

# LALIQUE GROUP

MEDIA RELEASE - Ad hoc announcement pursuant to Art. 53 LR

## **Lalique Group announces half-year results 2023**

*Zurich, 13 September 2023* - **Lalique Group SA (SIX: LLQ), which is active in the creation, development, marketing and worldwide distribution of luxury goods, generated operating revenue of EUR 87.7 million (+5%) in the first half of 2023. EBIT totalled EUR 2.5 million and the EBIT margin was 2.8%, reflecting higher energy costs but also the rise in production costs and personnel costs due to inflation. For the full year 2023, Lalique Group now expects sales growth to be in the high single digit percentage range. Profitability at EBIT level is expected to be higher than in the first half of 2023 but well below 2022.**

A telephone conference for investors, analysts and the media will be held today at 10:00 a.m. CEST.

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

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

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

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

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

# LALIQUE GROUP

## Segment results

The Lalique segment generated operating revenue of EUR 45.2 million in the first half of 2023, a stable result compared to the prior-year period, which benefited from strong sales (excluding the extraordinary income recorded in that period). The segment's two main pillars – the perfume business and the crystal business – as well as the gastronomy and hospitality business generated solid sales. In the crystal business, a technical defect in the new melting furnace that was put into operation at the end of 2022 dampened production and sales figures for the first quarter of 2023. The segment's profitability – like that of the entire Group – was adversely affected by higher operating costs (especially energy and personnel costs). New sales points opened in China, while in Zurich, the move to the new flagship store was completed. After a difficult first quarter, business momentum and profitability improved, also thanks to the implementation of price increases. Overall, EBIT was EUR -1.7 million for the first half of 2023, compared to EUR 2.1 million in the first half of 2022 (excluding the above-mentioned extraordinary income).

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

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

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

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

# LALIQUE GROUP

## Outlook

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

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

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

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

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

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

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

# LALIQUE GROUP

## **Documentation on half-year results 2023**

The following documents are available on Laliq Group's website:

Media release [www.lalique-group.com/news](http://www.lalique-group.com/news)

Results presentation [www.lalique-group.com/presentations#publication-list-2](http://www.lalique-group.com/presentations#publication-list-2)

Half-year Report [www.lalique-group.com/financial-reports#publication-list-2](http://www.lalique-group.com/financial-reports#publication-list-2)

## **Conference call for investors, analysts and the media**

Date: Wednesday, 13 September 2023

Time: 10:00 a.m. CEST

Speakers: Roger von der Weid, CEO; Alexis Rubinstein, CFO

Dial-in numbers:

Switzerland / Europe: +41 (0) 58 310 50 00

France: +33 (0) 1 7091 87 06

UK: +44 (0) 207 107 06 13

US: +1 (1) 631 570 56 13

Click on the following link to view the synchronized presentation (without sound):

<https://media.choruscall.eu/mediaframe/webcast.html?webcastid=gryCKNiw>

# LALIQUE GROUP

## **Media contact**

Lalique Group SA  
Elle Steinbrecher  
Head of Communication & PR  
Grubenstrasse 18  
CH-8045 Zürich

Phone: +41 43 499 45 58

e-mail: [elle.steinbrecher@lalique-group.com](mailto:elle.steinbrecher@lalique-group.com)

## **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 around 790 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.

You can find further information at: [www.lalique-group.com](http://www.lalique-group.com)

# LALIQUE GROUP

## Development of Lalique Group key figures

In EUR million

	1st half of 2023	1st half of 2022
<b>Operating revenue</b>	87.7	83.2 <sup>1)</sup>
<b>Gross result</b>	46.9	48.1
Salaries and wages	-22.0	-19.5
Other operating expenses	-14.6	-13.1
<b>EBITDA</b>	10.4	15.4
Depreciation and amortisation / impairment	-7.9	-7.4
<b>EBIT</b>	2.5	8.0
EBIT margin	2.8%	9.7%
Financial result	-1.4	-2.1
Income tax	-0.5	-1.3
<b>Net Group profit</b>	0.6	4.6

<sup>1)</sup> Includes exceptional income of EUR 1.7 million related to legal proceedings

In EUR

<b>Earnings per share</b>	0.15	0.74
---------------------------	------	------

In EUR million

	30.06.2023	31.12.2022
<b>Total equity (before shares with non-controlling interests)</b>	175.1	178.8
Equity ratio	47.8%	50.0%

The complete consolidated financial statements are available at: [www.lalique-group.com/financial](http://www.lalique-group.com/financial)