	937
Other current liabilities	7 757	5 339
TOTAL OTHER CURRENT LIABILITIES	30 664	39 478

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

Governments issued guarantees to banks for Covid-19 loans on the condition that the company receiving the guarantee complied with certain restrictions (e.g. no dividend

distribution). Due to the government guarantee, the Group's entities received certain Covid-19 loans at below the market rate, which were fully repaid at the beginning of 2022. The amount of EUR 312 thousand (2021: EUR 324 thousand) represents government grants to Villa René Lalique SAS provided by the region of Alsace.

21. OTHER NON-CURRENT LIABILITIES

IN EUR THOUSANDS	31.12.22	31.12.21
Non-current minimal fees for licence rights	12 222	1 177
Other current liabilities	50	42
TOTAL OTHER CURRENT LIABILITIES	12 272	1 219

As at 31 December 2022, other non-current liabilities comprised minimal fees for licence rights owed in respect of Jaguar Fragrances, Bentley Fragrances, Superdry Fragrances and Lalique Barberini Fragrances (Brioni brand licensee).

22. PROVISIONS

IN EUR THOUSANDS	OTHER CURRENT PROVISIONS	OTHER LONG-TERM PROVISIONS	TOTAL PROVISIONS
As at 01.01.2021	2 526	517	3 043
Formation	799	1 097	1 896
Usage	-2 526	-178	-2 704
Release	-	- 3	-3
Currency effect	21	4	25
As at 31.12.2021	820	1 437	2 257
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

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

In 2020, the Paris Court of Cassation annulled a decision of the Court of Appeal from 2018, which led to a reassessment of the legal situation and the formation of a provision in the amount of EUR 2 400 thousand at Lalique SA. This provision was used in 2021.

23. NON-CURRENT FINANCIAL LIABILITIES

IN EUR THOUSANDS	31.12.22	31.12.21
Loans from NCI shareholders	8 647	4 822
Long-term leasing liabilities	18 915	13 043
Other non-current financial liabilities	19 724	17 999
TOTAL OTHER NON-CURRENT FINANCIAL LIABILITIES	47 286	35 864

“Other non-current financial liabilities” mainly comprise loans associated with contractual agreements between subsidiaries and local financing institutions.

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

Changes in financial liabilities from financing cash flows

IN EUR THOUSANDS	31.12.2021	CASH FLOWS	CURRENCY EXCHANGE MOVEMENTS	NEW LEASES	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	-	-	-
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
Other non-current financial liabilities	17 999	6 133	- 67	-	-4 342	19 723
TOTAL LIABILITIES FROM FINANCING ACTIVITIES	89 226	-14 491	1 716	15 020	-1 309	90 162

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

The “Other” column 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 of between 1 year or less and 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 duration of 12 months or less and leases with low value (e.g. office equipment). The Group applies the "short-term lease" and "lease of low-value assets" recognition exemptions for these leases.

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

IN EUR THOUSANDS	2022	2021
Liabilities from leases as of 1 January	18 341	17 187
New leases	15 020	8 321
New leases from acquisition	-	1 844
Disposals of lease liabilities	-1 335	-2 652
Lease payments	-7 708	-7 345
Interest accruals	495	272
Exchange differences	114	714
LIABILITIES FROM LEASES AS OF 31 DECEMBER	24 927	18 341

IN EUR THOUSANDS	LAND, BUILDINGS	EQUIPMENT, FURNISHINGS	MACHINERY + EQUIPMENT, IT, HARD- WARE, TOOLS	VEHICLES	TOTAL PROPERTY, PLANT AND EQUIPMENT
Right-of-use assets 01.01.2021	19 997	465	865	192	21 519
Additions to right-of-use assets	5 812	4	-	202	6 018
Additions to right-of-use assets from acquisition	1 828	-	-	-	1 828
Depreciation charge for right-of-use assets	-5 962	-172	-386	-144	-6 664
Disposals of right-of-use assets	-1 953	-	-	-16	-1 969
Exchange differences	617	-1	-	9	625
RIGHT-OF-USE ASSETS 31.12.2021	20 339	296	479	243	21 357
Right-of-use assets 01.01.2022	20 339	296	479	243	21 357
Additions to right-of-use assets	14 911	-	-	108	15 019
Reductions from sublease	-535	-	-	-	-535
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 31.12.2022	25 624	186	351	193	26 354

Lease in the income statement

IN EUR THOUSANDS	2022	2021
Income from sublease	42	-
Short-term lease expense ¹	-717	-202
Low-value lease expense ²	-124	-155
Variable lease payment expenses ³	-439	-371
Other operating expenses	-1 238	-728
Depreciation charge for RoU	-7 622	-6 664
Depreciation and impairment losses on RoU	-7 622	-6 664
Interest income from sublease	9	-
Interest expense on lease liabilities	-495	-272
Financial result leasing	-486	-272
LEASES IN THE INCOME STATEMENT	-9 346	-7 664
Total cash outflows for leases of	-7 708	-7 345

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	31.12.22	31.12.21
Deferred tax assets net	-3 223	-3 906
Deferred tax liabilities net	11 350	12 236
NET DEFERRED TAX LIABILITIES	8 127	8 330

Reconciliation of net deferred tax liabilities:

IN EUR THOUSANDS	2022	2021
Net deferred tax liabilities		
Opening balance 1.1	8 330	7 657
Formation (+)/release (-) recognized in income statement	-627	383
Formation (+)/release (-) recognized in other comprehensive income	506	67
Currency translation differences	-82	223
CLOSING BALANCE 31.12.	8 127	8 330

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

IN EUR THOUSANDS	31.12.22	31.12.21
Trade accounts receivable	238	205
Inventory	4 082	4 336
Financial assets	1 995	820
Fixed assets	7 148	2 943
Intangible assets	18 725	16 569
Other non-current assets	652	652
Other short-term liabilities	55	35
Long-term financial liabilities	68	-
Deferred tax liabilities gross	32 963	25 560
Offsetting of assets and liabilities	-21 613	-13 324
Deferred tax liabilities net	11 350	12 236
Trade accounts receivable	-52	-59
Inventory	-691	-650
Other Receivables	-233	-
Fixed assets	- 4	-4
Intangible assets	-5 114	-4 980
Other non-current assets	-117	-53
Trade accounts payable	-6	-
Other short-term liabilities	-1 052	-959
Other long-term liabilities	-2 308	-
Long-term provisions	-	-6
Long-term financial liabilities	-3 691	-99
Pension liabilities	-716	-1 157
Deferred tax assets on losses carry forward	-10 852	-9 263
Deferred tax assets gross	-24 836	-17 230
Offsetting of assets and liabilities	21 613	13 324
Deferred tax assets net	-3 223	-3 906

The Group has not capitalized deferred taxes for losses carried forward in the amount of EUR 96 286 thousand (2021: EUR 97 180 thousand). These income tax deductible losses carried forward expire as follows:

IN EUR THOUSANDS	31.12.22	31.12.21
Expire next year	1 179	1 176
Expire in 2-4 years	2 344	2 941
Expire in 5-7 years	52 044	48 375
Expire after 7 years	7 349	9 528
No expiry	33 360	35 160
TOTAL UNRECOGNIZED LOSSES CARRY-FORWARD	96 286	97 180

Temporary differences for which no deferred tax asset is recognized amount to EUR 15 023 thousand (2021: EUR 23 096 thousand). This is due to the fact that deferred tax assets are only recognized to the extent of recognized deferred tax liabilities. Additional deferred tax assets are recognized if it is probable that sufficient taxable profit will be available against which those deductible temporary differences or unused tax losses can be utilized.

In 2022, no net deferred tax assets from entities that suffered a loss in either the current or prior period were recognized (2021: EUR 0 thousand).

There are temporary differences of EUR 784 thousand associated with investments in the Group's subsidiaries, for which no deferred tax liability has been recognized in 2022 (2021: EUR 673 thousand).

26. EQUITY

Share capital

As at 31 December 2022, the share capital amounts to EUR 1 204 thousand (CHF 1 440 thousand) (2021: EUR 1 204 thousand (CHF 1 440 thousand)), consisting of 7 200 000 registered shares (2021: 7 200 000) with a nominal value of EUR 0.19 (CHF 0.20) each (2021: EUR 0.19 (CHF 0.20)).

In addition, there is conditional share capital of EUR 51 thousand (CHF 50 thousand) (2021: EUR 48 thousand (CHF 50 thousand)) for a potential employee incentive plan.

ORDINARY SHARES ISSUED AND FULLY PAID	THOUSANDS	EUR THOUSANDS
At 1 January 2021	7 200	1 204
issued in 2021	-	-
At 31 December 2021 and 1 January 2022	7 200	1 204
issued in 2022	-	-
At 31 December 2022	7 200	1 204

TREASURY SHARES	THOUSANDS	EUR THOUSANDS
At 1 January 2021	15	551
purchase of treasury shares	10	357
At 31 December 2021 and 1 January 2022	25	908
purchase of treasury shares	35	1 074
At 31 December 2022	60	1 982

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

Capital reserves

The capital reserves relate to capital increases in 2007, 2017, 2018 and 2019.

In 2022 and in the prior year, there was no capital contribution from shareholders and therefore none was allocated to capital reserves or share capital. The decrease is based on the dividend payout of CHF 0.20 per dividend-bearing share.

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 2022 changed compared with 31 December 2021 due to:

- The establishment of Villa Florhof AG with a share capital of CHF 1 000 thousand
- The renaming of the former Art & Fragrances SA to Superdry Fragrances SA

Lalique Group comprised the following companies at 31 December 2022:

COMPANY, HEADQUARTERS, COUNTRY	CURRENCY (THOUSANDS)	SHARE CAPITAL		PARTICIPATING INTEREST	
		2022	2021	2022	2021
Lalique Group SA, Zurich, Switzerland	CHF	1 440	1 440	Holding	Holding
Lalique Beauty SA, Zurich, Switzerland	CHF	1 000	1 000	100%	100%
LLQ Management SA, Zurich, Switzerland	CHF	500	500	100%	100%
Lalique Parfums SA, Zurich, Switzerland	CHF	1 000	1 000	100%	100%
Parfums Grès SA, Zurich, Switzerland	CHF	250	250	100%	100%
Parfums Samouraï SA, Zurich, Switzerland	CHF	250	250	100%	100%
Parfums Alain Delon SA, Zurich, Switzerland ¹	CHF	100	100	100%	100%
Jaguar Fragrances AG, Zurich, Switzerland	CHF	250	250	100%	100%
Bentley Fragrances AG, Zurich, Switzerland	CHF	250	250	100%	100%
Lalique Barberini Fragrances SA, Zurich, Switzerland	CHF	100	100	100%	100%
Lalique Beauty Distribution SASU, Ury, France	EUR	252	252	100%	100%
Ultrasun AG, Zurich, Switzerland	CHF	250	250	100%	100%
Ultrasun (UK) Limited, Reigate, UK	GBP	10	10	100%	100%
Lalique Beauty Services SASU, Ury, France	EUR	500	500	100%	100%
Lalique Tamer Beauty Holding Ltd, Abu Dhabi, UAE	AED	294	294	50%	50%
Lalique Tamer Beauty Trading LLC, Dubai, UAE	AED	300	300	50%	50%
Superdry Fragrances Ltd, Zurich, Switzerland (formerly Art & Fragrance SA)	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	-	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	12 780	95%	95%
Lalique Beijing Trading Company Limited, Beijing, China	CNY	5 146	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	160 000	160 000	90%	90%
Château Lafaurie Peyraguey Hotel&Restaurant SAS, Bommès, France	EUR	4 635	4 635	95%	95%
Glenturret Holding SA, Zurich, Switzerland	CHF	4 800	4 800	50%	50%
Glenturret Limited, Edinburgh, Scotland	GBP	-	-	50%	50%

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

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

IN % OR EUR THOUSANDS	LALIQUE SA ¹ 2022	LALIQUE TAMER BEAUTY HOLDING LTD ² 2022	GLENTURRET HOLDING SA ³ 2022	LALIQUE SA ¹ 2021	LALIQUE TAMER BEAUTY HOLDING LTD ² 2021	GLENTURRET HOLDING SA ³ 2021
Structural type of subsidiary	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	Paris, France	Abu Dhabi, UAE	Edinburgh, Scotland
Proportion of ownership interests and voting rights held by non-controlling interests	5%	50%	50%	5%	50%	50%
Net Group profit attributable to non-controlling interests	-125	487	-374	-94	68	-1 341
Comprehensive income attributable to non-controlling interests	-100	488	-2 031	-48	72	122
Accumulated balances of non-controlling interest	1 126	595	16 211	1 226	107	18 242
Summarized statement of financial position						
Current assets	54 743	3 799	19 346	52 461	974	17 697
Non-current assets	106 818	44	40 901	98 481	82	37 582
Current liabilities	43 400	2 626	4 440	47 151	360	3 272
Non-current liabilities	87 010	26	23 384	71 539	482	15 524
Equity	31 151	1 191	32 423	32 252	214	36 483
Summarized statement of profit or loss						
Revenue and other operating income	72 326	7 168	7 578	62 717	957	4 929
Net profit or loss	-1 131	974	-748	-287	137	-2 682
Total comprehensive income	-4 691	975	-2 501	-4 121	144	-1 303

¹ The Group holds a 95% interest in Lalique SA. Lalique SA holds a 95% interest in Lalique Japan (2021: 95%) and a 100% interest in a number of other subsidiaries, resulting in 90% and 95% interests held by the Group, respectively. The amounts presented in column "Lalique SA" are for the entire subgroup, rather than the individual entity within the subgroup.

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

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

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

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

IN EUR THOUSANDS	2022	2021
Total emoluments and salaries (incl. bonuses and interest) paid to members of the Board of Directors and Executive Board	3 640	2 708
Total pension fund contributions paid to members of the Board of Directors and Executive Board	518	407

The compensation elements indicated relate to the last financial year.

Affiliates and shareholders

IN EUR THOUSANDS	31.12.22	31.12.21	TYPE OF TRANSACTION
Liabilities:			
Affiliates under common control	15		- Château Lafaurie-Peyraguey, wine and hospitality services
	1		- Château Faugères, purchase of wine
	18	-6	Denz Weine, purchase of wine
	8	1	Vignobles Silvio Denz, purchase of wine
Principal shareholder	40		- Silvio Denz, expenses
NCI shareholders	8 647	5 029	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, purchase of Lalique products
	-	32	Château Peby Faugères, purchase of Lalique products
	28	-1	Château Faugères, purchase of Lalique products
	36		- SCI Monceau, expenses
	12	16	Vignobles Silvio Denz, purchase of Lalique products
Members of the Board of Directors of Lalique Group SA	14		- Maison Noir SA, margin fees
Proceeds from:			
Affiliates under common control	34		- Château Faugères, sale of Lalique products
	38		- Château Lafaurie-Peyraguey, sale of Lalique products
	-	52	Château Peby Faugères, sale of Lalique products
	15	14	Vignobles Silvio Denz, sale of Lalique products
	2	1	Denz Weine, products and services
	27		- SCI Monceau, expenses
	-	11	Art & Terroir SA, reimbursements
Principal shareholder	20	109	Reimbursement of private expenses
	-	4	Proceeds from sale of Lalique products
Members of the Board of Directors of Lalique Group SA	14		- Maison Noir SA, margin fees

IN EUR THOUSANDS	2022	2021	TYPE OF TRANSACTION
Expenditure of:			
Affiliates under common control	47	36	Château Lafaurie-Peyraguey, purchase of wine and hospitality services
	92	8	Vignobles Silvio Denz, purchase of wine
	113	34	Denz Weine, purchase of wine
	193	-	SCI Monceau, rent
	70	-	Wermuth Auktionen, purchase of wine
Principal shareholder	115	57	Silvio Denz, expenses
NCI shareholders	72	49	Interests on loan
Members of the Board of Directors of Lalique Group SA	96	54	Mont-Blanc resourcing, consulting and expenses
	466	433	Ermitage Estate Limited, rent
	-	2	Claudio Denz, reimbursements
Acquisition from:			
Affiliates under common control	-	4 396	Château Lafaurie-Peyraguey, acquisition of Château Lafaurie-Peyraguey Hotel & Restaurant SAS

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

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

29. CONTINGENT LIABILITIES

As at 31 December 2022, there were no unrecognized contingent liabilities (2021: 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, 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 property assets valued at EUR 10 million. There are no other assets pledged or assigned to secure the Groups' own commitments.

31. SUBSEQUENT EVENTS

Lalique Group has evaluated events from 31 December 2022 up to the date on which the financial statements were issued. There were no subsequent events that require disclosure.



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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 2022, the consolidated income statement, 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 a summary of significant accounting policies.

In our opinion, the consolidated financial statements (pages 5 to 49) give a true and fair view of the consolidated financial position of the Group as at 31 December 2022 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (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.



LALIQUE GROUP SA
Report of the statutory auditor
for the year ended
31 December 2022

Recoverability of intangible assets with indefinite useful life

Key audit matter

Intangible assets (including goodwill) amounted to EUR 98.7 Mio as of 31 December 2022 (2021: EUR 88.1 Mio) and represent 27.6% of total assets. Thereof, EUR 11.2 Mio (11.3%) represent Goodwill (2021: EUR 11.8 Mio) and EUR 69.8 Mio (70.0%) represent intangible assets (2021: EUR 69.1 Mio) with an indefinite life. Other intangible assets amounting to EUR 17.7 Mio (18.7%) have definite lives (2021: EUR 7.3 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 2022 no impairment was recorded. In the absence of plans to dispose of an intangible asset, management has determined the recoverable amount of intangible assets and goodwill using a discounted cash flow method (DCF). The application of the DCF method requires a number of management estimates. Significant management estimates comprise, among other, 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 2022, 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 critically challenged 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.

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



LALIQUE GROUP SA
Report of the statutory auditor
for the year ended
31 December 2022

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 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 2022

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, 18. April 2023
CKR/SSU/jba

Lalique Group Remuneration Report

55	Compensation governance
56	Compensation awarded to the Board of Directors
58	Compensation awarded to the Executive Board
59	Shares held by members of management bodies
60	Loans and credit
61	Report of the statutory auditor on the remuneration report

Compensation governance

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

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

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

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

Remuneration Committee

The Remuneration Committee consists of at least two members of the Board of Directors. All members of the Remuneration Committee are individually elected by the shareholders' meeting for a term of one year. Re-election is permitted. The chairperson of the Remuneration Committee is appointed by the Board of Directors. At the General Meeting of Shareholders of 2 June 2022, shareholders confirmed the members of the Remuneration Committee. The elected members for a period of one year are 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 principles of remuneration in accordance with the law, the Articles of Incorporation and the Organizational Regulations as well as the resolutions of the shareholders' meeting regarding remuneration
- proposals to the Board of Directors for the establishment of principles, assessment criteria and qualitative and quantitative objectives for remuneration within the framework of the requirements set out by law and in the Articles of Incorporation
- calculation and proposals to the Board of Directors on the achievement of qualitative and quantitative targets for the assessment of variable remuneration
- proposals to the Board of Directors for the amounts of fixed and variable remuneration for the members of the Board of Directors as well as the fixed and variable remuneration for the members of the Executive Board
- proposal to the Board of Directors regarding the remuneration report
- taking all further actions assigned to it by law, the Articles of Incorporation and the Organizational Regulations

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

General duties and powers of the Annual General Meeting

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

Compensation awarded to the Board of Directors

Composition of directors' remuneration

The Board of Directors consists of seven members. Five existing members of the Board of Directors were re-elected for another term at the General Meeting of Shareholders on 2 June 2022 and two new members were elected to replace two directors who resigned from their position. Further information on the Board of Directors, its powers, the delegation of its duties and responsibilities, its spheres of influence, and its composition can be found in the Corporate Governance Report 2022.

The members of the Board of Directors receive a fixed remuneration for their work as members of the Board of Directors. The Remuneration Committee can provide for them to receive an optional variable rate of remuneration. Where a variable remuneration rate is implemented, it is based on qualitative and quantitative targets. The variable remuneration rate may not exceed 200% of the fixed compensation.

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

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

The fixed remuneration can be paid in part in shares, and the variable remuneration in part or in full in shares.

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

Approval of directors' remuneration

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

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

Actual compensation of the Board of Directors for 2022

The directors are entitled to a fixed compensation of CHF 25 000 per year for their service on the Board of Directors. In 2021 the Directors voluntarily waived 20% of their remuneration in the context of the Covid-19 situation. 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 actual remuneration for members of the Board of Directors for the 2022 and 2021 financial years was as follows:

IN CHF THOUSANDS		GROSS COM- PENSATION	POST EMPLOYMENT BENEFITS	OTHER SOCIAL COSTS	TOTAL COM- PENSATION
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
Agrawal, Yugnesh Kumar**	Member of the Board of Directors	15	-	-	15
Vidal, Philippe**	Member of the Board of Directors	15	-	-	15
Total Board of Directors		987	44	53	1 083
2021					
Denz, Silvio	Executive Chairman of the Board of Directors	283	17	17	317
Weber, Roland	Vice-chairman of the Board of Directors	20	-	1	21
von der Weid, Roger	Delegate of the Board of Directors & CEO	482	43	31	556
Denz, Claudio	Member of the Board of Directors	214	9	14	238
Kollros, Jan	Member of the Board of Directors	20	-	-	20
Roesti, Marc	Member of the Board of Directors	20	-	0	20
Malhan, Sanjeev	Member of the Board of Directors (as of 20.5.20)	20	-	-	20
Total Board of Directors		1 059	69	64	1 192

* until 02.06.2021

** as of 02.06.2022

Except for Roger von der Weid whose total compensation includes a variable component for his operational responsibilities (CHF 50 thousand in 2022, CHF 0 thousand in 2021), none of the members of the Board of Directors was paid a variable compensation for their service. No remuneration was paid to former members of the Board of Directors.

Compensation awarded to the Executive Board

Composition of remuneration for the Executive Board

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

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

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

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

Members of the Executive Board are entitled to compensation for personal expenditure and expenses. The reimbursement of expenditure and the repayment of expenses is not considered as remuneration. In addition, where the law permits, the company can compensate

Executive Board members for financial disadvantages relating to legal proceedings, court cases or settlement deals, and advance sums accordingly and contract insurance coverage. Any such indemnifications, advances and insurances are not considered as compensation.

Approval of remuneration for the Executive Board

The General Meeting of Shareholders approves the maximum amount of fixed remuneration of the Executive Board for the period up to the next General Meeting of Shareholders. The General Meeting of Shareholders approves the total amount of the variable remuneration for the Executive Board for the previous financial year.

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

Actual compensation of the Executive Board for 2022

Total actual remuneration for members of the Executive Board for the financial years 2022 and 2021 was as follows:

IN CHF THOUSANDS	GROSS COMPENSATION	POST EMPLOY- MENT BENEFITS	OTHER SOCIAL COSTS	TOTAL COMPENSATION
2022				
Members of the Executive Board ¹	2 670	477	398	3 545
Total Executive Board	2 670	477	398	3 545
2021				
Members of the Executive Board ¹	1 869	371	213	2 453
Total Executive Board	1 869	371	213	2 453

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

The total compensation includes a variable component of CHF 212 thousand in 2022 (CHF 0 thousand in 2021).

The Group CEO, Roger von der Weid, received the highest total compensation in 2022 (see table "Actual compensation of the Board of Directors for 2022").

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

Shares held by members of management bodies

As at 31 December 2022, the members of the Board of Directors and the Executive Board held the following number of shares:

NAME	FUNCTION	31.12.22	31.12.21
Denz, Silvio	Executive Chairman of the Board of Directors	4 202 700	4 202 700
Weber, Roland	Vice-chairman of the Board of Directors	10 000	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 & HD	214 560	214 560
Kollros, Jan	Member of the Board of Directors	-	-
Rubinstein, Alexis	Group CFO	120	120
Müller, Michael	Chief Corporate Officer	120	120
Rios Lopes, David	COO, Perfumes	600	600
Hegglin, Pascal	CFO, Lalique Beauty (since 01.07.2022)	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	Head of Ultrasun	-	-
Härtlein, Marcel	Head of Digital	-	-
Mandry, Denis	General Manager of Factory, Crystal (until 10.6.22)	-	-
Larminaux, Marc	Head of Design, Crystal	-	-
de Jaham, Jean Baptiste	Head of Sales, Crystal	-	-
Fabien, Benedicte	Head of Marketing, Crystal (until 30.11.2022)	-	-
Total		4 432 770	4 432 670
Total Lalique Group shares		7 200 000	7 200 000

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

Loans and credit

Lalique Group may grant loans or credit to members of the Board of Directors or Executive Board in exceptional cases. The total sum of such loans and credits may not exceed CHF 1 million per member. No such loans or credits existed in the 2022 financial year, either towards present (or former) members of the Board of Directors or of the Executive Board, or towards persons closely connected with these members.



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Report on the Audit of the Remuneration Report according to Art. 14-16 VegüV

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 December 31, 2022. The audit was limited to the information on remuneration, loans and advances pursuant to Art. 14-16 of the Ordinance against Excessive Remuneration in Listed Companies Limited by Shares (Verordnung gegen übermässige Vergütungen bei börsenkotierten Aktiengesellschaften, VegüV) in the tables on pages 57 and 58 of the Remuneration Report.

In our opinion, the information on remuneration, loans and advances in the Remuneration Report complies with Swiss law and Art. 14-16 VegüV.

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 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 on page 57 and 58 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.



Lalique Group SA, Zurich
 Report of the statutory auditor in relation to the
 remuneration report in accordance with the Ordinance
 against Excessive Remuneration in Listed Companies
 Limited by Shares (Ordinance)

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. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's Responsibilities for the Audit of the Remuneration Report

Our objectives are to obtain reasonable assurance about whether the information on remuneration, loans and advances pursuant to Art. 14-16 VegüV 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 judgment and maintain professional scepticism 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, Zurich
Report of the statutory auditor in relation to the
remuneration report in accordance with the Ordinance
against Excessive Remuneration in Listed Companies
Limited by Shares (Ordinance)

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, 18 April 2023

Lalique Group SA Financial Statements

- 65** Income statement
- 66** Balance sheet
- 67** Notes to the financial statements
- 70** Proposal for the allocation of retained earnings
as of 31 December 2022
- 71** Report of the statutory auditor on the
financial statements

Income Statement

IN CHF THOUSANDS	2022	2021
Other income	31	-
Personnel expenses	-482	-362
Other operating expenses	-901	-620
Depreciation on property, plant and equipment	-21	-21
Earnings before interest and taxes	-1 373	-1 003
Total financial income	13 863	11 511
Total financial expenses	-4 390	-4 335
Extraordinary expenses	-4 894	-2 073
Profit for the year before taxes	3 206	4 100
PROFIT FOR THE YEAR	3 206	4 100

Balance Sheet

IN CHF THOUSANDS	31.12.22	31.12.21
Current assets		
Other short-term receivables from third party	17	168
Other short-term receivables from related party	10 364	8 328
Total current assets	10 381	8 496
Non-current assets		
Investments	127 600	126 600
Loans to group companies	53 228	63 455
Total non-current assets	180 828	190 055
TOTAL ASSETS	191 209	198 551
Current liabilities		
Interest-bearing short-term bank liabilities	22 883	27 124
Trade account payables	276	191
Other current liabilities due to third party	211	98
Total current liabilities	23 370	27 413
Non-current liabilities		
Non-current liabilities due to group companies	-	2 559
Total non-current liabilities	-	2 559
Total liabilities	23 370	29 972
Equity		
Share capital	1 440	1 440
Legal capital reserves	106 198	107 632
Capital contribution reserves	86 376	87 810
Other legal capital reserves	19 822	19 822
Legal retained earnings	1 255	1 255
Voluntary retained earnings	61 024	59 251
Earnings brought forward	57 818	55 151
Profit for the year	3 206	4 100
Treasury shares	-2 078	-999
Total equity	167 839	168 579
TOTAL LIABILITIES AND EQUITY	191 209	198 551

Notes to the financial statements

Applied valuation principles in the financial statements

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

Treasury shares

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

Interest-bearing long-term loans

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

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

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

INFORMATION ABOUT BALANCE SHEET AND INCOME STATEMENT ITEMS

Total financial income

Total financial income includes dividend income of CHF 10 million (2021: CHF 8 million) from the current financial year result of the subsidiary Lalique Beauty SA.

Extraordinary expenses

The extraordinary expenses are mainly related to impairments on intercompany loans. Lalique Group SA came to the conclusion that the carrying amount of the intercompany loans may not be recoverable as at 31 December 2022. In 2022, the Group recognized a total impairment charge on loans to group companies of CHF 4 894 thousand (2021: CHF 2 073 thousand).

Full-time positions

The number of full-time positions, on annual average, did not exceed ten in 2022 nor in the previous year.

Significant shareholders

To the knowledge of the company, the following were the only shareholders holding more than 3% of the share capital of Lalique Group SA as at 31 December 2022:

SIGNIFICANT SHAREHOLDERS	NUMBER OF SHARES 31 DECEMBER 2022		NUMBER OF SHARES 31 DECEMBER 2021	
		%		%
Silvio Denz	4202 700	58.37%	4202 700	58.37%
Dharampal Satyapal Limited	884 000	12.28%	884 000	12.28%
Hansjörg Wyss	453 918	6.30%	453 918	6.30%
MAG Seven Ltd on behalf of Ayman, Faisal, Mohammed and Maanoun Tamer	240 000	3.33%	240 000	3.33%
Total Lalique Group shares	7200 000	100.00%	7200 000	100.00%

IN CHF THOUSANDS	31.12.22	31.12.21
Contingent liabilities		
As at 31 December 2022, there were unrecognized contingent liabilities (joint guarantees) of EUR 6.049 million (31.12.2021: EUR 7.410 million) arising from short- and long-term loans and guaranteed rental income in connection with Lalique SA and Villa René Lalique SAS.	5 956	7 670
Guarantees		
Joint and several liability for VAT debt resulting from the consolidated accounting of VAT (group taxation)	912	667
Directly held investments		
Lalique Beauty SA (former Art & Fragrance SA), Zurich		
Holding of participating interests		
Share capital in CHF thousands	1 000	1 000
Ownership and voting right	100%	100%
Lalique SA, Paris		
Production and sale/distribution of crystal, jewellery, perfume and cosmetic products		
Share capital in EUR thousands	34 400	34 400
Ownership and voting right	95%	95%
Lalique Suisse SA, Zurich		
Wholesale and retail trade in consumer products and luxury items, in particular of the Lalique brand		
Share capital in CHF thousands	100	100
Ownership and voting right	100%	100%
Lalique Maison SA, Zurich		
Creation and sale/distribution of furniture and interior-design accessories		
Share capital in CHF thousands ¹	100	100
Ownership and voting right	100%	100%
Lalique Art SA, Zurich		
Creation, development and trading of works art and decorative elements		
Share capital in CHF thousands ¹	100	100
Ownership and voting right	100%	100%
SCI du Mont à Grillon, Ury		
Management and rental of real estate		
Share capital in EUR thousands	1	1
Ownership and voting right	100%	100%
Glenturret Holding SA, Zurich		
Production and sale/distribution of fine spirits		
Share capital in CHF thousands	4 800	4 800
Ownership and voting right	50%	50%
Villa Florhof SA, Zurich		
Operating the hotel and restaurant business of Villa Florhof		
Share capital in CHF thousands	1 000	-
Ownership and voting right	100%	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 01.01.2021					15 000
Purchases	56	33.80	40.04	38.90	10 207
Balance as of 31.12.2021					25 207
Purchases	107	26.60	39.60	31.07	34 722
Balance as of 31.12.2022					59 929

As of balance sheet date, the acquisition cost of the treasury shares amounted to CHF 2 078 thousand (31.12.2021: CHF 999).
All shares traded were placed at the current share price on the SIX Swiss Exchange.

SHARES HELD BY MEMBERS OF BOARD OF DIRECTORS AND EXECUTIVE BOARD

As at 31 December 2022, the members of the Board of Directors and the Executive Board held the following number of shares:

NAME	FUNCTION	31.12.22	31.12.21
Denz, Silvio	Executive Chairman of the Board of Directors	4 202 700	4 202 700
Weber, Roland	Vice-chairman of the Board of Directors	10 000	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 & HD	214 560	214 560
Kollros, Jan	Member of the Board of Directors	-	-
Rubinstein, Alexis	Group CFO	120	120
Müller, Michael	Chief Corporate Officer	120	120
Rios Lopes, David	COO, Perfumes	600	600
Hegglin, Pascal	CFO, Lalique Beauty (since 01.07.2022)	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	Head of Ultrasun	-	-
Härtlein, Marcel	Head of Digital	-	-
Mandry, Denis	General Manager of Factory, Crystal (until 10.6.22)	-	-
Larminaux, Marc	Head of Design, Crystal	-	-
de Jaham, Jean Baptiste	Head of Sales, Crystal	-	-
Fabien, Benedicte	Head of Marketing, Crystal (until 30.11.2022)	-	-
Total		4 432 770	4 432 670
Total Lalique Group shares		7 200 000	7 200 000

Proposal for the allocation of retained earnings as at 31 December 2022

The Board of Directors proposes that the Annual General Meeting of Shareholders (AGM) on 31 May 2023 approves the following appropriation of available earnings:

IN CHF THOUSANDS	31.12.22	31.12.21
Carried forward from previous year	57 818	55 151
Profit for the year	3 206	4 100
Total earnings available for appropriation	61 024	59 251
Proposed distribution of earnings (2022: CHF 0.25 per dividend-bearing share) (2021: CHF 0.20 per dividend-bearing share)	-1 800	-1 440
of which dividends on own shares	15	6
BALANCE TO BE CARRIED FORWARD	59 224	57 818

IN CHF THOUSANDS	31.12.22	31.12.21
Capital contribution reserves from previous years	86 376	87 810
Capital increase	-	-
Capital contribution reserves before proposed distribution	86 376	87 810
Proposed distribution of earnings (2022: CHF 0.25 per dividend-bearing share) (2021: CHF 0.20 per dividend-bearing share)	-1 800	-1 440
of which dividends on own shares	15	6
BALANCE TO BE CARRIED FORWARD	84 591	86 376

The Board of Directors proposes that the AGM on 31 May 2023 shall issue a dividend of 0.50 CHF per share this year. The dividend is planned to be paid out of the capital contribution reserve CHF 0.25 (without deduction of withholding tax) and CHF 0.25 from voluntary retained earnings (without deduction of withholding tax, CHF 0.16 after taxes). Provided that the proposed dividend distribution out of the capital contribution reserve is

approved, the payment of CHF 0.50 per share will be made on 7 June 2023 to holders of shares on the record date 6 June 2023. The shares will be traded ex-dividend as of 5 June 2023 and, accordingly, the last day on which the shares may be traded with entitlement to receive the dividend will be 22 May 2023. The total dividend payment will amount to CHF 3 600 thousand (incl. dividends on own shares). All shares are entitled to dividends.



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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 2022 and 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 65 to 70) 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 shareholdings

Key audit matter

Lalique Group SA as the parent company of Lalique Group holds the shares of its subsidiaries and grants loans to selected subsidiaries. As per 31 December 2022, investments amounted to CHF 127.6 million (2021: CHF 126.6 Mio.) and loans to group companies amounted to CHF 53.2 million (2021: CHF 63.5 Mio.), together representing 95% 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 year-end balances of the investments and the loans to shareholdings are tested for impairment indicators on an annual basis. If such indicators are identified, management assesses the need 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 2022 an impairment of CHF 4.9 million (2021: CHF 2.1 Mio.) has been recorded on Lalique's loans granted to group companies.

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

In this regard, please also refer to 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 as well as 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 critically challenged 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.

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



LALIQUE GROUP SA
Report of the statutory auditor
for the year ended
31 December 2022

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 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 2022

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, 18 April 2023
CKR/SSU/jba

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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

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