

# SMCP

sandro - maje - claudie pierlot - de fursac



## 2020 full year sales

Press release - Paris, January 29, 2021

### Full year sales impacted by COVID-19 pandemic Partially offset by China recovery and Digital growth Strong management of costs and cash

- 2020 FY Sales: €873.0m, down -23.9% on an organic basis
- Strong recovery in Mainland China since June; +3.4%<sup>1</sup> in 2020 (o/w +24.5%<sup>1</sup> in H2 2020)
- Strong performance in Digital<sup>2</sup>: +27.6%, including +43.1% in Q4 2020
- Selective store openings: +12 net DOS openings (vs.+90 DOS in 2019)
- Strong management of costs and cash

**Commenting on the report, Daniel Lalonde, SMCP's CEO, stated:** *"As expected, our sales were impacted by the lockdown measures over the fourth quarter. Nevertheless, the recovery in China since June and the strong management of our costs and cash enabled us to limit the impact of the crisis. I would like to express my gratitude to all our teams that have been fully mobilized and have done amazing work this year. They have implemented multiple initiatives to bring our new strategic plan to life. Notably, during the last quarter, we made solid progress towards our digital roadmap with the launch of new omni-channel services and in our approach to millennials, particularly in China. I am confident that our plan will shape SMCP to the new world."*

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<sup>1</sup> Organic sales growth excluding 2019 Q4 one-off impacts related to off-price sales (c.€5m)

<sup>2</sup> Taking into account new accounting method in the US on returns

<i>€m except % Unaudited figures</i>	Q4 2019	Q4 2020	Organic sales change	Reported sales change	FY 2019	FY 2020	Organic sales change	Reported sales change
<b>Sales by region</b>								
France	109.2	88.9	-18.6%	-18.6%	384.6	311.3	-23.1%	-19.0%
EMEA <sup>1</sup>	91.4	60.6	-33.3%	-33.6%	337.6	237.1	-30.1%	-29.8%
Americas	45.7	31.5	-27.0%	-31.0%	150.4	93.1	-36.8%	-38.1%
APAC <sup>2</sup>	70.8	70.9	+1.9%	+0.1%	259.2	231.4	-9.5%	-10.7%
<b>Sales by Brand</b>								
Sandro	155.8	121.1	-21.1%	-22.3%	551.6	414.3	-24.4%	-24.9%
Maje	117.6	98.5	-14.9%	-16.2%	438.2	336.8	-22.7%	-23.2%
Other brands <sup>3</sup>	43.6	32.3	-25.8%	-26.0%	142.1	121.9	-25.9%	-14.2%
<b>TOTAL</b>	<b>317.0</b>	<b>251.9</b>	<b>-19.4%</b>	<b>-20.5%</b>	<b>1 131.9</b>	<b>873.0</b>	<b>-23.9%</b>	<b>-22.9%</b>

## 2020 FULL-YEAR SALES

In 2020, consolidated sales reached €873.0 million, down -23.9% on an organic basis. Reported sales were down -22.9%, including a negative currency impact of -0.4% and De Fursac's contribution of +1.5%. This performance included -28.6% of like-for-like sales performance.

Over the last twelve months, SMCP's net openings amounted to +12 directly operated stores. This includes +12 net openings in APAC, +2 in EMEA and +7 in the Americas. Meanwhile, in France, the Group has pursued the optimization of its network with -9 net closings (DOS).

2020 also showed a strong acceleration in digital (+27.6% of sales growth), which partially offset the impact of the crisis. During this period, the Group continued to innovate and test new formats to boost the digital channel such as live streaming or Virtual shopping and made progress towards its "one Journey" ambition with the launch of new omni-channel services such as ship from store in France for Sandro and Maje or Call & collect in Europe.

## 2020 FOURTH QUARTER SALES

In the fourth quarter of 2020, consolidated sales reached €251.9 million, down -19.4% on an organic basis, notably impacted by further stores closures in November and December in Europe. Reported sales were down -20.5%, including a negative currency impact of -1.1%. Over the quarter the Group generated +43.1% of digital sales growth, boosted by several new initiatives. In parallel, the accessories category recorded a high penetration rate of 11.4% of sales, notably driven by successful initiatives, such as promoting a dedicated range of small leather goods for Christmas, the success of the M Bag for Maje or the Yza bag for Sandro.

### Sales breakdown by region and by brand

**In France**, sales were down -18.6% on an organic basis, impacted by a one-month lockdown in November as well as a continued low traffic in December affected by further restrictive measures and weak tourism. In the meantime, e-commerce recorded an outstanding performance at +78.4%, supported by a solid activity during Black Friday and some off-price sales on old collections. Over the quarter, the Group pursued its network optimization plan with an additional net closure.

<sup>1</sup> EMEA covers the Group's activities in European countries excluding France (mainly the United Kingdom, Spain, Germany, Switzerland, Italy and Russia) as well as the Middle East (including the United Arab Emirates).

<sup>2</sup> APAC includes the Group's Asia-Pacific operations (mainly Mainland China, Hong Kong SAR, South Korea, Singapore, Thailand and Australia).

<sup>3</sup> Claudie Pierlot and De Fursac brands

**In Europe**, sales were down -33.3% on an organic basis impacted by several store-lockdowns in key countries from November including the UK, Germany, the Netherlands as well as a continued sharp drop in tourism. The Group recorded contrasted trends in the region: while Switzerland and Germany showed a better resilience, Italy, the UK and Spain continued to remain the most affected markets by the pandemic. In parallel, the Group recorded a strong double-digit sales growth in e-commerce (+26.4%). Over the quarter, Sandro, Maje and Claudie Pierlot opened in Porto (Portugal) while De Fursac opened in Luxembourg.

**In the Americas**, sales were down -27.0% on an organic basis, impacted by further restrictive store measures in Canada and in key US regions such as California. Meanwhile, e-commerce displayed a strong double-digit sales growth<sup>1</sup> (+39.6%).

**In APAC**, sales were up +1.9% on an organic basis and +9.2% excluding 2019 Q4 positive one-off. This performance was mainly driven by **Mainland China** (+21.0% excluding this one-off). It was mostly fuelled by the Brick & Mortar channel and included +12.6% of like-for-like sales growth. Meanwhile, Digital was stable, reflecting a high base of comparison as well as a strong markdown reduction decided by the Group despite an increasingly promotional market. In parallel, the **rest of Asia** was impacted by new restrictive measures in December in several countries such as South Korea, Singapore and Australia. Hong-Kong SAR and Macau SAR remained challenging while restrictive measures continued to weigh on tourism. Taiwan continued to generate a strong performance. Over the quarter, SMCP entered a new country (Vietnam) with the opening of Sandro and Maje in Ho Chi Minh city.

A conference call to investors and analysts will be held today by Daniel Lalonde, CEO and Patrica Huyghues Despointes, CFO from 9.00 a.m. (Paris time).

Related slides will also be available on the website ([www.smcp.com](http://www.smcp.com)), in the Finance section.

## FINANCIAL CALENDAR

- March 24, 2021 – 2020 FY Results

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<sup>1</sup> Taking into account new accounting method in the US on returns

APPENDICES

Breakdown of DOS

Number of DOS	2019	Q1-20	Q2-20	Q3-20	2020	Full year variation	Q4-20 variation
<b><u>By region</u></b>							
France	528	522	524	520	519	-9	-1
EMEA	413	413	415	414	415	+2	+1
Americas	162	164	164	167	169	+7	+2
APAC	219	217	221	229	231	+12	+2
<b><u>By brand</u></b>							
Sandro	550	554	555	559	560	+10	+1
Maje	444	443	448	451	452	+8	+1
Claudie Pierlot	224	222	223	219	220	-4	+1
Suite 341	44	38	38	38	38	-6	-
De Fursac	60	59	60	63	64	+4	+1
<b>Total DOS</b>	<b>1 322</b>	<b>1 316</b>	<b>1 324</b>	<b>1 330</b>	<b>1 334</b>	<b>+12</b>	<b>+4</b>

Breakdown of POS

Number of POS	2019	Q1-20	Q2-20	Q3-20	2020	Full year variation	Q4-20 variation
<b><u>By region</u></b>							
France	530	522	524	520	519	-11	-1
EMEA	535	531	534	531	546	+11	+15
Americas	189	191	193	187	193	+4	+6
APAC	386	388	399	406	419	+33	+13
<b><u>By brand</u></b>							
Sandro	707	711	716	714	730	+23	+16
Maje	577	576	587	584	596	+19	+12
Claudie Pierlot	250	248	249	245	249	-1	+4
Suite 341	44	38	38	38	38	-6	-
De Fursac	62	59	60	63	64	+2	+1
<b>Total POS</b>	<b>1 640</b>	<b>1 632</b>	<b>1 650</b>	<b>1 644</b>	<b>1 677</b>	<b>+37</b>	<b>+33</b>
<b><i>o/w Partners POS</i></b>	<b>318</b>	<b>316</b>	<b>326</b>	<b>314</b>	<b>343</b>	<b>+25</b>	<b>+29</b>

## FINANCIAL INDICATORS NOT DEFINED IN IFRS

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The Group uses certain key financial and non-financial measures to analyse the performance of its business. The principal performance indicators used include the number of its points of sale, like-for-like sales growth, Adjusted EBIT and Adjusted EBIT margin.

### ***Number of points of sale***

The number of the Group's points of sale comprises total retail points of sale open at the relevant date, which includes (i) directly-operated stores, including free-standing stores, concessions in department stores, affiliate-operated stores, factory outlets and online stores, and (ii) partnered retail points of sale.

### ***Like-for-like sales growth***

Like-for-like sales growth corresponds to retail sales from directly operated points of sale on a like-for-like basis in a given period compared with the same period in the previous year, expressed as a percentage change between the two periods. Like-for-like points of sale for a given period include all of the Group's points of sale that were open during the same period of the previous year and exclude points of sale closed during the period, including points of sale closed for renovation for more than one month, as well as points of sale that changed their activity (for example, Sandro points of sale changing from Sandro Femme to Sandro Homme or to a mixed Sandro Femme and Sandro Homme store).

Like-for-like sales growth percentage is presented at constant exchange rates (sales for year N and year N-1 in foreign currencies are converted at the average N-1 rate, as presented in the annexes to the Group's consolidated financial statements as of December 31 for the year N in question).

### ***Organic sales growth***

Organic sales growth corresponds to total sales in a given period compared with the same period in the previous year, expressed as a percentage change between the two periods, and presented at constant exchange rates (sales for period N and period N-1 in foreign currencies are converted at the average year N-1 rate) excluding scope effects, i.e. excluding the acquisition of De Fursac

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## METHODOLOGY NOTE

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Unless otherwise indicated, amounts are expressed in millions of euros and rounded to the nearest million. In general, figures presented in this press release are rounded to the nearest full unit. As a result, the sum of rounded amounts may show non-material differences with the total as reported. Note that ratios and differences are calculated based on underlying amounts and not on the basis of rounded amounts.

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## DISCLAIMER: FORWARD-LOOKING STATEMENTS

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Certain information contained in this document includes projections and forecasts. These projections and forecasts are based on SMCP management's current views and assumptions. Such forward-looking statements are not guarantees of future performance of the Group. Actual results or performances may differ materially from those in such projections and forecasts as a result of numerous factors, risks and uncertainties. These risks and uncertainties include those discussed or identified under Chapter 3 "Risk factors" of the Company's Universal Registration Document filed with the French Financial Markets Authority (Autorité des Marchés Financiers - AMF) on 30 April 2020 and available on SMCP's website ([www.smcp.com](http://www.smcp.com)).

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## ABOUT SMCP

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SMCP is a global leader in the accessible luxury market with four unique Parisian brands: Sandro, Maje, Claudie Pierlot and De Fursac. Present in 41 countries, SMCP generated nearly 900 million of sales in 2020. The Group comprises a network of over 1,600 stores globally plus a strong digital presence in all its key markets. Evelyne Chetrite and Judith Milgrom founded Sandro and Maje in Paris, in 1984 and 1998 respectively, and continue to provide creative direction for the brands. Claudie Pierlot and De Fursac were respectively acquired by SMCP in 2009 and 2019. SMCP is listed on the Euronext Paris regulated market (compartment A, ISIN Code FR0013214145, ticker: SMCP).

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