



SMCP

sandro • maje • claudie pierlot • fursac

2023 Half-Year Results

July 27th, 2023

Isabelle Guichot, CEO

Patricia Huyghues Despointes, CFO

Disclaimer

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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 April 11, 2023, and available on SMCP's website (www.smcp.com).

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Unless otherwise stated, all figures disclosed in this document are reported under IFRS 16.



Isabelle Guichot, CEO

Good sales performance and resilient profitability in a challenging environment

Sales

€610m

+8% organic
vs H1 22

Network

1,658 POS

H1 +15 POS*
o/w Q2 +23 POS

Adjusted EBIT

€36m

6% of sales

-2 pp vs H1 22

Net profit

€14m

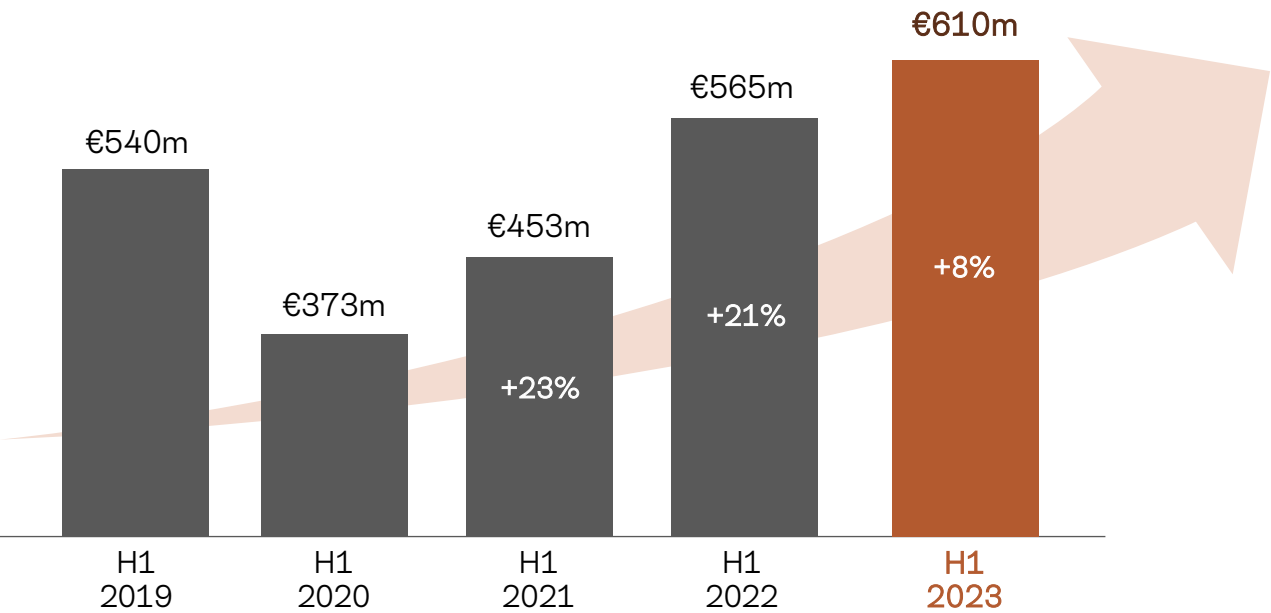
vs €21m in H1 22



* Excluding Russia closing impact (-40 POS)

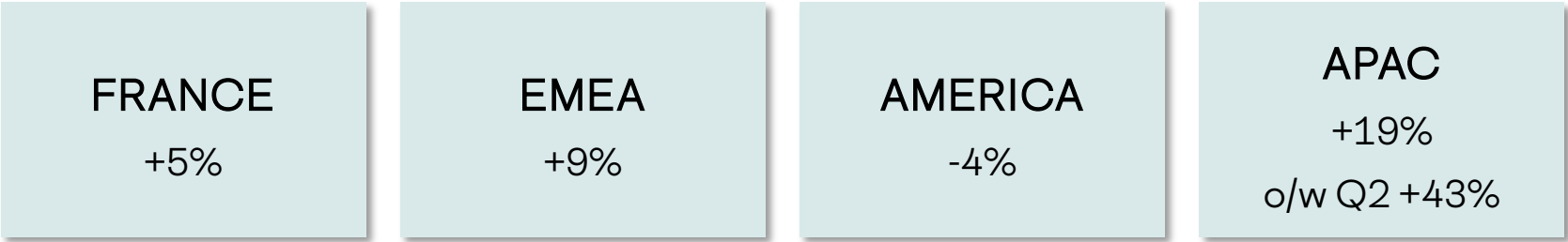
Continued topline growth in line with objectives

H1 Sales evolution since 2019

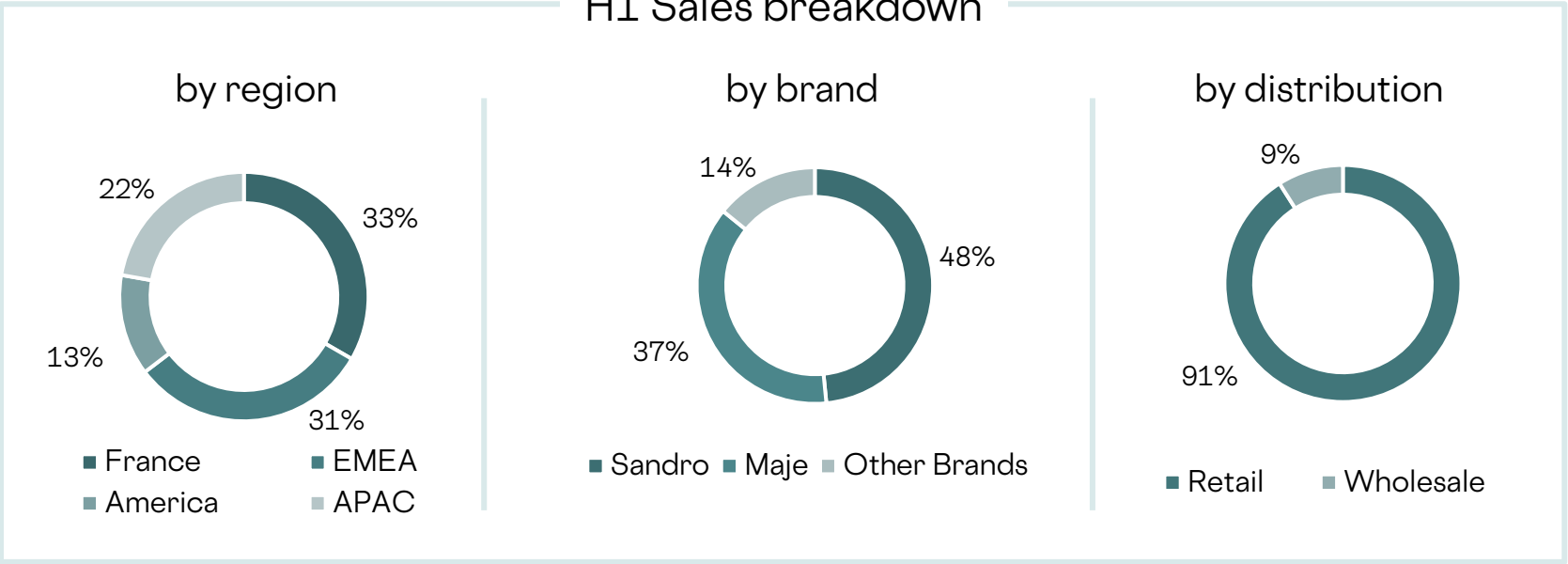


APAC and Europe drive the robust trend

2023 H1 Sales organic growth vs 2022 by region



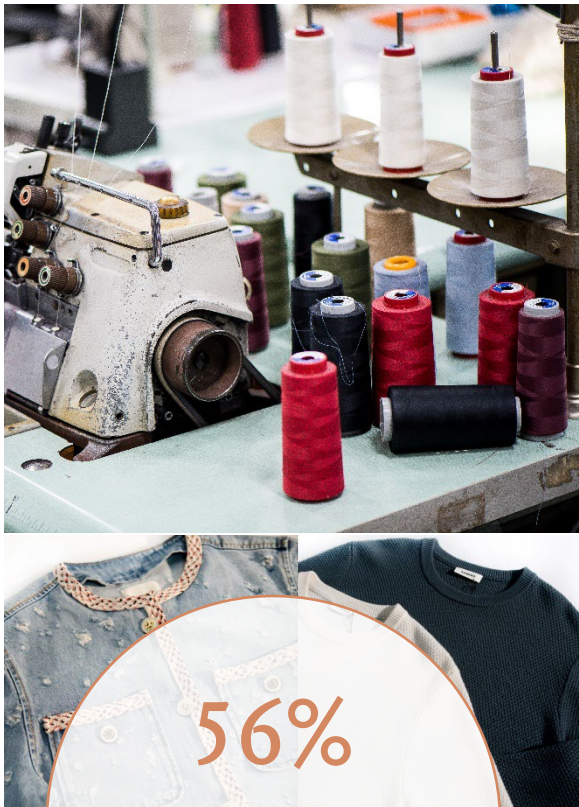
H1 Sales breakdown



Sustainability – H1 2023 key achievements



SMCProduct



56%
of SS23 collection
made with sustainable
material & products

SMCPlanet



8
European countries
switched to green energy
in stores

SMCPeople



Happy
at work
Certification
by ChooseMyCompany

Brand desirability: Sandro x Louis Barthelemy capsule



Brand desirability: International exposure with KOL Maje Girls



Eliza Sham
Instagram: 1M



Lin Min Chen
Instagram: 1M



Kathryn Newton
Instagram: 2M



Sofia Richie
Instagram: 10M



Millie Hannah
Instagram: 427k



Xu Menajie
Weibo: 12M



Qin Lan
Weibo: 16M

Brand desirability: Chic and playful Claudie Pierlot's summer collection



📍 Rue Pierre Charron, Paris



📍 La Samaritaine, Paris

Brand desirability: Fursac exposure with Cannes Film Festival and KOL

Cannes Film Festival



Abd Al Malik



Benjamin Lavernhe

KOL other endorsement



Rami Malek



Victor Belmondo



Vladimir Cauchemar

Q2 key openings



📍 Nanjing Deji, China



📍 Shenzhen Coastal City, China



📍 Toulouse, Fursac



Q2 key partner openings

B&M



 Istinye Park, Turkey



 Artz Pedregal, Mexico City

Digital





Patricia Huyghues Despointes, CFO

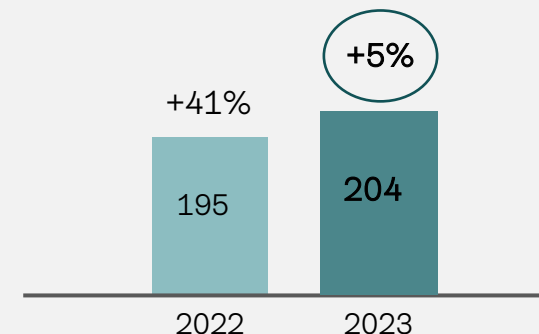
2023 H1 Sales performance by region

FRANCE

€204m

- Robust performance of +5% in H1, despite a high basis of comparison:
 - Performance mainly driven by Sandro and “Other brands”
 - Q2 impacted by social unrest and calendar effects
 - Solid growth in digital sales
- Network: +7 POS in Q2

H1 Sales (€m)

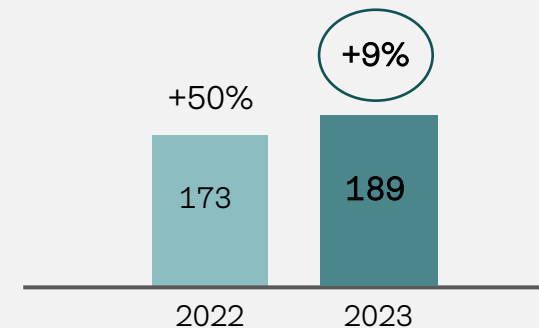


EMEA

€189m

- Despite a high basis of comparison, strong momentum of +9% in H1 supported by tourism flow:
 - Double-digit growth in all key EMEA markets (Germany, Italy, Spain and Middle-East) except in the UK impacted by a challenging economic environment
 - Strong like-for-like growth both in B&M and digital
- Network: +15 POS in Q2 with openings in Spain, Germany and Turkey

H1 Sales (€m)



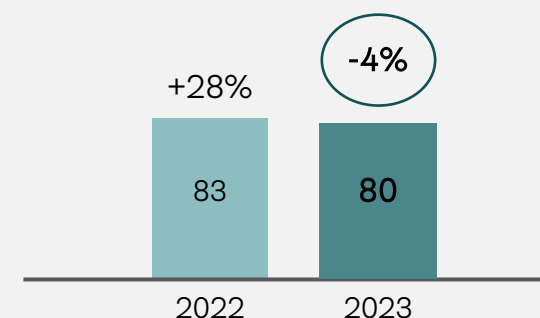
2023 H1 Sales performance by region

AMERICA

€80m

- Slightly negative evolution after a two years of double-digit growth in a row:
 - US sales resilience despite a very challenging environment
 - Canada slow post-Covid recovery accentuated by the rebuilding of the retail market and the lack of tourism from China
- Network +4 POS in Q2

H1 Sales (€m)

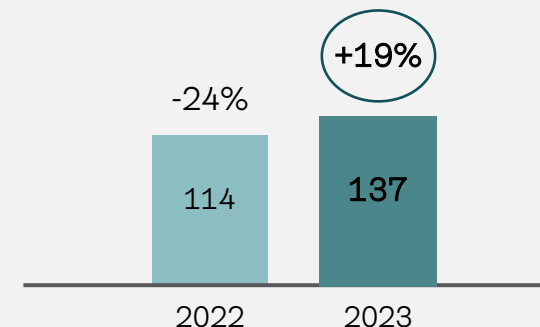


APAC

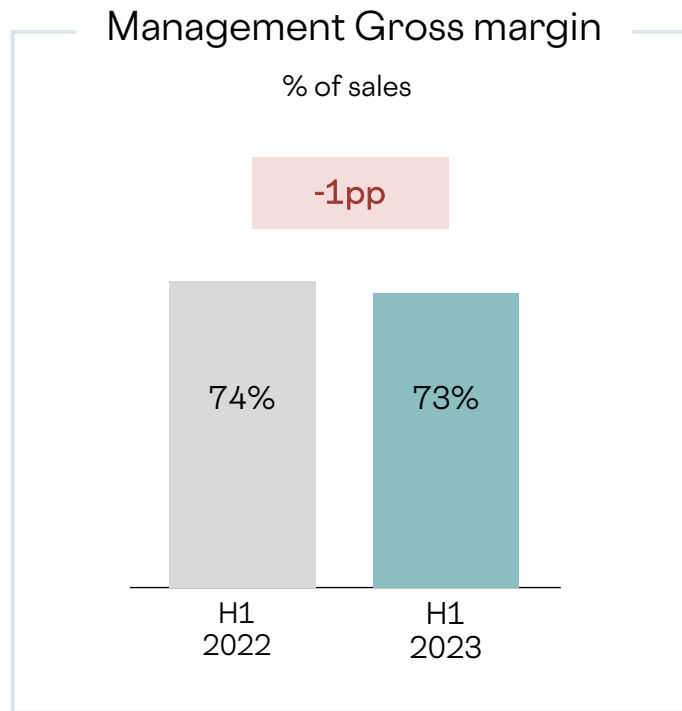
€137m

- Strong improvement of trend in H1 with +3% in Q1 and +43% in Q2:
 - Mainland China back to growth in Q2 resulting in a double-digit growth in H1
 - Good performance over the semester in Hong-Kong, Macau, Singapore and Malaysia.
- Network: -3 POS in Q2 from phasing of network evolution (+2 POS in H1)

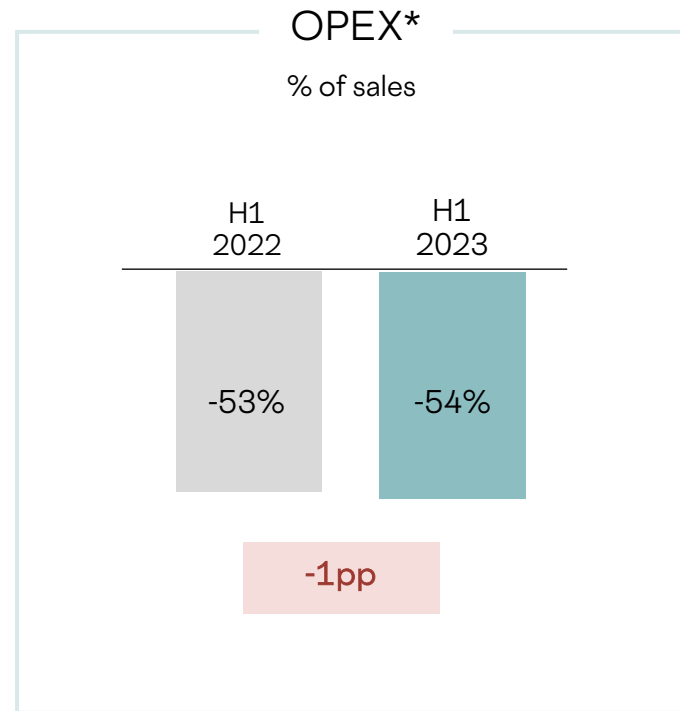
H1 Sales (€m)



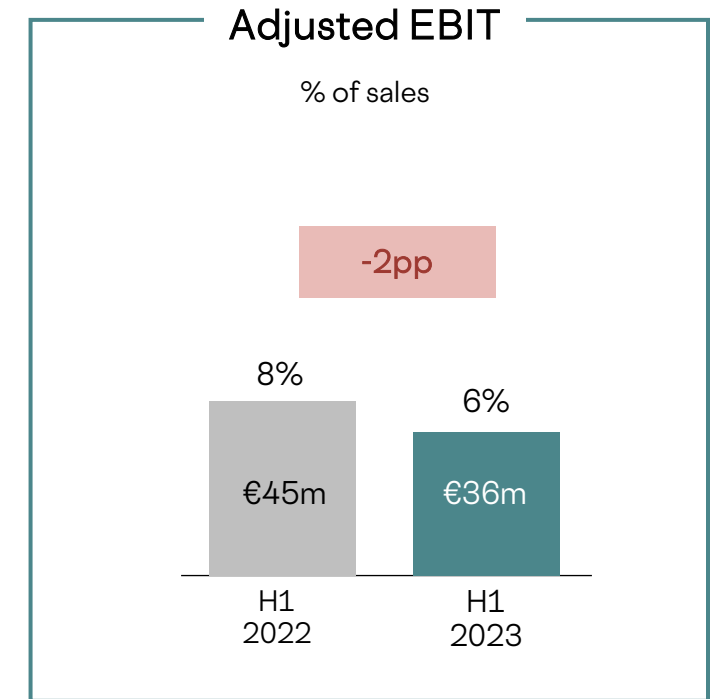
Adjusted EBIT decrease due to inflation and off-season discount



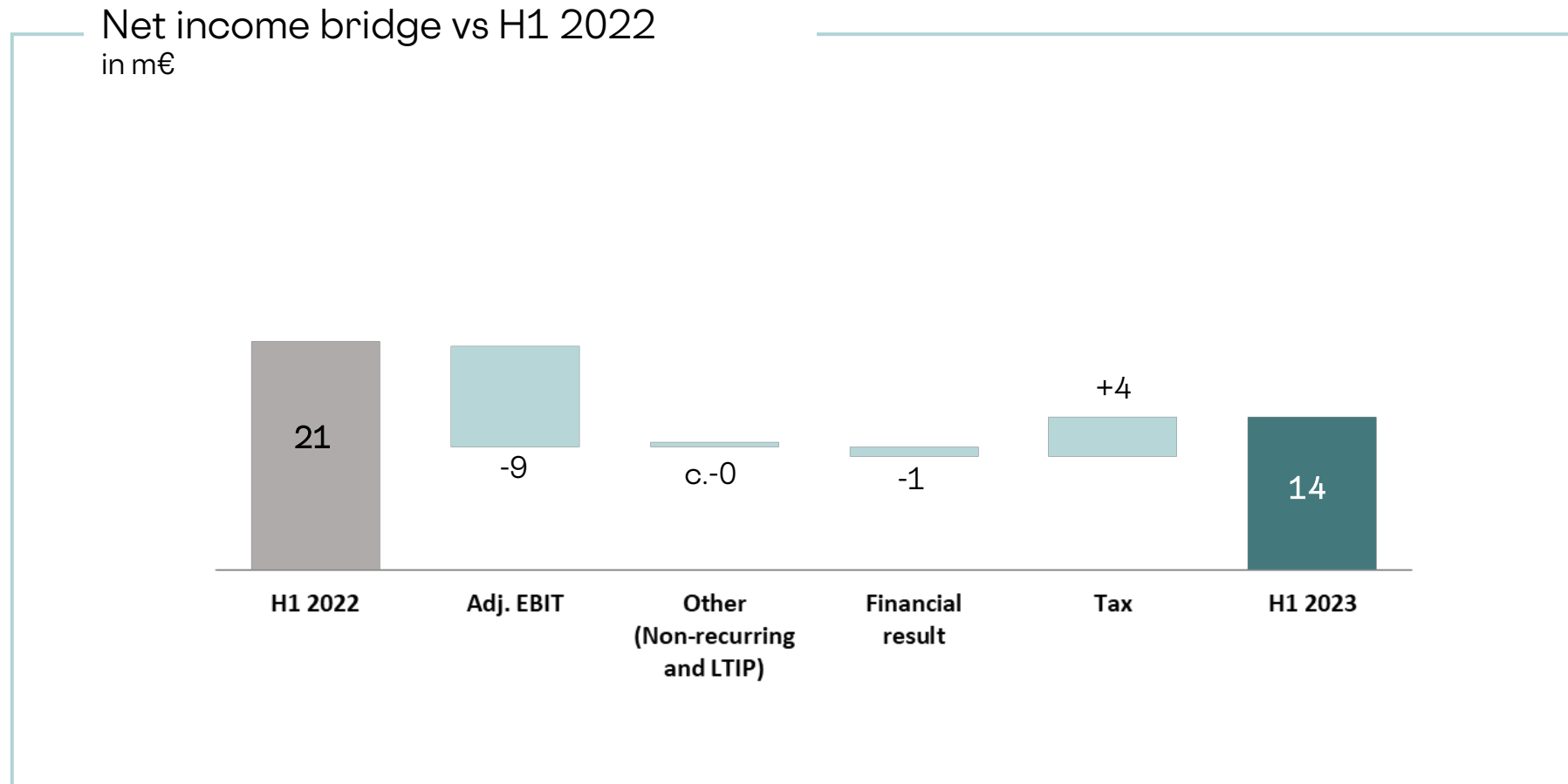
- Retail GM remains at a very high level
- In season discount stable overall, despite competitive and promotional environment
- Off season liquidation plan (China and Claudie Pierlot)



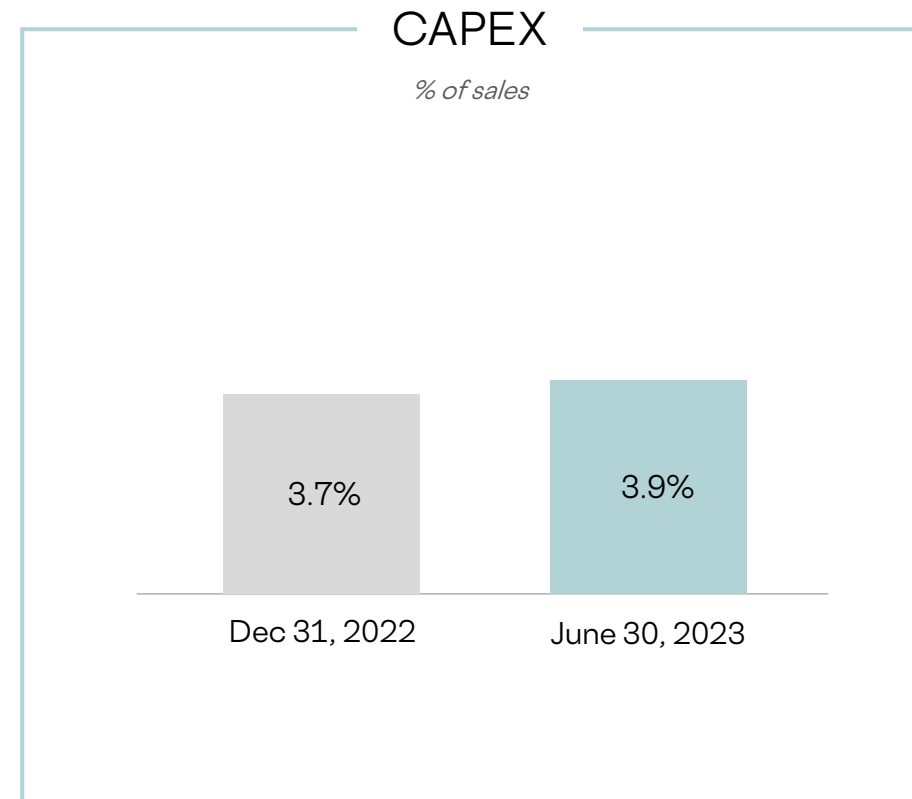
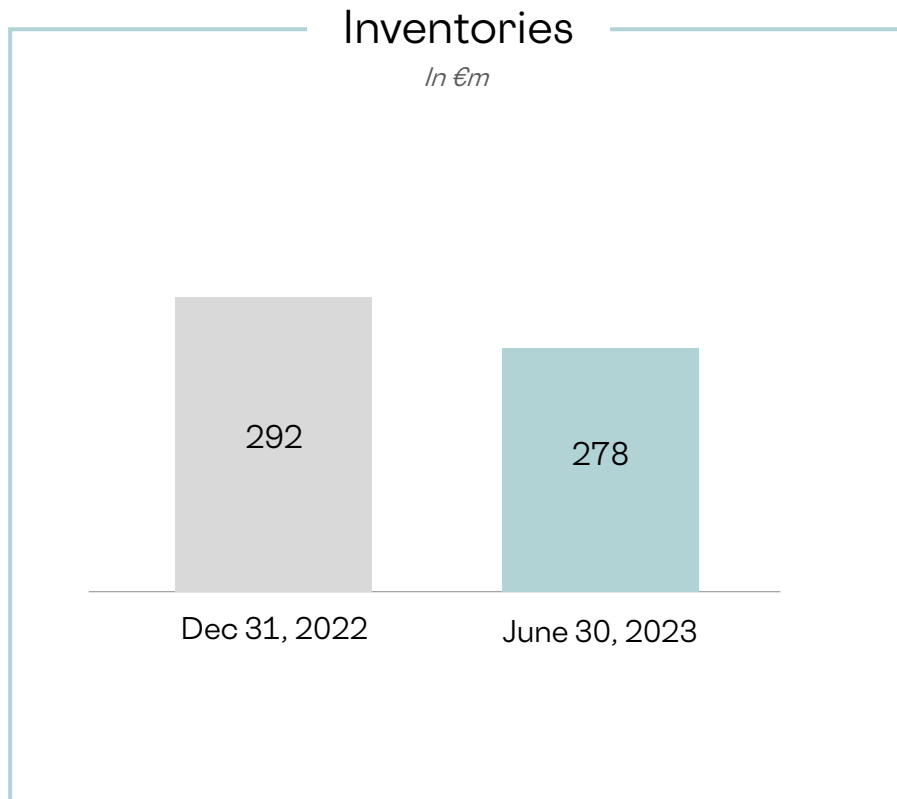
- Inflation impacting rents and staff costs in stores and HQ
- Infrastructure investments impacting SG&A



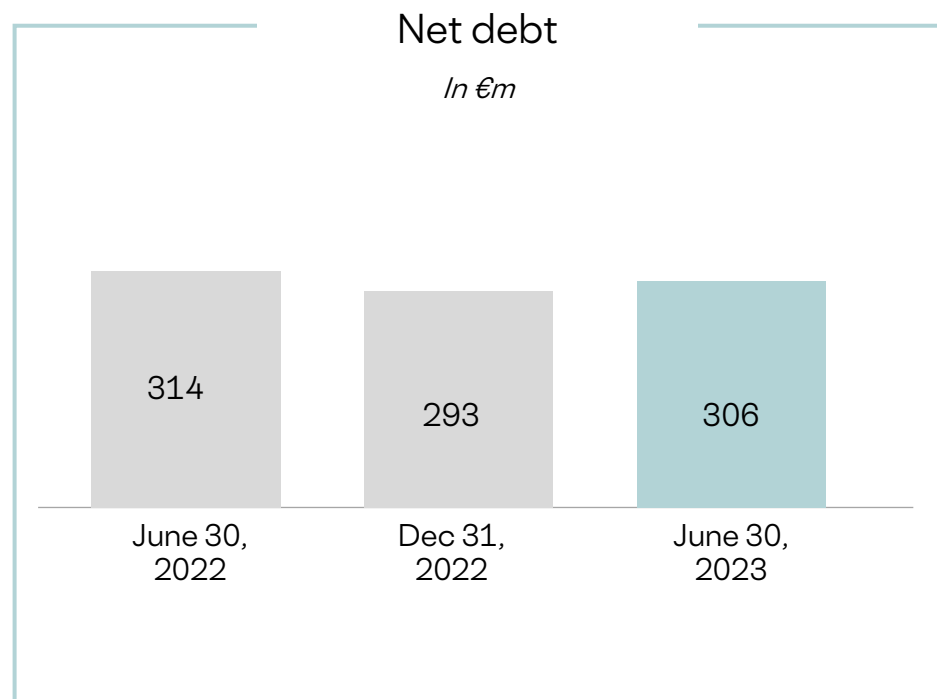
Net income of €14m



Tight control of inventories and CAPEX



Extension of financing successfully secured



in €m	Dec 31, 2022	Jun 30, 2023	Original Maturity date	Maturity date after extension
Term Loan	154	99	05.2024	05.2026
RCF (€200m)	Undrawn	Undrawn	05.2024	05.2026
State Guaranteed loans	180	161	06.2024 / 2026	06.2026 / 2027
Neu CP	25	27		
Overdraft	2	50		
Other debt	7	4		
Gross financial debt	367	341		
Cash and cash equivalents	73	35		
Net financial debt	293	306		

A clear roadmap for H2 to achieve our target

Performance levers

- Perform across all brands
- Leverage international footprint
- Continue full-price strategy driving sales productivity
- Achieve 2023 network expansion plan in H2

Profitability drivers

- Activate savings plan on discretionary costs
- Focus on profitable marketing investments
- Prioritize infrastructure projects
- Improve staff productivity

Conclusion and outlook

- Good Sales performance driven by Asia and Europe
- Resilient profitability in a complex environment
- Clear H2 roadmap to achieve annual targets
- Based on this elements, SMCP confirms its 2023 full-year guidance

Provided geopolitical situation and macro-economic/social context do not deteriorate during the rest of the year.





Financial Agenda

Next financial publications and events

October 26,
2023

2023 Q3 Sales





Quarterly net sales by region and by brand

<i>In €m</i>	Q1-22	Q1-23	Reported %	Organic %	Q2-22	Q2-23	Reported %	Organic %	H1-22	H1-23	Reported %	Organic %
France	93,7	106,0	+13,1%	+13,1%	101,0	98,0	-3,0%	-3,0%	194,7	203,9	+4,7%	+4,7%
EMEA	83,1	88,6	+6,6%	+7,0%	90,3	100,6	+11,4%	+11,6%	173,4	189,1	+9,1%	+9,4%
America	38,6	39,0	+1,0%	-2,5%	44,5	41,3	-7,2%	-4,8%	83,1	80,3	-3,4%	-3,7%
APAC	67,6	71,0	+5,1%	+2,7%	46,6	65,5	+40,4%	+43,1%	114,2	136,5	+19,5%	+19,0%
Total	283,0	304,6	+7,6%	+6,7%	282,4	305,3	+8,1%	+8,7%	565,4	609,8	+7,9%	+7,7%
Sandro	134,1	146,0	+8,9%	+7,8%	132,7	149,5	+12,7%	+13,4%	266,8	295,5	+10,8%	+10,6%
Maje	112,2	113,8	+1,5%	+0,4%	111,7	114,6	+2,6%	+3,4%	223,9	228,5	+2,0%	+1,9%
Other brands	36,8	44,8	+21,7%	+21,8%	37,9	41,1	+8,3%	+8,2%	74,7	85,9	+14,9%	+14,9%
Total	283,0	304,6	+7,6%	+6,7%	282,4	305,3	+8,1%	+8,7%	565,4	609,8	+7,9%	+7,7%

Organic sales growth: at constant currency & Scope

Other brands: Claudie Pierlot and Fursac

Breakdown of POS

Directly operated stores

Number of DOS	H1-22	2022	Q1-23	H1-23	Var H1 23 vs Q1 23	Var H1 23 vs FY 22	Var H1 23 vs H1 22
<u>By region</u>							
France	462	460	456	463	+7	+3	+1
EMEA	394	395	391	399	+8	+4	+5
America	167	166	164	167	+3	+1	-
APAC	251	259	305	301	-4	+42 *	+50 *
<u>By brand</u>							
Sandro	546	551	569	575	+6	+24	+29
Maje	453	457	476	477	+1	+20	+24
Claudie Pierlot	206	201	203	206	+3	+5	-
Suite 341	2	2	-	-	-	-2	-2
Fursac	67	69	68	72	+4	+3	+5
Total DOS	1 274	1 280	1 316	1 330	+14	+50	+56

*including stores in Australia and New Zealand, integrated in Retail in January 2023

Total points of sale

Number of POS	H1-22	2022	Q1-23	H1-23	Var H1 23 vs Q1 23	Var H1 23 vs FY 22	Var H1 23 vs H1 22
<u>By region</u>							
France	463	461	457	464	+7	+3	+1
EMEA	542	552	505	520	+15	-32	-22
America	195	198	196	200	+4	+2 *	+5 *
APAC	470	472	477	474	-3	+2	+4
<u>By brand</u>							
Sandro	742	752	733	744	+11	-8	+2
Maje	620	627	611	615	+4	-12	-5
Claudie Pierlot	239	233	223	227	+4	-6	-12
Suite 341	2	2	-	-	-	-2	-2
Fursac	67	69	68	72	+4	+3	+5
Total POS	1 670	1 683	1 635	1 658	+23	-25	-12
o/w Partners POS	396	403	319	328	+9	-75 **	-68 **

*including stores in Australia and New Zealand, integrated in Retail in January 2023

**including the closure (by the local partner) of stores in Russia, which were not supplied since early 2022, and the transfer from POS to DOS of stores in Australia and New Zealand, integrated in Retail in January 2023

Income statement

€m - IFRS	HY-22	HY-23
Sales	565,4	609,8
Purchases and changes in inventories ¹	-202,1	-225,5
Gross Margin²	363,3	384,3
Other operating income and expenses	-115,5	-126,1
Personnel costs	-125,9	-142,5
Adjusted³ EBITDA	121,8	115,7
Depreciation and amortization expenses	-76,7	-79,4
Adjusted³ EBIT	45,2	36,3
Allocation of LTIP	-3,2	-3,5
EBIT	42,0	32,8
Other non-recurring income and expenses	-0,8	-0,9
Operating profit	41,2	31,9
Cost of net financial debt	-11,4	-12,4
Financial income and other financial expenses	-0,4	-0,3
Financial Result	-11,8	-12,7
Profit before tax from continuing operations	29,4	19,2
Income tax	-8,7	-5,2
Net income (Loss) of fully consolidated companies	20,7	14,0
Attributable to owners of the parent	20,7	14,0
Attributable to minority interests	0,0	0,0
Net income - Group share	20,7	14,0
Net Income excl. GW & Right of use impairments	20,7	14,0

(1) Including commissions

(2) Gross margin corresponds to sales after deduction of cost of sales and commissions paid to the department stores and affiliates. The company uses and monitors as an operational KPI the gross margin before commissions.

(3) Before LTIP impact

Balance sheet – Assets (1/2)

BALANCE SHEET - ASSETS (€m) - IFRS	As of Dec. 31, 2022	As of Jun 30, 2023
Goodwill	626,3	631,3
Trademarks, other intangible & right-of-use assets	1 128,5	1 116,9
Property, plant and equipment	82,5	76,3
Non-current financial assets	18,7	18,6
Deferred tax assets	35,7	36,3
Non-current assets	1 891,7	1 879,5
Inventories and work in progress	291,6	278,1
Accounts receivables	62,9	65,5
Other receivables	61,4	86,7
Cash and cash equivalents	73,3	33,8
Current assets	489,2	464,1
Total Assets	2 380,9	2 343,6

Balance sheet – Equity and liabilities (2/2)

BALANCE SHEET - EQUITY & LIABILITIES (€m) - IFRS	As of Dec. 31, 2022	As of Jun 30, 2023
Share capital	83,9	83,9
Share premium	949,6	949,5
Reserves and retained earnings	146,4	161,1
Treasury shares	-7,7	-2,9
Total Equity	1 172,1	1 191,6
Non-current lease liabilities	302,9	295,5
Non-current financial debt*	261,9	84,4
Other financial liabilities	0,1	0,2
Provisions and other non-current liabilities	0,7	0,5
Net employee defined benefit liabilities	4,2	4,5
Deferred tax liabilities	169,2	176,5
Non-current liabilities	739,0	561,6
Trade and other payables	171,8	158,3
Current lease liabilities	100,0	94,8
Bank overdrafts and short-term financial borrowings and debt*	104,2	255,2
Short-term provisions	1,6	1,6
Other current liabilities	92,2	80,5
Current liabilities	469,8	590,4
Total Liabilities	2 380,9	2 343,6

*after extension of the Term loan and PGE in July 2023, the non-current portion of financial debt would amount to 217m€

Net financial debt

NET FINANCIAL DEBT (€m)	As of Dec. 31, 2022	As of Jun 30, 2023
Non current financial debt & other financial liabilities	-262,0	-84,5
Bank overdrafts and short-term financial liability	-104,2	-255,2
Cash and cash equivalents	73,3	33,8
Net financial debt	-292,9	-306,0
<i>LTM adjusted EBITDA (excl. IFRS & IAS 38)</i>	<i>151,3</i>	<i>139,5</i>
Net financial debt / adjusted EBITDA	1,9x	2,2x

Other indicators¹

€m	HY 22	HY 23
Management margin	420,9	446,1
<i>% of sales</i>	<i>74,4%</i>	<i>73,1%</i>
Direct costs of points of sales	(243,0)	(269,8)
<i>% of sales</i>	<i>-43,0%</i>	<i>-44,2%</i>
Retail margin	177,9	176,3
<i>% of sales</i>	<i>31,5%</i>	<i>28,9%</i>
SG&A	(115,9)	(125,9)
<i>% of sales</i>	<i>-20,5%</i>	<i>-20,6%</i>
Adjusted EBITDA *	121,8	115,7
<i>% of sales</i>	<i>21,5%</i>	<i>19,0%</i>

(1) Based on management accounts

* Before LTIP impact

Adj. EBITDA by brand

€m - IFRS	HY-22	HY-23	var
Adjusted¹ EBITDA	121,8	115,7	-5,0%
Sandro	61,2	61,9	1,1%
Maje	55,6	48,5	-12,8%
Other Brands	5,0	5,3	6,0%
Adjusted¹ EBITDA margin	21,5%	19,0%	-2,6 pt
Sandro	22,9%	20,9%	-2,0 pt
Maje	24,8%	21,2%	-3,6 pt
Other Brands	6,7%	6,2%	-0,5 pt

(1) Before LTIP impact

Cash-flow statement

CASH FLOW STATEMENT (€m) - IFRS	HY-22	HY-23
Adjusted EBIT ¹	45,2	36,3
D&A	76,7	79,4
Changes in working capital	-27,7	-11,4
Income tax expense	-5,4	-13,3
Net cash flow from operating activities	88,8	91,0
Capital expenditure	-18,7	-24,0
Others	-	-6,1
Net cash flow from investing activities	-18,7	-30,1
Treasury shares purchase program	-2,4	-
Change in long-term borrowings and debt	-	-
Change in short-term borrowings and debt	-74,1	-73,0
Net interests paid	-6,8	-9,0
Other financial income and expenses	0,6	-0,9
Reimbursement of rent lease	-59,8	-65,3
Net cash flow from financing activities	-142,5	-148,2
Net foreign exchange difference	0,8	-0,5
Change in net cash	-71,6	-87,8

(1) Before LTIP impact

Free cash-flow

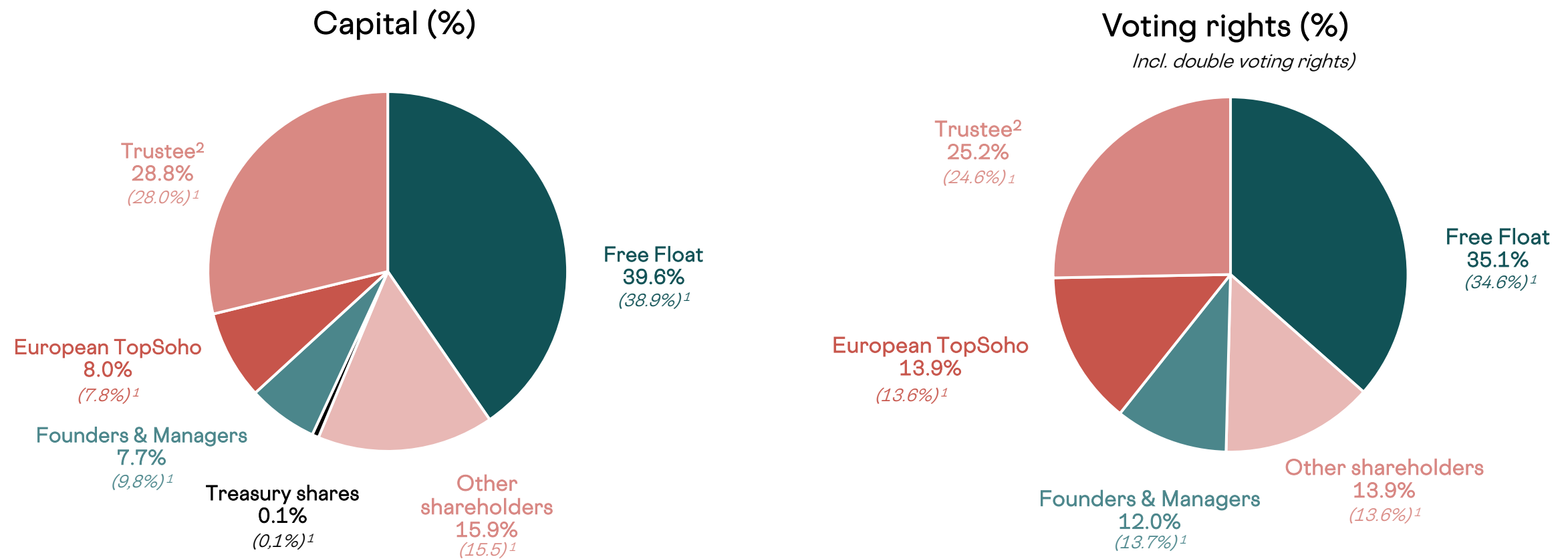
FCF (€m) - IFRS	HY-22	HY-23
Adjusted EBIT ¹	45,2	36,3
D&A	76,7	79,4
Change in working capital	-27,7	-11,4
Income tax	-5,4	-13,3
Net cash flow from operating activities	88,8	91,0
Capital expenditure	-18,7	-24,0
Reimbursement rent lease	-59,8	-65,3
Interest & Other Financial	-6,2	-9,9
Other & FX	0,8	-0,5
Free cash-flow	4,9	-8,7

(1) Before LTIP impact

Working capital

€m	HY-22	FY-22	HY-23
Inventories and work in progress	262,1	291,6	278,1
Trade receivables	56,6	62,9	65,5
Trade payables excluding fixed asset suppliers	-160,3	-152,9	-147,1
Operational working capital	158,4	201,6	196,5
Other receivables	81,9	60,5	75,4
Other payables	-80,3	-84,4	-76,8
Working capital	160,1	177,7	195,1

Shareholding structure and voting rights as of June 30th, 2023



The share capital of the Company is composed of 76,288,530 shares (including 697,343 Free Preferred Shares)
Assuming conversion of all the Free Preferred Shares into ordinary shares, the share capital of the Company would be composed of up to 78,326,926 shares

¹ Post conversion of all the Free Preferred Shares and excluding LTIP
² Glas SAS (London Branch), Trustee under exchangeable bonds issued by European TopSoho secured with shares of SMCP representing approximately 37% of SMCP's share capital, has taken possession of 29% of the capital on October 28, 2021.
³ To date, the company has not been informed of the identity of the current holder(s) of the 12,106,939 shares transferred by European TopSoho S.à r.l., as no declaration of threshold crossing (statutory or legal) has been made to the Company or to the Autorité des marchés financiers and as these shares are bearer shares. GLAS has nevertheless indicated in a communication dated December 8, 2021 that it has obtained a freezing order against European TopSoho S.à r.l. and Dynamic Treasure Group Ltd, the initial transferee, prohibiting any further transfer of these shares.