

SMCP

sandro · maje · claudie pierlot · de fursac



2021 Second quarter
Press release - Paris, July 27th, 2021

Strong momentum in all regions **Solid progress on *One Journey* strategic plan**

- Q2 2021 Sales at €229.4m up +59.1% as reported and +61.1% vs. Q2 2020 on an organic¹ basis
- Progressive catch up versus 2019: -17% in Q1, - 14% in Q2
- Strong double-digit growth of +22% vs Q2 2019 in Mainland China
- Confirmed momentum in the U.S., going from strength to strength: sales back to pre-pandemic level, reaching +11.3%¹ versus 2019
- Very successful store reopening in France since May 19th, and strong EMEA performance despite store closures and low tourism
- Solid progress on full price strategy, meaningful reduction in promotional sales' share

Commenting on those results, Daniel Lalonde, CEO of SMCP, stated: *“In the second quarter, we delivered a strong performance in all regions. In APAC and in the U.S., our sales exceeded pre-pandemic level, while in France and EMEA, we recorded a solid growth despite the closure of the entire network during half of the quarter, a less promotional environment, and very low tourism. We also pursued the execution of our One Journey strategic plan, through (i) new strong, creative, and disruptive brand initiatives engaging millennials, (ii) a successful implementation of ship-from-store across Europe thanks to our unique retail pure player business model, (iii) tailored openings in Europe and Americas, and (iv) a continued phygital expansion in APAC. Looking forward, we remain cautiously optimistic about H2 2021 in all our markets.”*

¹ Organic growth | All references in this document to the “organic sales performance” refer to the performance of the Group at constant currency and scope

<i>€m except % Unaudited figures</i>	Q2 2020	Q2 2021	Organic change	Reported change	H1 2020	H1 2021	Organic change	Reporte d change
Sales by region								
France	47.3	63.2	+33.7%	+33.7%	133.0	141.9	+6.7%	+6.7%
EMEA ¹	35.8	66.4	+84.9%	+85.7%	106.6	114.0	+7.1%	+6.9%
Americas	11.3	34.2	+225.3%	+201.8%	38.3	59.1	+67.2%	+54.5%
APAC ²	49.8	65.5	+33.2%	+31.6%	94.9	138.4	+48.1%	+45.7%
Sales by Brand								
Sandro	71.5	108.4	+53.7%	+51.6%	177.1	212.0	+21.7%	+19.7%
Maje	53.8	93.5	+76.4	+73.9%	139.5	182.9	+33.3%	+31.1%
Other brands ³	18.8	27.4	+45.7%	+45.6%	56.3	58.4	+4.0%	+3.8%
TOTAL	144.1	229.4	+61.1%	+59.1%	372.8	453.3	+23.3%	+21.6%

2021 SECOND QUARTER SALES

In the second quarter of 2021, consolidated sales reached €229.4 million, up +61.1% on an organic basis, thanks to a solid performance in all regions considering the store closures, restrictions, low tourism, and a less promotional environment.

Reported sales were up +59.1%, including a negative currency impact of -2.0%.

Over the quarter, the Group generated a digital sales penetration of 25%, with impressive figures in absolute value again, normalizing in percentage of sales due to the full reopening of physical stores.

As planned, over the first semester, SMCP continued its brick-and-mortar network optimisation plan, with -19 DOS, including -25 net closures in France (mainly small points of sales, in small cities), including the impact of the end of the Suite 341 format (-14 in H1). On the other hand, we pursued our expansion in APAC, with +14 DOS (including +11 in China).

In line with our strategic plan, we made solid progress on our full price strategy, notably by deliberately reducing the promotional sales share, by removing for example some commercial events in Europe.

Sales breakdown by region

In France, sales were up +33.7% on an organic basis.

A very good achievement versus last year considering the similar basis of comparison in terms of store closures and restrictions due to the pandemic. Since the store reopening on May 19th, the Group has been performing very well generating a strong double-digit like-for-like growth.

¹ 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).

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

³ Claudie Pierlot and Fursac brands

In comparison to 2019, sales were down only -28%, with the closure of the network for half of Q2 2021, a less promotional environment, and a low traffic and tourism.

In EMEA, we delivered a strong growth of +84.9% on an organic basis, almost doubling the sales level versus last year. This is a very solid performance considering the restrictive measures implemented in the first part of the quarter.

If we compare to 2019, sales were down only -16%, with numerous store closures in key countries (like the United Kingdom, Germany, Belgium, or Italy), the cancellation of promotional sales, and the loss of tourism-related sales.

In APAC, sales were up +33.2% on an organic basis, a very solid performance driven by a strong double-digit like-for-like growth.

Sales were above 2019 despite the pandemic headwinds in key cities in Mainland China, Taiwan, Singapore, and Malaysia.

Despite these restrictions, the performance of Mainland China remained strongly positive reaching +22% versus 2019 and supported by a double-digit like-for-like growth, both in Brick-and-Mortar and digital.

In the Americas, sales were up +225.3% on an organic basis, tripling versus last year, supported by a triple-digit like-for-like growth.

While Canada was still impacted by store closures and restrictive measures to contain the pandemic, the momentum observed in the first quarter in **the United States** has been confirmed, going from strength to strength: sales exceeding pre-pandemic level, reaching +11.3% on an organic basis vs 2019.

CONCLUSION

In the second quarter of 2021, we delivered a strong performance in all regions, made solid progress on full price strategy driving to a meaningful reduction in promotional sales' share, and pursued the execution of our *One Journey* strategic roadmap.

The gradual market reopening leads us to be cautiously optimistic about H2 2021, in all markets.

OTHER INFORMATION

On June 30th, Smcp signed a €53m state guaranteed loan (« Prêt Garanti par l'Etat » or PGE) as a supplement to the loan concluded last year, solidifying again its liquidity position, and providing the Group with a meaningful financial headroom.

A conference call with investors and analysts will be held today by CEO Daniel Lalonde and CFO Patricia Huyghues Despointes, from 9:00 a.m. (Paris time).

Related slides will also be available on the website (www.smcp.com), in the Finance section.

FINANCIAL CALENDAR

- September 3rd, 2021 - 2021 H1 Results
- October 27th, 2021 - 2021 Q3 Sales

APPENDICES

Breakdown of DOS

Number of DOS	H1-20	2020	Q1-21	H1-21	Var H1 21 vs. Q1 21	Var H1 21 vs. FY 20	Var H1 21 vs. H1 20
By region							
France	524	519	486	494	+8	-25	-30
EMEA	415	415	406	408	+2	-7	-7
Americas	164	169	165	168	+3	-1	+4
APAC	221	231	233	245	+12	+14	+24
By brand							
Sandro	555	560	548	559	+11	-1	+4
Maje	448	452	440	453	+13	+1	+5
Claudie Pierlot	223	220	214	213	-1	-7	-10
Suite 341	38	38	25	24	-1	-14	-14
Fursac	60	64	63	66	+3	+2	+6
Total DOS	1 324	1 334	1 290	1 315	+25	-19	-9

Breakdown of POS

Number of POS	H1-20	2020	Q1-21	H1-21	Var H1 21 vs. Q1 21	Var H1 21 vs. FY 20	Var H1 21 vs. H1 20
By region							
France	524	519	486	494	+8	-25	-30
EMEA	534	546	543	554	+11	+8	+20
Americas	193	193	191	193	+2	-	-
APAC	399	419	424	445	+21	+26	+46
By brand							
Sandro	716	730	722	740	+18	+10	+24
Maje	587	596	588	608	+20	+12	+21
Claudie Pierlot	249	249	246	248	+2	-1	-1
Suite 341	38	38	25	24	-1	-14	-14
Fursac	60	64	63	66	+3	+2	+6
Total POS	1 650	1 677	1 644	1 686	+42	+9	+36
<i>o/w Partners POS</i>	<i>326</i>	<i>343</i>	<i>354</i>	<i>371</i>	<i>+17</i>	<i>+28</i>	<i>+45</i>

FINANCIAL INDICATORS NOT DEFINED IN IFRS

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 EBITDA/EBIT and Adjusted EBITDA/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.

Organic sales growth

Organic sales growth refers to the performance of the Group at constant currency and scope.

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 at the beginning of the previous period 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).

METHODOLOGY NOTE

Unless otherwise indicated, amounts are expressed in millions of euros and rounded to the first digit after the decimal point. 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 based on rounded amounts.

DISCLAIMER: FORWARD-LOOKING STATEMENTS

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 and internal control" of the Company's Universal Registration Document filed with the French Financial Markets Authority (Autorité des Marchés Financiers - AMF) on 30 April 2021 and available on SMCP's website (www.smcp.com).

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ABOUT SMCP

SMCP is a global leader in the accessible luxury market with four unique Parisian brands: Sandro, Maje, Claudie Pierlot and Fursac. Present in 43 countries, the Group comprises a network of over 1,600 stores globally and 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 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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