

SMCP

sandro · maje · claudie pierlot · fursac



Consolidated financial statements extract At December 31st, 2025

February 27th, 2026

Consolidated financial statements extract

1.1 Consolidated financial statements

1.1.1 CONSOLIDATED INCOME STATEMENT

<i>(In millions of euros)</i>	Notes	12/31/2024	12/31/2025
Revenue	5.1	1,211.7	1,217.4
Cost of sales	5.2	(448.4)	(435.7)
Gross margin		763.3	781.7
Other operating income and expenses	5.3	(257.7)	(257.3)
Personnel costs	5.4	(289.2)	(293.1)
Depreciation, amortisation and impairment		(163.5)	(136.1)
Free share plan (LTIP)	5.5	(1.8)	(4.0)
Current operating income		51.2	91.2
Other income and expenses	5.6	(35.2)	(30.8)
Operating profit		16.0	60.4
Financial income and expenses		(1.8)	(1.4)
Cost of net debt		(30.6)	(28.3)
Financial income	5.7	(32.4)	(29.7)
Profit/(loss) before tax		(16.4)	30.7
Income tax expense	5.8	(7.2)	(14.1)
Net profit for the period		(23.6)	16.6
Net profit for the period - Group share		(23.6)	16.6
Basic earnings per share - Group share <i>(in €)</i>	5.9	(0.31)	0.21
Diluted earnings per share - Group share <i>(in €)</i> ⁽¹⁾	5.9	(0.31)	0.21

(1) The diluted earnings per share cannot have an accretive effect; therefore, it is identical to the earnings per share as of December 31, 2024.

1.1.2 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>(In millions of euros)</i>	Notes	12/31/2024	12/31/2025
Net profit for the period		(23.6)	16.6
Revaluation of the net liability for defined benefit plans	6.13	0.6	0.1
Items that may not be reclassified to profit or loss		0.6	0.1
Gains/(losses) on derivative instruments (cash flow hedges), net of tax	6.17	(0.2)	0.5
Foreign exchange differences on translation of foreign operations		3.6	(9.3)
Items that may be reclassified to profit or loss		3.4	(8.8)
Other comprehensive income, net of tax		4.0	(8.7)
TOTAL COMPREHENSIVE INCOME/(LOSS)		(19.6)	7.8

1.1.3 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

<i>(In millions of euros)</i>	Notes	12/31/2024	12/31/2025
Goodwill	6.1.1	604.3	585.5
Trademarks	6.1.2	663.0	660.3
Other intangible assets	6.1.2	12.1	10.4
Property, plant and equipment	6.2	79.7	70.8
Rights of use	6.3.1	464.0	400.4
Non-current financial assets	6.5	16.8	14.2
Deferred tax assets	5.8.2	29.6	27.2
Non-current assets		1,869.6	1,768.8
Inventories	6.6	260.2	233.0
Trade and related receivables	6.7	69.0	60.0
Other current assets	6.8	50.8	40.5
Cash and cash equivalents	6.9	48.5	47.4
Current assets		428.5	380.9
TOTAL ASSETS		2,298.1	2,149.7

EQUITY AND LIABILITIES

<i>(In millions of euros)</i>	Notes	12/31/2024	12/31/2025
Share capital		83.9	86.2
Share premium		949.5	947.3
Reserves and retained earnings		133.3	142.8
Treasury shares		(3.6)	(4.6)
Equity - Group share	6.10	1,163.1	1,171.7
Total equity		1,163.1	1,171.7
Long-term lease liabilities	6.3.2	343.5	293.3
Long-term financial borrowings	6.11	158.7	90.5
Other non-current liabilities	6.11	0.6	0.7
Non-current provisions	6.12	4.9	4.4
Net employee defined benefit liabilities	6.13	4.6	4.9
Deferred tax liabilities	5.8.2	163.9	164.3
Non-current liabilities		676.2	558.1
Trade and other payables	6.14	143.4	138.8
Short-term lease liabilities	6.3.2	100.7	90.5
Bank overdrafts and short-term borrowings and debt	6.11	126.4	103.7
Short-term provisions	6.12	1.6	1.8
Other current liabilities	6.15	86.7	85.1
Current liabilities		458.8	419.9
TOTAL EQUITY AND LIABILITIES		2,298.1	2,149.7

1.1.4 CONSOLIDATED STATEMENT OF CASH FLOWS

<i>(In millions of euros)</i>	Notes	12/31/2024	12/31/2025
Profit/(loss) before tax	6.1.1.1	(16.4)	30.7
Depreciation, amortisation and impairment		163.5	136.1
Financial income		32.4	29.7
Other income and expenses without counterpart in cash		35.3	32.8
Operating cash flow		214.7	229.3
(Increase)/decrease in trade and other receivables and prepaid expenses		16.3	11.5
(Increase)/decrease in inventories net of provisions		25.2	19.7
Increase/(decrease) in trade and other payables		(12.2)	4.2
Change in working capital requirement		29.3	35.4
Reimbursed/(paid) income tax		(10.1)	(11.6)
Net cash flow from operating activities		233.9	253.2
Purchases of property, plant and equipment and intangible assets	6.1.2 / 6.2	(43.7)	(31.6)
Proceeds from sales of property, plant and equipment and intangible assets		2.5	2.0
Purchases of financial instruments		(1.6)	(1.7)
Proceeds from sales of financial instruments		3.8	3.3
Net cash flow used in investing activities		(38.8)	(28.0)
Treasury shares buyback programme		(0.4)	(1.3)
Reimbursement of financial liabilities	6.11	(55.5)	(74.6)
Lease payment reimbursement	6.3	(127.5)	(116.7)
Other financial income and expenses	5.7	(0.3)	(2.7)
Interest paid	5.7	(18.9)	(13.1)
Net cash flow from financing activities		(202.6)	(208.4)
Net foreign exchange differences		0.5	(1.6)
CHANGE IN NET CASH AND CASH EQUIVALENTS		(7.0)	15.2
Cash and cash equivalents at the beginning of the period		50.9	48.5
Bank credit balances at the beginning of the period		(17.2)	(21.7)
NET CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	6.9	33.7	26.8
Cash and cash equivalents at the end of the period		48.5	47.4
Bank credit balances at the end of the period		(21.7)	(5.5)
NET CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6.9	26.8	41.9

1.1.5 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>(In millions of euros)</i>	Notes	Number of shares	Share capital	Share premium	Treasury shares	Reserves and retained earnings
BALANCE AT JANUARY 1, 2024	6.10.1	76,288,530	83.9	949.6	(5.0)	140.2
Net profit at December 31, 2023		-	-	-	-	-
Cumulative actuarial losses on defined benefit plans, net of tax		-	-	-	-	-
Foreign exchange differences on translation of foreign operations		-	-	-	-	-
Gains/(losses) on derivative instruments (cash flow hedges), net of tax		-	-	-	-	-
Other comprehensive income		-	-	-	-	-
Total comprehensive income/(loss)		-	-	-	-	-
Appropriation of N-1 income		-	-	-	-	11.2
Dividend paid		-	-	-	-	-
Capital increase/(decrease)		-	-	-	-	-
Conversion of free shares		-	-	-	-	-
Conversion of class G preferred shares		-	-	-	-	-
Free share plan (LTIP)		-	-	-	1.8	1.1
Purchase of treasury shares		-	-	-	(0.4)	-
Total transactions with shareholders		-	-	-	1.4	12.3
BALANCE AT DECEMBER 31, 2024		76,288,530	83.9	949.5	(3.6)	152.5
Net profit at December 31, 2025		-	-	-	-	-
Cumulative actuarial losses on defined benefit plans, net of tax		-	-	-	-	-
Foreign exchange differences on translation of foreign operations		-	-	-	-	-
Gains/(losses) on derivative instruments (cash flow hedges), net of tax		-	-	-	-	-
Other comprehensive income		-	-	-	-	-
Total comprehensive income/(loss)		-	-	-	-	-
Appropriation of N-1 income		-	-	-	-	(23.6)
Dividend paid		-	-	-	-	-
Capital increase/(decrease)		-	-	-	-	-
Conversion of free shares		-	-	-	-	-
Conversion of class G preferred shares		2,038,368	2.2	(2.2)	-	-
Free share plan (LTIP)		-	-	-	0.1	1.7
Purchase of treasury shares		-	-	-	(1.0)	-
Total transactions with shareholders		2,038,368	2.2	(2.2)	(1.0)	(21.9)
BALANCE AT DECEMBER 31, 2025		78,326,898	86.2	947.3	(4.6)	130.6

Revaluation of defined benefit liabilities	Translation adjustment	Future cash flow hedges	Net profit for the period - Group Share	Total Group share	Total equity
1.3	(0.9)	(0.2)	11.2	1,180.1	1,180.1
-	-	-	(23.6)	(23.6)	(23.6)
0.6	-	-	-	0.6	0.6
-	3.6	-	-	3.6	3.6
-	-	(0.2)	-	(0.2)	(0.2)
0.6	3.6	(0.2)	-	4.0	4.0
0.6	3.6	(0.2)	(23.6)	(19.6)	(19.6)
-	-	-	(11.2)	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	2.9	2.9
-	-	-	-	(0.4)	(0.4)
-	-	-	(11.2)	2.4	2.4
1.9	2.8	(0.4)	(23.6)	1,163.1	1,163.1
-	-	-	16.6	16.6	16.6
0.1	-	-	-	0.1	0.1
-	(9.3)	-	-	(9.3)	(9.3)
-	-	0.5	-	0.5	0.5
0.1	(9.3)	0.5	-	(8.7)	(8.7)
0.1	(9.3)	0.5	-	7.8	7.8
-	-	-	23.6	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	1.8	1.8
-	-	-	-	(1.0)	(1.0)
-	-	-	23.6	0.8	0.8
2.0	(6.5)	0.1	16.6	1,171.7	1,171.7

Note 1

General information

The financial statements were approved by the Board of Directors on February 26, 2026 and will be approved by the General Meeting of June 11, 2026.

The consolidated financial statements presented are "condensed" insofar as they only include the notes to the financial statements that are significant or provide an understanding of changes in the Group's business and financial position during the financial year. They are extracted from the consolidated financial statements approved by the Board of Directors, including all the Notes to the financial statements required by IFRS as adopted by the European Union.

1.1 PRESENTATION OF THE GROUP

SMCP SA was incorporated in France on April 19, 2016 as a joint stock company (*Société Anonyme par Actions*).

The consolidated Group (the "Group") includes the parent company, SMCP SA, and its subsidiaries. The Company's registered office is located at 49, rue Étienne Marcel, 75001 Paris, France. It has been listed on Euronext Paris since October 2017.

The Group's main business activities include the creation and sale of apparel and accessories on the accessible luxury segment under the Sandro, Maje, Claudie Pierlot and Fursac brands mostly through stores, corners in department stores or its own websites, in France and internationally.

At December 31, 2025, the Group operated 1,630 stores (including 746 Sandro, 624 Maje, 184 Claudie Pierlot and 76 Fursac), of which 1,227 were directly operated (including 539 Sandro, 453 Maje, 166 Claudie Pierlot and 69 Fursac), and 403 were partnered. These brands are present internationally in 59 countries.

1.2 SIGNIFICANT EVENTS

Conversion of preferred shares

As of January 1, 2025, all 697,343 class G preferred shares have been converted into ordinary shares. Consequently, 2,735,711 newly-created ordinary shares were issued and the Company's Articles of Association were modified accordingly. The share capital now consists of 78,326,898 ordinary shares and amounts to €86,159,587.80.

Shareholding structure

A press release was issued on August 11, 2025 announcing that the 15.5% stake in SMCP that had been sold in 2021 to Dynamic Treasure Group had been returned to European Topsoho S.à r.l. (ETS). As a reminder, ETS was placed in insolvency proceedings in February 2023, and is currently administered by a trustee (*curateur*) under the supervision of the Luxembourg courts.

A press release was issued on November 27, 2025 announcing the launch of a process for the disposal of stakes of up to 51.2% of its share capital (see chapter 7, Section 7.1.2 "Change in shareholding structure").

It was also noted:

- that the process would last several months;
- that in the event that the stake acquired as part of this process represents more than 30% of the Company's share capital, the buyer of this block (acting alone or with others) may be required to file a proposed public bid for all SMCP shares;
- that there is, however, no certainty that this process will be successful, and the final decision on disposal rests with the holders of the aforementioned stakes.

1.3 STATEMENT OF COMPLIANCE AND BASIS FOR PREPARATION

The Group's consolidated financial statements as of December 31, 2025 cover the 2025 calendar year.

All amounts are expressed in millions of euros unless stated otherwise.

The Group's consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS, see Note 2.2) as adopted by the European Union and mandatory from December 31, 2025; no standards or interpretations were applied early.

These standards and interpretations are available on the European Union website (see Note 2.2 for details of new and subsequent texts applied).

The consolidated financial statements were prepared on a historical cost basis, except for financial assets and liabilities that have been measured at fair value in accordance with IFRS.

Note 2**Accounting rules and policies****2.1 BASIC PRINCIPLES AND STATEMENT OF COMPLIANCE**

Pursuant to Regulation (EC) No. 1606/2002 of July 19, 2002, the consolidated financial statements of the SMCP Group for the 2025 financial year have been prepared in compliance with international accounting standards as published and approved by the European Union as of December 31, 2025, the application of which is mandatory as of that date.

These international standards include the IFRS (International Financial Reporting Standards), the IAS (International Accounting Standards) and the interpretations of the IFRS IC (International Financial Reporting Standards Interpretations Committee).

All these texts adopted by the European Union are available on the European Union legislation website at: <http://eur-lex.europa.eu/homepage.html>.

2.2 CHANGES IN ACCOUNTING STANDARDS APPLICABLE TO SMCP**2.2.1 Standards, amendments and interpretations adopted by the European Union and applicable on January 1, 2025**

The standards, amendments and interpretations applicable on a mandatory basis from January 1, 2025 had no material impact on the Group's financial statements.

2.2.2 Standards, amendments and interpretations applicable subsequent to January 1, 2026

IFRS 18 "Presentation and Disclosure in Financial Statements"; The effects of applying IFRS 18, which concerns the presentation of financial statements and will become mandatory as of January 1, 2027, are being analysed.

2.2.3 Standards, amendments and interpretations published and not yet approved by the European Union

- Improvement to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures; Changes in the Classification and Measurement of Financial Instruments";
- Annual improvements – "Annual improvement process for IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7";

2.3 ACCOUNTING POLICIES

In each of the notes to this document, the accounting policies applied by the Group are presented in a highlighted text box.

2.4 JUDGEMENTS AND ESTIMATES

The preparation of financial statements requires Management to make judgements and estimates which are based upon certain assumptions and have an impact on the amounts of assets, liabilities, income and expenses reported in those financial statements. The main estimates and assumptions relate to:

- measurement of intangible assets, trademarks and goodwill (Note 6.4);
- measurement of deferred tax assets (Note 5.8);
- setting provisions (Note 6.12);
- the estimate of lease renewal assumptions and the corresponding valuation of right-of-use assets, as well as their potential residual values, in particular the value of leasehold rights in the French environment (Note 6.3);
- impairment of inventories (Note 6.6);
- IFRS 15 provisions for returns (Note 5.1).

Management reviews these estimates if there are changes in the circumstances on which they were based, if new information comes to light, or based on experience. As a result, the estimates used at December 31, 2025 could be subject to significant changes in the future.

The assumptions on which the main estimates and judgements are based are detailed in the notes to these financial statements.

2.5 CONSIDERATION OF CLIMATE RISKS

At present, the SMCP Group's exposure to the consequences of climate change remains limited, and its impact on the financial statements is considered insignificant.

The Group has been measuring greenhouse gas emissions related to its activity for several years, and is committed to a strategy to reduce its carbon footprint. In this respect, the Group has committed to reducing its direct emissions by 42.5% (mainly on-site energy consumption) in absolute terms between 2021 and 2030, and its indirect emissions related to production and product transportation by 25%. These targets were validated in December 2024 by the Science-Based Targets initiative (SBTi), a leading international organisation which independently assesses whether companies' carbon trajectories are in line with the targets set by the Paris Climate Agreement.

The strategy will be implemented based on an action plan, which covers:

- using materials with a lower environmental impact (recycled, organic etc);
- improving supplier energy performance;
- reducing the use of air transport;
- inventory management based on demand planning;
- using renewable energy in stores and reducing store energy consumption.

With regard to the impact on business plans, based on which impairment tests of intangible assets with an indefinite useful life are carried out, the execution of this strategy is reflected:

- by certain investments (CapEx, including for store renovation investments);
- by expenses recorded in the income statement (operating expenses, including freight or raw material costs);
- as well as by taking into account certain assumptions for the construction of business plans (for example, the ratio between the cost of goods of the products paid by SMCP and the selling price to the end customer).

These elements are taken into account in the financial construction of the business plans, particularly in the short term, based on knowledge of current assumptions and the most likely changes in the short term.

In the longer term, the effects of climate change cannot be quantified at this stage.

2.6 CONSOLIDATION PRINCIPLES

The Group applies IFRS 10 "Consolidated Financial Statements" and IFRS 12 "Disclosure of Interests in Other Entities".

IFRS 10, which deals with the recognition of consolidated financial statements, presents a single consolidation model that identifies control as the criterion to be met in order to consolidate an entity. An investor controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are all entities controlled by the Group.

Subsidiaries are consolidated as from the date on which they are controlled by the Group, and are deconsolidated as from the date on which they cease to be controlled by the Group.

Intragroup balances and transactions are eliminated.

Consolidated entities have a December 31 accounting year-end and use the accounting rules and policies defined by the Group.

All the subsidiaries owned by the Group are included in the scope of consolidation (Note 8.4).

2.7 TRANSLATION OF FOREIGN CURRENCY FINANCIAL STATEMENTS

2.7.1 Transactions and balances

Foreign currency financial statements of entities consolidated by the Group are translated into euros at the exchange rate applicable as of December 31, 2025. The exchange rate is calculated against the euro, which is the presentation currency of the Group's financial statements.

The financial statements of entities that are prepared in a different functional currency are translated into euros:

- at the period-end exchange rates for assets and liabilities;
- at the exchange rate in force at the transaction date for income and expense items, or at the average exchange rates for the period if that rate approximates the exchange rates in force at the date of the transaction.

Any resulting translation adjustments thereby stem from the difference between the translation rate used at the end of the previous year or during the year, and the rate used at the end of the following year. They are recognised in consolidated equity in "Other comprehensive income".

The expenses, income and flows of each of the two financial years were converted at the average rate.

Assets and liabilities were converted at the closing rate in force on December 31, 2025.

2.7.2 Foreign exchange rates applicable at December 31

The rates used to translate foreign currency transactions into euros are indicated below:

		12/31/2024		12/31/2025	
		Closing	Average	Closing	Average
			12 months		12 months
EURO	EUR/EUR	1.0000	1.0000	1.0000	1.0000
SWISS FRANC	EUR/CHF	0.9412	0.9526	0.9314	0.9370
POUND STERLING	EUR/GBP	0.8292	0.8466	0.8726	0.8568
DANISH KRONE	EUR/DKK	7.4578	7.4589	7.4689	7.4634
NORWEGIAN KRONE	EUR/NOK	11.7950	11.6290	11.8430	11.7173
SWEDISH KRONA	EUR/SEK	11.4590	11.4325	10.8215	11.0663
US DOLLAR	EUR/USD	1.0389	1.0824	1.1750	1.1300
CANADIAN DOLLAR	EUR/CAD	1.4948	1.4821	1.6088	1.5787
CHINESE YUAN	EUR/CNY	7.5833	7.7875	8.2262	8.1185
HONG KONG DOLLAR	EUR/HKD	8.0686	8.4454	9.1464	8.8104
SINGAPORE DOLLAR	EUR/SGD	1.4164	1.4458	1.5105	1.4756
MACAU PATACA	EUR/MOP	8.2845	8.6888	9.4137	9.0794
TAIWAN DOLLAR	EUR/TWD	34.1374	34.7436	36.8720	35.1852
JAPANESE YEN	EUR/JPY	163.0600	163.8519	184.0900	169.0400
MALAYSIAN RINGGIT	EUR/MYR	4.6454	4.9503	4.7682	4.8339
AUSTRALIAN DOLLAR	EUR/AUD	1.6772	1.6397	1.7581	1.7518
NEW ZEALAND DOLLAR	EUR/NZD	1.8532	1.7880	2.0380	1.9422

Note 3

Changes in scope

The Group did not recognise any change in the scope of consolidation during the financial years ended December 31, 2024 and December 31, 2025.

Note 4

Segment information

According to IFRS 8 “Segment Information”, an operating segment is a component of an entity that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses relating to transactions with other components of the same entity, and

- whose operating results are reviewed regularly by the entity’s chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance;
- for which separate financial information is available.

Each brand has its own identity along with dedicated creative teams and plays a primary role in the Group’s strategy. They are managed by separate management teams based on financial information specific to each brand. There is no inter-segment operating revenue.

The main operational decision-maker is the Executive Committee of SMCP SA which conducts a monthly review of the activities and performance of each of the four brands.

The Claudie Pierlot and Fursac brands are grouped together in the same sector for the following reasons:

- their geographic coverage is very similar, with most of their business conducted in France and Europe (>95% of revenue in 2025);
- their logistics resources have been pooled;
- their long-term gross margin and EBITDA margin are similar;
- their respective weight in terms of activity is not significant at the SMCP Group level (2025: Claudie Pierlot and Fursac jointly accounted for 11.8% of consolidated revenue).

4.1 GROUP OPERATING SEGMENTS

SMCP’s operations are managed through four operating and reportable segments as defined by IFRS 8. These correspond to the four brands that each have their specific customer base:

- Sandro;
- Maje;
- Other brands: Claudie Pierlot & Fursac.

4.2 FINANCIAL INFORMATION BY OPERATING SEGMENT

The tables below set out financial information by operating segment at December 31, 2025 and December 31, 2024. The concepts of adjusted EBITDA, adjusted EBITDA excluding IFRS 16 and Adjusted EBIT are defined on the following page.

<i>(In millions of euros)</i>	Sandro	Maje	Other Brands	Others & Holdings	12/31/2025
Revenue	608.8	464.9	143.7	-	1,217.4
Adjusted EBITDA	135.8	98.2	(2.7)	-	231.3
Adjusted EBITDA excluding IFRS 16	77.4	53.6	(16.4)	-	114.6
Depreciation, amortisation and impairment	(68.8)	(51.7)	(15.6)	-	(136.1)
Adjusted EBIT	67.0	46.5	(18.3)	-	95.2
Goodwill	338.5	239.5	7.5	-	585.5
Rights of use	183.1	131.0	42.2	44.1	400.4
Intangible assets	321.2	227.7	117.8	4.0	670.7
Property, plant and equipment	31.9	25.1	8.2	5.6	70.8
Capital expenditure ⁽¹⁾	12.9	9.9	2.0	8.5	33.3

[1] At December 31, 2025, capital expenditure was broken down as follows: (see Note 6.1.1.4 “Consolidated statement of cash flows”) and excluding rights of use:

- purchases of property, plant and equipment: €26.5 million;
- purchases of intangible assets: €6.0 million;
- purchases of financial instruments: €1.7 million;
- change in trade payables for non-current assets: -€0.9 million.

(In millions of euros)	Sandro	Maje	Other Brands	Others & Holdings	12/31/2024
Revenue	605.2	458.3	148.2	-	1,211.7
Adjusted EBITDA	126.0	94.3	(3.8)	-	216.5
Adjusted EBITDA excluding IFRS 16	63.7	44.4	(19.1)	-	89.0
Depreciation, amortisation and impairment	(82.1)	(63.7)	(17.7)	-	(163.5)
Adjusted EBIT	43.9	30.6	(21.5)	-	53.0
Goodwill	338.7	239.7	25.9	-	604.3
Rights of use	231.0	147.0	52.1	33.9	464.0
Intangible assets	322.0	228.1	118.1	6.9	675.1
Property, plant and equipment	35.7	27.0	10.6	6.4	79.7
Capital expenditure ⁽¹⁾	17.5	18.1	5.0	4.7	45.3

(1) At December 31, 2024, capital expenditure breaks down as follows: (see Note 6.1.1.4 "Consolidated statement of cash flows") and excluding rights of use:

- purchases of property, plant and equipment: €35.4 million;
- purchases of intangible assets: €9.1 million;
- purchases of financial instruments: €1.6 million;
- change in trade payables for non-current assets: -€0.8 million.

Operating expenses of holding companies are rebilled to the brands *pro rata* to revenue, plus a mark-up.

4.3 KEY PERFORMANCE INDICATORS

SMCP SA's Board of Directors assesses the performance of the three segment groups in order to take its operating decisions, mainly by reference to the following key indicators: number of points of sale, like-for-like growth, adjusted EBITDA and adjusted EBITDA margin, adjusted EBIT and adjusted EBIT margin.

EBITDA is an indicator not defined by IFRS and is defined by the Group as current operating income less depreciation, amortisation and impairment. Adjusted EBITDA is defined by the Group as EBITDA

before expenses related to free share awards. Adjusted EBITDA excluding IFRS 16 corresponds to adjusted EBITDA restated for fixed lease payments.

Adjusted EBIT is an indicator not defined by IFRS and is defined by the Group as current operating income less expenses related to free share plans.

The organic change in revenue, at constant exchange rates and scope, amounted to +1.7% in 2025 compared to 2024.

(In millions of euros)	12/31/2024	12/31/2025
Current operating income	51.2	91.2
Free share plans	1.8	4.0
Adjusted EBIT	53.0	95.2
Depreciation, amortisation and impairment	163.5	136.1
Adjusted EBITDA	216.5	231.3
IFRS 16 impact	(127.5)	(116.7)
ADJUSTED EBITDA EXCLUDING IFRS 16	89.0	114.6

4.4 BY GEOGRAPHICAL SEGMENT

The EMEA region in which the Group operates includes European countries except France (mainly the United Kingdom, Spain, Germany, Switzerland, Italy and the Netherlands), along with the Middle East (especially the United Arab Emirates) and central Asia.

The America region mainly covers the United States of America, Canada, Mexico and, to a lesser extent, since 2025, a few South American countries.

The APAC region includes the Group's business activities in various Asia-Pacific regions (notably Mainland China, Hong Kong SAR, South Korea, Singapore, Thailand, Malaysia and Australia), and in India.

Revenue earned on wholesale and online sales are allocated on the basis of the customer's country of residence.

The table below sets out revenue and assets by geographic region of delivery:

<i>(In millions of euros)</i>	France	EMEA	America	APAC	12/31/2025
Revenue	411.4	430.4	192.5	183.1	1,217.4
Non-current assets	1,510.8	117.2	77.5	63.3	1,768.8

<i>(In millions of euros)</i>	France	EMEA	America	APAC	12/31/2024
Revenue	417.8	403.2	182.8	207.9	1,211.7
Non-current assets	1,555.3	129.5	100.8	84.0	1,869.6

4.5 INFORMATION BY MAJOR CUSTOMERS

Given the Group's business model, with a very small proportion of sales made to third-party distributors, SMCP is not exposed to a significant concentration of its customers. As a result, the Group did not have any customers that individually accounted for over 10% of its sales in the period ended December 31, 2025.

Note 5

Information on the income statement

5.1 REVENUE

Sales of goods

Revenue consists of total sales (retail, department store sales and sales to local partners) net of rebates, discounts, VAT and other sales taxes, but before the deduction of concession fees paid to department stores and commissions paid to affiliates.

Presentation of Group business activities

The various distribution channels used by the Group are described below:

- the retail business – includes the network of directly-owned stores, including outlets used to market and sell collections from past seasons. Revenue is recognised for the amount of the direct sale to the end customer. This is also the case for concessions or corners in department stores directly operated

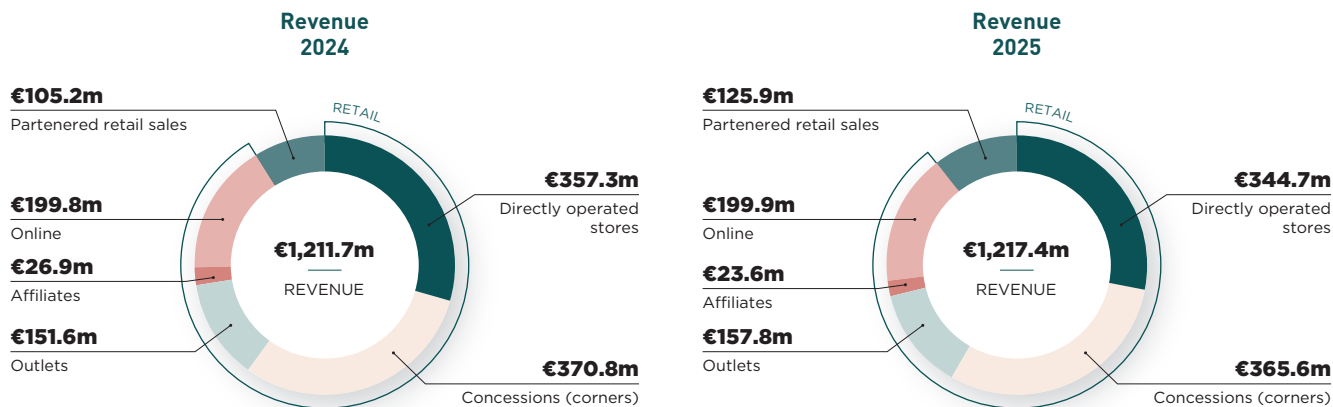
by the Group, even when the department stores act as intermediaries, collect the sales amount on the Group's behalf and pay this amount to the Group;

- the Group also sells its goods through affiliates (primarily in France): Revenue is recognised for the amount of the sale to the end customer;
- local partners, or wholesale/partnered retail (in countries where the Group does not directly operate its points of sale), are used wherever necessary to ensure a solid local presence or to meet applicable regulations. Revenue is recognised at the departure from the warehouse;
- online sales include sales made by the Group on its own websites as well as *via* third party websites, particularly those operated by department stores. They are recognised on delivery.

(In millions of euros)

	12/31/2024	12/31/2025
Sales of goods	1,211.7	1,217.4
REVENUE	1,211.7	1,217.4

Group sales can be analysed as follows by distribution channel:



5.2 COST OF SALES

Cost of sales

Cost of sales includes:

- the use of raw materials and products increased by subcontracting costs and ancillary expenses (customs, etc.);
- commissions paid to affiliates, to department stores, as well as to third-party websites.

<i>(In millions of euros)</i>	12/31/2024	12/31/2025
Raw materials consumed	(66.5)	(57.2)
Finished products consumed	(172.6)	(170.8)
Subcontracting and purchase-related costs	(71.0)	(73.8)
Commissions	(136.9)	(131.0)
Net foreign exchange gain/(loss) on operating items	(1.3)	(2.9)
COST OF SALES	(448.4)	(435.7)

5.3 OTHER OPERATING INCOME AND EXPENSES

<i>(In millions of euros)</i>	12/31/2024	12/31/2025
Other operating income	22.6	12.8
Lease payments ^[1]	(24.1)	(28.1)
Other external expenses ^[2]	(151.0)	(138.2)
Fees	(35.9)	(38.7)
Services provided	(38.2)	(37.8)
Purchases of small equipment and supplies not held in inventory	(14.0)	(11.5)
Other taxes	(17.1)	(15.8)
OTHER OPERATING INCOME AND EXPENSES	(257.7)	(257.3)

[1] The amount of lease payments corresponds to the variable part of lease payments and rental expenses, short-term lease contracts or low-value assets.

[2] "Other external expenses" relate mainly to sales shipment and marketing costs.

5.4 PERSONNEL COSTS

<i>(In millions of euros)</i>	12/31/2024	12/31/2025
Wages and salaries	(220.6)	(222.2)
Social security expenses	(56.4)	(57.6)
Other personnel costs	(5.8)	(6.2)
Employee profit-sharing	(6.4)	(7.1)
PERSONNEL COSTS	(289.2)	(293.1)

5.5 SHARE-BASED PAYMENTS

Share-based payments

The Group has granted options which will be paid in equity instruments. Pursuant to IFRS 2, the advantage granted to employees under free share plan, valued at the date on which the option is granted, is recognised as additional compensation. Free share plans paid in equity instruments are valued on the allocation

date based on the fair value of equity instruments granted. They are recognised in profit or loss for plans after the initial public offering which took place on October 20, 2017, on a straight-line basis over the vesting period, taking into account the Group's estimate of the number of instruments that will be vested at the end of the vesting period. The Monte-Carlo model is also used to take into account certain market conditions.

The expense recognised during the financial year for the free share awards totalled €4.0 million (of which €0.6 million in social security expenses).

Free share plans

Free share plan (LTIP)	Plan no. 5		Plan no. 6		Plan no. 7		Plan no. 8		Plan no. 9
	January 2022	July 2022	January 2023	July 2023	January 2024	July 2024	January 2025	July 2025	January 2026
Initial allocation date	01/01/2022	07/01/2022	01/01/2023	07/01/2023	01/01/2024	07/01/2024	01/01/2025	07/01/2025	01/01/2026
Vesting period	2 and 3 years by half		3 years	3 years	3 years	3 years	3 years	3 years	3 years
Availability date	03/31/2025	09/30/2025	03/31/2026	07/01/2026	03/31/2027	07/1/2027	03/31/2028	07/01/2028	03/31/2029
Vesting date	03/31/2024	09/30/2024	01/01/2026	07/01/2026	03/31/2027	07/1/2027	03/31/2028	07/01/2028	03/31/2029
Number of original beneficiaries	102	10	111	7	114	17	108	12	118
Number initially granted	987,600	28,780	1,139,380	22,510	1,475,600	49,300	1,475,900	89,600	1,243,400
Number outstanding as of 12/31/2024	289,096	5,300	520,661	12,005	1,027,678	35,880			
Number cancelled over the financial year	(177,270)	(3,980)	(144,270)	(3,557)	8,855	1,775	(65,000)	(3,800)	
Number exercised over the financial year ⁽¹⁾	(111,826)	(1,320)							
Number of shares transferred during the financial year ⁽²⁾							1,475,900	89,600	
Number surrendered over the financial year									
Number outstanding as of 12/31/2025			376,391	8,448	1,036,533	37,655	1,410,900	85,800	
Number that may be exercised over the financial year									
Performance conditions	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Expense for the financial year (in €M)	-	0.0	0.9	0.0	0.8	0.0	1.5	0.1	-

(1) The number exercised over the financial year corresponds to the number of shares delivered to directors, managers and certain employees of the Group.

(2) The number of shares delivered corresponds to the number of shares awarded.

For plan no. 5, the performance conditions are based on an external condition (comparison of the performance of the SMCP share price with that of the CAC Mid and Small index between the initial allocation date and the two- and three-year anniversary of the allocation date) for 20% and an internal condition (achievement of an average of two or three years of EBIT) for 70%, and a CSR condition for 10% (achievement of an average of two or three years of CSR targets).

For plans no. 6, 7, 8 and 9, the performance conditions are based on an external condition (comparison of the performance of the SMCP share price with that of the CAC Mid and Small index between the initial allocation date and the three-year anniversary of the allocation date) for 30% and two internal conditions (achievement of an average of three years of EBIT for 30% and an average of three years of revenue for 20%) and CSR conditions for 20% (achievement of an average of three years of CSR targets).

Plans no. 5, 6, 7, 8 and 9 also have an employment condition on the anniversary of the allocation date, lasting two and three years for plan no. 5, and three years for plans no. 6, 7, 8 and 9.

SMCP SA held 213,099 shares at December 31, 2024, allowing it to deliver 111,826 shares in April 2025, and 1,320 shares in July 2025. 400,000 shares were purchased via a share buyback programme during the first half of 2025. At December 31, 2025, SMCP SA held 499,953 SMCP shares.

5.6 OTHER INCOME AND EXPENSES

Other non-recurring income and expenses comprise income statement items which, due to their nature, amount or frequency, may not be considered as inherent to the Group's recurring operations. This heading includes:

- (i) costs incurred on the acquisition of new entities;
- (ii) net reversals for impairment of brands, leasehold rights, rights of use and goodwill.

The Group presents the other income and expenses separately to facilitate understanding of its recurring operating performance and to give financial statement users relevant information for assessing the Group's future earnings.

<i>(In millions of euros)</i>	12/31/2024	12/31/2025
Other income	0.2	-
Other expenses	(35.4)	(30.8)
OTHER INCOME AND EXPENSES	(35.2)	(30.8)

Other income and expenses break down as follows:

<i>(In millions of euros)</i>	12/31/2024	12/31/2025
Goodwill impairment ⁽¹⁾	(22.4)	(18.8)
Brand impairment	-	(2.7)
Impairment of right-of-use and other non-current assets ⁽²⁾	(12.4)	(8.1)
Transitions and acquisition costs	(0.6)	(0.5)
Other	0.2	(0.7)
OTHER INCOME AND EXPENSES	(35.2)	(30.8)

(1) At December 31, 2025, the Group has performed impairment tests on its indefinite-lived assets, resulting in the recognition of an impairment of goodwill of €18.8 million and relating primarily to the Other brands CGU (Claudie Pierlot and Fursac) (see Note 6.1.1). The impairment recognised in 2024 was for the Claudie Pierlot brand.

(2) As of December 31, 2025, the Group also conducted impairment tests on its right-of-use assets including its leasehold rights, resulting in the recognition of an €8.1 million impairment (see Notes 6.3.1 & 6.4.1).

5.7 FINANCIAL INCOME AND EXPENSES

Financial income and expenses include interest expenses (income) accrued on debts (receivables) measured using the effective interest method (mainly for medium- and long-term financial liabilities as well as current account bank overdrafts). They also include foreign exchange gains and losses on internal financing transactions and on derivative instruments and dividends earned.

Interest income and expenses also include interest expenses included within long-term employee benefits (IAS 19 "Employee Benefits"), as well as the discounting adjustment for non-current provisions (IAS 37 "Provisions, Contingent Liabilities and Contingent Assets").

<i>(In millions of euros)</i>	12/31/2024	12/31/2025
Interest expenses on borrowings	(30.6)	(28.3)
– Revolving Credit Facility & NEU CP	(4.7)	(3.1)
– Term Loan A	(5.9)	(4.8)
– PGE	(5.6)	(4.1)
– IFRS 16	(12.2)	(15.2)
– Other	(1.8)	(1.1)
Net exchange gain/(loss) on financial items	(0.1)	(1.7)
Other financial expenses (including agios on bank overdrafts)	(2.0)	0.3
FINANCIAL INCOME	(32.4)	(29.7)

The €13.1 million in interest expenses (excluding IFRS 16) consists of interest paid (see Statement of cash flows in Section 6.1.1.4).

Loans contracted under the Credit Facility will bear interest at an EURIBOR-indexed floating rate for the drawn period, increased by the applicable margin.

The margin is scaled according to the leverage ratio (total net debt/ Group consolidated EBITDA). The applicable margin as of the closing of the financial year was 2.15% per annum for the Term Loan A and 1.75% per annum for the Revolving Credit Facility.

The average interest rate for the drawn debt, excluding lease liabilities, was 5.0% for the 2025 financial year.

5.8 INCOME TAX EXPENSE

Income tax expense for the financial year includes current and deferred taxes. These are recognised in the income statement, except if they relate to a business combination or to items recognised directly in equity or other comprehensive income.

Current taxes on taxable profit for the period represent the tax expense calculated based on the tax rates enacted as of December 31, 2025, and any adjustments to the tax payables calculated in respect of previous periods.

Deferred tax

Deferred tax assets and liabilities adjust current tax expense for the impact of temporary differences between the carrying amount of assets and liabilities of consolidated entities and their tax base.

However, a deferred tax asset is not recognised if it arises from the initial recognition of an asset or liability other than in a business combination which, at the time of the transaction, does not affect accounting or taxable profit.

Deferred taxes are determined based on tax rates (and tax laws) that were enacted as of December 31, 2025 and that are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised when it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised. Deferred taxes are recorded in respect of taxable temporary differences related to investments in subsidiaries and affiliates unless the Group is able to control the timing of the reversal of the difference and it is probable that the reversal will not occur in the foreseeable future.

5.8.1 Income tax

Income tax includes the current tax expense for the financial year and deferred taxes arising on temporary differences:

<i>(In millions of euros)</i>	12/31/2024	12/31/2025
Deferred tax	(0.2)	(0.6)
Current tax	(7.0)	(13.5)
INCOME TAX EXPENSE	(7.2)	(14.1)

5.8.2 Deferred tax position

a) Deferred taxes at December 31, 2025

<i>(In millions of euros)</i>	12/31/2024	Change in the income statement	Change in other comprehensive income	Translation adjustment	12/31/2025	Deferred tax assets	Deferred tax liabilities
Restatement of pension liabilities	0.8	0.1	-	-	0.9	0.9	
Elimination of internal gains and losses (margin on inventories)	10.9	(0.4)	-	(0.7)	9.8	9.8	
Capitalisation of tax losses carried forward	5.1	(1.3)	-	(0.2)	3.5	3.5	
Fair value of brands and leasehold rights	(178.9)	0.9	-	-	(178.0)		(178.0)
Restatement of leases	10.0	(0.5)	-	(0.4)	9.1	9.1	
SaaS	0.6	(0.1)	-	-	0.5	0.5	
Other restatements*	17.4	0.7	(0.2)	(0.6)	17.3	3.4	13.8
NET DEFERRED TAX ASSETS/(LIABILITIES)	(134.3)	(0.7)	(0.2)	(1.9)	(137.1)	27.2	(164.2)

* Mainly relates to temporary differences between local accounting standards and taxation.

<i>(In millions of euros)</i>	12/31/2023	Change in the income statement	Change in other comprehensive income	Translation adjustment	12/31/2024	Deferred tax assets	Deferred tax liabilities
Restatement of pension liabilities	0.9	0.1	(0.2)	-	0.8	0.8	-
Elimination of internal gains and losses (margin on inventories)	13.6	(3.0)	-	0.3	10.9	10.9	-
Capitalisation of tax losses carried forward	4.8	0.2	-	0.1	5.1	5.1	-
Fair value of brands and leasehold rights	(179.8)	0.8	-	-	(178.9)	-	(178.9)
Restatement of leases	9.1	0.7	-	0.2	10.0	10.0	-
SaaS	0.7	(0.1)	-	-	0.6	0.6	-
Other restatements*	15.7	1.2	0.1	0.3	17.4	2.2	15.0
NET DEFERRED TAX ASSETS/(LIABILITIES)	(134.9)	(0.2)	(0.1)	0.9	(134.3)	29.6	(163.9)

* Mainly relates to temporary differences between local accounting standards and taxation.

b) Analysis of the tax expense

<i>(In millions of euros)</i>	12/31/2024	12/31/2025
Statutory tax rate in France ⁽¹⁾	25.83%	25.83%
Impact of difference in income tax rates applied to earnings in countries other than that of the consolidating entity	-4.2%	-1.0%
Impairment of goodwill	-35.6%	15.4%
Effect of LTI plans settled in shares	-0.2%	-3.6%
Other permanent differences	-6.3%	3.4%
Impact of tax credits and reduced-rate taxes	-1.4%	-1.2%
Deferred tax assets for previous financial years recognised during the financial year	2.3%	-0.9%
Unrecognised change in deferred tax	-16.4%	4.0%
Other changes in deferred tax	-1.7%	0.2%
Effective corporate income tax rate	-37.9%	42.1%
Other value-added tax ⁽²⁾	-7.6%	3.9%
EFFECTIVE RATE OF INCOME TAX	-45.4%	46.0%

(1) The statutory tax rate in France takes into account the solidarity contribution (3.3%).

(2) Taxes based on value added (i.e. the CVAE tax on value added levied on French companies, IRAP in Italy and Trade Tax in Germany, etc.) are treated as "Income" in accordance with IAS 12.

c) Activation of tax loss carry forwards

The Group capitalises the tax losses of its subsidiaries when the conditions required by IAS 12 "Income Tax Expense" are met. The tax rate applied is the tax rate in effect as of December 31, 2025. Deferred tax assets are recognised in the balance sheet on the basis of the outlook and business plans prepared for each subsidiary.

As of December 31, 2025, the Group's tax loss carry forwards represent a deferred tax asset of €3.3 million, mainly in France and Asia. Their recovery horizons range from one to five years.

d) Unrecognised deferred tax assets

At December 31, 2025, a deferred tax asset of €0.7 million was not recognised as it will be used beyond five years.

5.9 EARNINGS PER SHARE

The Group presents basic and diluted earnings per share data for its ordinary shares.

Earnings per share is calculated by dividing net profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during

the period. **Diluted earnings per share** is calculated by adjusting net profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise stock options and free shares granted to employees.

Earnings per share is calculated as follows:

<i>(In millions of euros)</i>	12/31/2024	12/31/2025
Net profit for the period - Group share	(23.6)	16.6
Basic weighted number of shares	75,250,537	77,927,480
Dilution effect of class G preferred shares	2,735,711	-
Dilution effect of free share plans	122,784	1,204,102
Average number of shares taken into account for the calculation after dilutive effects	78,109,032	79,131,583
Earnings per share (in €)	(0.31)	0.21
Diluted earnings per share (in €)	(0.31)	0.21

Note 6

Notes to the statement of financial position

6.1 GOODWILL AND INTANGIBLE ASSETS

6.1.1 Goodwill

Upon initial recognition of an acquired company, goodwill represents the excess of (i) the fair value of the consideration transferred plus the amount of all non-controlling interests in the acquired company and (ii) the identifiable assets acquired and liabilities assumed measured at fair value at the acquisition date. If this difference is negative, the amount is recognised immediately in the income statement.

At December 31, 2025, the impairment tests carried out by the Group led to the recognition of an additional impairment of goodwill on the Claudie Pierlot and Fursac CGU combination. As a reminder, the tests carried out at the end of the 2024 financial year had led to the recognition of impairment of goodwill on the Claudie Pierlot CGU combination (see Note 6.4.2).

The net value of goodwill totalled €585.5 million at December 31, 2025 and is related to the Sandro, Maje, Claudie Pierlot and Fursac brands.

The table below illustrates changes over the period presented:

<i>(In millions of euros)</i>	01/01/2025	Impairment	Foreign exchange differences	12/31/2025
Goodwill – gross value	688.6	-	-	688.6
Impairments	(84.3)	(18.8)	-	(103.1)
GOODWILL - NET VALUE	604.3	(18.8)	-	585.5

<i>(In millions of euros)</i>	01/01/2024	Impairment	Foreign exchange differences	12/31/2024
Goodwill – gross value	688.6	-	-	688.6
Impairments	(61.9)	(22.4)	-	(84.3)
GOODWILL - NET VALUE	626.7	(22.4)	-	604.3

6.1.2 Other intangible assets

Trademarks

The Sandro, Maje, Claudie Pierlot and Fursac brands are classified as intangible assets with indefinite useful lives and are not therefore amortised, since:

- the brands are proprietary, properly registered and protected pursuant to applicable law, and there is an option to renew the legal protection at a reasonable cost at the end of the registration period, which can be easily exercised without external impediments;
- the goods sold by the Group under these brands are not susceptible to technological obsolescence, which is characteristic of the accessible luxury market segment in which the Group operates; on the contrary, they are consistently perceived by the market as being innovative in the national and/or international arena in which each brand evolves and has a distinctive market positioning and reputation that ensures they are dominant in their respective market segments due to the fact that they are constantly associated and compared with major leading brands;
- in the relative competitive context, investments made to maintain these brands can be said to be modest with respect to the significant cash flows they are expected to generate;
- brands are measured at cost less impairment in accordance with IAS 38 "Intangible Assets". They are tested within the groups of CGUs described above as part of goodwill impairment tests. Each operating segment includes the stores operating under each brand.

Software

The costs of acquiring software licenses are capitalised based on acquisition and installation costs. These costs are amortised over the estimated useful lives of the software, which range from three to seven years.

Costs associated with maintaining computer software in operating condition are expensed for the financial year in which they are incurred. Costs that are directly linked to the development of software and which meet all of the criteria set out in IAS 38 are recognised as intangible assets.

Following the IFRS IC decision published in April 2021, SaaS software costs are recognised in the income statement.

Intangible assets are amortised on a straight-line basis over their estimated useful lives.

The useful lives are as follows:

Type of asset	Period (in years)
Trademarks	Indefinite
Licences, software	3-7

The table below illustrates changes in this item over the period presented:

<i>(In millions of euros)</i>	01/01/2025	Acquisitions	Disposals	Amortisation and impairment	Foreign exchange differences	Other	12/31/2025
Trademarks	663.0	-	-	-	-	-	663.0
Intangible assets in progress	2.4	0.8	-	-	(0.1)	(1.4)	1.6
Other intangible assets	64.7	5.2	(0.1)	-	(1.2)	1.1	69.6
Intangible assets	730.0	6.0	(0.1)	-	(1.3)	(0.3)	734.2
Impairment of brands	-	-	-	(2.7)	-	-	(2.7)
Amortisation of other intangible assets	(54.8)	-	0.1	(7.1)	1.0	-	(60.8)
Amortisation/impairment of intangible assets	(54.8)	-	0.1	(9.8)	1.0	-	(63.5)
NET VALUE OF INTANGIBLE ASSETS	675.1	6.0	-	(9.8)	(0.3)	(0.3)	670.7

<i>(In millions of euros)</i>	01/01/2024	Acquisitions	Disposals	Amortisation and impairment	Foreign exchange differences	Other	12/31/2024
Trademarks	663.0	-	-	-	-	-	663.0
Intangible assets in progress	2.8	1.3	-	-	0.1	(1.8)	2.4
Other intangible assets	56.6	6.7	(0.3)	-	0.6	1.0	64.7
Intangible assets	722.4	8.0	(0.3)	-	0.7	(0.8)	730.0
Amortisation/impairment of other intangible assets	(47.4)	-	0.3	(7.2)	(0.4)	-	(54.8)
Amortisation/impairment of intangible assets	(47.4)	-	0.3	(7.2)	(0.4)	-	(54.8)
NET VALUE OF INTANGIBLE ASSETS	675.0	8.0	-	(7.2)	0.2	(0.8)	675.1

The Group's four trademarks, Sandro, Maje, Claudie Pierlot and Fursac, are entered in the balance sheet for a total of €663 million, with respectively €320 million for Sandro, €226 million for Maje, €54 million for Claudie Pierlot and €63 million for the Fursac brand (and a net carrying amount of €60.3 million, after recognising a €2.7 million impairment on December 31, 2025).

In 2025, acquisitions of intangible assets of €6.0 million represented an outflow of €6.0 million (see Statement of cash flows in Section 6.1.1.4 "Purchases of property, plant and equipment and intangible assets" for €31.6 million).

6.2 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are initially recognised at acquisition cost less cumulative depreciation and any cumulative impairment losses. The depreciable amount of property, plant and equipment comprises the acquisition cost of components less residual value, which is the estimated disposal price of the assets at the end of their useful lives.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. The Group has estimated the useful lives of property, plant and equipment at two to ten years, depending on the type of asset. Costs for maintenance and repairs are expensed as incurred.

The main useful lives applied are as follows:

Type of asset	Period (in years)
Plant, equipment and tools	2-5
Miscellaneous fixtures and fittings for points of sale	2-5
Miscellaneous fixtures and fittings for warehouses and head offices	4-10
Office equipment, furniture	2-5

The table below illustrates changes in this item over the period presented:

(In millions of euros)	01/01/2025	Acquisitions	Disposals	Depreciation	Foreign exchange differences	Other	12/31/2025
Technical fittings, equipment and industrial tools	3.3	-	(0.5)	-	-	-	2.8
Property, plant and equipment in progress	5.3	5.1	-	-	(0.2)	(2.1)	8.1
Advances and down payments on property, plant and equipment	0.5	0.4	-	-	-	0.3	1.2
Other property, plant and equipment	309.2	21.3	(18.9)	-	(14.5)	0.8	297.9
Property, plant and equipment	318.3	26.8	(19.4)	-	(14.7)	(1.0)	310.0
Depreciation/impairment of technical fittings, equipment and industrial tools	(3.1)	-	0.4	(0.1)	-	-	(2.8)
Depreciation/impairment of other property, plant and equipment	(235.6)	-	18.3	(30.3)	11.2	-	(236.4)
Depreciation/impairment of property, plant and equipment	(238.7)	-	18.7	(30.4)	11.2	-	(239.2)
NET VALUE OF PROPERTY, PLANT AND EQUIPMENT	79.7	26.8	(0.7)	(30.4)	(3.5)	(1.0)	70.8

(In millions of euros)	01/01/2024	Acquisitions	Disposals	Depreciation	Foreign exchange differences	Other	12/31/2024
Technical fittings, equipment and industrial tools	3.9	-	(0.6)	-	-	-	3.3
Property, plant and equipment in progress	6.5	3.3	-	-	0.1	(4.6)	5.3
Advances and down payments on property, plant and equipment	1.0	3.3	-	-	-	(3.7)	0.5
Other property, plant and equipment	285.5	28.7	(22.2)	-	6.9	10.2	309.2
Property, plant and equipment	296.9	35.3	(22.8)	-	7.0	1.9	318.3
Depreciation/impairment of technical fittings, equipment and industrial tools	(3.5)	-	0.6	(0.2)	-	-	(3.1)
Depreciation/impairment of other property, plant and equipment	(210.3)	-	22.0	(42.2)	(5.4)	0.2	(235.6)
Depreciation/impairment of property, plant and equipment	(213.8)	-	22.7	(42.4)	(5.4)	0.2	(238.7)
NET VALUE OF PROPERTY, PLANT AND EQUIPMENT	83.1	35.3	(0.2)	(42.4)	1.6	2.1	79.7

"Other property, plant and equipment" mainly corresponds to fixtures and fittings at points of sale. In 2025, acquisitions of property, plant and equipment of €26.8 million represented an outflow of €25.6 million (see Statement of cash flows in Section 6.1.1.4 "Purchases of property, plant and equipment and intangible assets" for €31.6 million).

6.3 LEASE AGREEMENTS

Scope of application of IFRS 16

A lease is a contract or part of a contract whereby the right to use an underlying asset is transferred for a given period in return for consideration.

The Group applies the accounting principles defined by IFRS 16 to all of its leases, with the exception of:

- short-term leases with an initial term less than or equal to 12 months;
- leases where the underlying asset is of low value, considering the value of the asset in new condition.

These exempt leases are recognised as rental expenses on a straight-line basis over the term of the lease. When certain contracts contain an explicitly identifiable portion relating to services that do not fall within the definition of a lease, this portion is recognised in current operating expenses in accordance with its cost type.

Accounting for leases in accordance with IFRS 16

The application of IFRS 16 consists of recognising in the balance sheet at the start date of the lease:

- a lease liability, corresponding to the present value of future fixed lease payments relating to the estimated term of the lease. This liability is presented separately for its current portion and its non-current portion. Future fixed rents include any revaluation of rents corresponding to an index or a contractually established growth rate. They may also include the value of a call option or estimated early termination penalties when the Group is reasonably certain to exercise such options. In addition, fixed payments include the deduction of any lease incentives to be received at the start date of the lease;
- a right of use on leases, corresponding to the value of the lease liability minus the lease incentives received from the landlord, plus prepaid rent, initial direct costs and an estimate of restoration costs when these are subject to contractual obligations.

At each reporting date, the lease liability is remeasured as follows:

- an increase reflecting the discounting charge for the period applying the incremental borrowing rate applied to the lease, offset by an interest charge on leases in the financial income, in the income statement;
- a decrease reflecting the rent payments for the period, offset against the cash and cash equivalents account in the balance sheet;

- an increase reflecting the updating of an index or growth rate of the rent, if applicable, in exchange for the right of use on leases in the balance sheet;
- an increase or decrease reflecting a re-estimate of future fixed rent payments following a change in the estimate in the lease term, against the right of use on leases in the balance sheet.

Similarly, at each reporting date, the right of use on leases is revalued as follows:

- a decrease reflecting straight-line depreciation over the lease term, offset by a charge for depreciation of rights of use on leases within current operating income, in the income statement;
- a decrease reflecting a possible impairment of the right of use on leases, against other non-current operating income and expenses in the income statement;
- an increase reflecting the updating of an index or rent growth rate, if applicable, against the lease liability in the balance sheet;
- an increase or decrease reflecting a re-estimate of future fixed rent payments as a result of a change in the lease term estimate, offset against the lease liability in the balance sheet.

The impact on the income statement of the application of IFRS 16 is reflected as follows:

- the variable portion of rents, as well as short-term or low-value leases, are recognised in current operating income;
- the straight-line depreciation expense corresponding to the right of use on leases is recognised in current operating income;
- the interest expense corresponding to the unwinding of discounting of lease liabilities is recorded in financial income.

Finally, the impact on the cash flow statement of the application of IFRS 16 is reflected as follows:

- in the net cash flows from operating activities: payments relating to the variable portion of rents, rental expenses as well as short-term or low-value leases;
- in the net cash flow from financing activities: the repayment of lease liabilities, for the principal portion, as well as the portion of interest presented on the interest paid and similar line item.

Estimated lease term

The term of a lease is the non-cancellable period during which the tenant has the right to use the underlying asset, adjusted for:

- any period covered by an option to extend the lease that the tenant is reasonably certain to exercise; or on the contrary;
- any period covered by an option to terminate the lease that the tenant is reasonably certain to exercise.

In estimating the duration of its property leases, which is the predominant part of all of its leases, the Group has used:

- for its points of sale (free-standing stores, outlets): the term used corresponds to the initial term of the lease on the date of signature, *i.e.* without taking into account a possible extension option, considering that acting on location opportunities throughout the contract term is a key element in the management of its store network. During the lease term, the Group reviews its term at the end of each period, taking into account the latest operational decisions that themselves take into account termination options, or extension options if applicable, that had not been considered reasonably certain in previous reporting periods;
- for its head offices and warehouses: the term used corresponds to the initial term of the lease.

Specifically, for commercial leases signed in France (leases 3-6-9), the Group recognises a lease term of nine years, then reviews this period at each subsequent closing date to reduce it, if necessary, to three or six years depending on the profitability of the point of sale. At the end of this initial nine-year period and during the tacit extension period that applies during a renegotiation phase, the Group determines the duration of these leases taking into account the date on which the Group is reasonably certain to continue the lease beyond the contractual term.

Determination of the discount rate for lease liabilities

The discount rate is determined for each contract according to the country of the contracting subsidiary. Considering the organisation of the Group's financing, carried exclusively by SMCP Group SAS, this marginal borrowing rate is actually defined by the sum of the risk-free rates for the contract currency, by reference to its residual duration, and the Group's credit risk for this same currency and duration reference.

Leasehold rights taken into account in the calculation of right of use on leases

In France, leasehold rights represent the amount that the new tenant pays to the previous tenant in exchange for the right to lease the property and the corresponding legal guarantees. From a legal point of view, leasehold rights include the right to be the tenant of the asset and the right to assign leasehold rights. Leasehold rights are therefore intrinsically linked to the lease itself and constitute an initial direct cost for the tenant which must be taken into account in the initial valuation of the right of use of the asset.

Being transferable, leasehold rights in France constitute the residual value of the right of use (component of the estimated amount that the tenant would obtain from the disposal of the asset). The depreciable amount of the right of use as a whole is therefore determined by deducting this residual value, the latter being revised at least once per financial year.

Outside France, leasehold rights are generally not transferable and are therefore amortised over the term of the lease.

6.3.1 Rights of use

Rights of use break down as follows:

	12/31/2024		12/31/2025	
	Net	Gross	Amortisation, depreciation and impairment	Net
<i>(In millions of euros)</i>				
Stores	331.5	730.4	(442.7)	287.7
Offices and warehouses	55.3	113.5	(69.5)	44.0
Capitalised fixed rents	386.8	843.9	(512.2)	331.7
Leasehold rights	77.2	110.7	(42.0)	68.7
Right of use	464.0	954.6	(554.2)	400.4

The change in the net balance of rights of use during 2025 can be explained by the following elements:

<i>Gross value in millions of euros</i>	Capitalised discounted fixed lease payments				
	Stores	Offices and warehouses	Total	Leasehold rights	Total
As of January 1, 2025	768.7	114.5	883.2	124.0	1,007.2
Arrangement of new leases	69.1	0.6	69.7	-	69.7
Early terminations and downward revised durations	(79.7)	(0.4)	(80.1)	(12.6)	(92.7)
Other (including foreign exchange difference)	(27.7)	(1.2)	(28.9)	(0.7)	(29.6)
AS OF DECEMBER 31, 2025	730.4	113.5	843.9	110.7	954.6

<i>Amortisation, depreciation and impairment in millions of euros</i>	Capitalised discounted fixed lease payments				
	Stores	Offices and warehouses	Total	Leasehold rights	Total
As of January 1, 2025	(437.2)	(59.2)	(496.4)	(46.8)	(543.2)
Depreciation & amortisation	(85.2)	(11.3)	(96.5)	(2.3)	(98.8)
Impairments	(2.9)	-	(2.9)	(5.2)	(8.1)
Early terminations and downward revised durations	64.6	0.3	64.9	11.8	76.7
Other (including foreign exchange difference)	18.0	0.7	18.7	0.5	19.2
AS OF DECEMBER 31, 2025	(442.7)	(69.5)	(512.2)	(42.0)	(554.2)
NET VALUE AT DECEMBER 31, 2025	287.7	44.0	331.7	68.7	400.4

Lease arrangements mainly concern store rentals, and incidentally, administrative and storage buildings.

The change in the net balance of rights of use during 2024 was explained by the following elements:

<i>Gross value in millions of euros</i>	Capitalised discounted fixed lease payments				
	Stores	Offices and warehouses	Total	Leasehold rights	Total
As of January 1, 2024	711.5	88.2	799.7	124.2	923.9
Arrangement of new leases	134.4	27.4	161.8	1.0	162.8
Early terminations and downward revised durations	(93.0)	(1.7)	(94.7)	(2.3)	(97.0)
Other (including foreign exchange difference)	15.8	0.6	16.4	1.1	17.5
AS OF DECEMBER 31, 2024	768.7	114.5	883.2	124.0	1,007.2

<i>Amortisation, depreciation and impairment in millions of euros</i>	Capitalised discounted fixed lease payments				
	Stores	Offices and warehouses	Total	Leasehold rights	Total
As of January 1, 2024	(391.9)	(49.1)	(441.0)	(37.5)	(478.5)
Depreciation & amortisation	(104.9)	(11.5)	(116.4)	(1.9)	(118.3)
Impairments	(3.7)	-	(3.7)	(8.3)	(12.0)
Early terminations and downward revised durations	73.7	1.7	75.4	1.3	76.7
Other (including foreign exchange difference)	(10.4)	(0.3)	(10.7)	(0.4)	(11.1)
AS OF DECEMBER 31, 2024	(437.2)	(59.2)	(496.4)	(46.8)	(543.2)
NET VALUE AT DECEMBER 31, 2024	331.5	55.3	386.8	77.2	464.0

6.3.2 Lease liabilities

Lease liabilities break down as follows:

<i>(In millions of euros)</i>	12/31/2024	12/31/2025
Lease liabilities at more than 5 years	94.5	87.0
Lease liabilities between 4 and 5 years	42.4	33.8
Lease liabilities between 3 and 4 years	53.2	46.2
Lease liabilities between 2 and 3 years	68.8	56.7
Lease liabilities between 1 and 2 years	84.5	69.6
Lease liabilities at less than 1 year	100.7	90.5
TOTAL	444.1	383.8

The change in lease liabilities during the year can be explained by the following items:

<i>(In millions of euros)</i>	Stores	Offices and warehouses	Total
As of January 1, 2025	386.0	58.1	444.1
Arrangement of new leases	69.1	0.6	69.7
Reimbursement of the nominal	(105.3)	(11.3)	(116.7)
Changes in incurred interests	0.1	0.1	0.2
Early terminations and downward revised durations	(17.1)	-	(17.1)
Other (including foreign exchange difference)	4.4	(0.8)	3.6
AS OF DECEMBER 31, 2025	337.2	46.7	383.8

<i>(In millions of euros)</i>	Stores	Offices and warehouses	Total
As of January 1, 2024	370.4	41.9	412.3
Arrangement of new leases	138.8	27.4	166.2
Reimbursement of the nominal	(114.1)	(11.6)	(125.7)
Changes in incurred interests	0.4	-	0.4
Early terminations and downward revised durations	(23.9)	-	(23.9)
Other (including foreign exchange difference)	14.4	0.4	14.8
AS OF DECEMBER 31, 2024	386.0	58.1	444.1

The amount of fixed lease payments paid in the 2025 financial year is €125.9 million. It was €127.5 million in 2024 (see Statement of cash flows in Section 6.1.1.4 "Reimbursement of lease liabilities").

The residual rent expense shown in the income statement under operating income and expenses (see Note 5.3) breaks down as follows:

<i>(In millions of euros)</i>	12/31/2024	12/31/2025
Variable lease payments or rents on low-value assets	(9.2)	(12.9)
Rental charges	(14.9)	(15.2)
TOTAL	(24.1)	(28.1)

In some countries, store leases include a minimal amount and a variable portion, particularly when the lease contains a clause indexing the rent to sales. In accordance with the provisions of IFRS 16, only the minimum fixed portion is capitalised.

Payments relating to non-capitalised leases (variable rents or lease payments on low-value assets) do not differ much from the expense recognised.

6.4 IMPAIRMENT TESTS

Basic principles

If indications of impairment are identified, such as events or changes in circumstances that may affect the recoverable amount of an asset, IAS 36 "Impairment of Assets" requires companies to perform an impairment test in order to verify that the net carrying amount of property, plant and equipment and intangible assets does not exceed the recoverable amount.

Goodwill, brands and other intangible fixed assets with an indefinite life or which have not yet been put into service must be tested for impairment at least annually or whenever there is an indication that they may be impaired.

The recoverable amount of assets is tested by comparing their net carrying amount with the higher of their fair value less costs to sell and value in use.

The value in use of property, plant and equipment or intangible assets is determined based on the estimated future cash flows expected to result from the use of the asset. These are calculated using a post-tax discount rate and factor in the risks relating to the performance of the asset tested.

If the cash flows generated by a given asset cannot be estimated independently from the cash flows generated by other assets, the Group must identify the cash-generating unit (CGU) to which the asset belongs and with which the future cash flows – calculated objectively and generated independently of the cash flows generated by other assets – can be associated. The identification of cash-generating units was carried out according to the Group's organisational and operational architecture.

If the impairment test reveals that an asset has lost value, its carrying amount is written down to its recoverable amount by recognising an impairment loss in the income statement.

When the reasons for impairment cease to exist, the carrying amount of the asset or cash-generating unit (except goodwill) is increased to the amount resulting from the estimate of its recoverable amount, not to exceed the net carrying amount that would have been reported had the impairment loss not been recognised. The reversal of an impairment loss is recognised in the income statement.

Allocation of assets/liabilities to cash-generating units (CGUs) and estimated values

The Group has defined several types of CGUs in order to test its property, plant and equipment, intangible assets and goodwill for impairment.

Each store is a CGU based on the specific geographic base of its customers and the property, plant and equipment and intangible assets owned by the store, and impairment tests are performed at this level.

Goodwill and brands are subject to an impairment test in a second stage, within the three CGU combinations which also include the assets related to the CGUs described above, *i.e.* the points of sale operated under each brand, the direct support structure of each brand, and an allocation of head office expenses.

Goodwill comes from the three original brands Sandro, Maje and Claudie Pierlot acquired in October 2016 and the Fursac brand acquired in September 2019.

Goodwill is not amortised but is subject to an impairment test whenever an indication of impairment is identified, and at least once a year. Indications that goodwill may be impaired include material adverse changes of a lasting nature affecting the economic environment or the assumptions and objectives made at the time of acquisition.

When the net carrying amount of the cash-generating unit is greater than its recoverable amount, an impairment loss is recognised first on goodwill, then if necessary on the other elements tested. Impairment losses are recognised in the income statement (under the "Other expenses" heading).

Impairment losses in respect of *goodwill* may not be reversed.

Judgements and estimates

The main judgements and estimates relating to impairment testing are based on the following assumptions:

- identifying the appropriate CGU level;
- assessing the economic and commercial trends and the competitive environment in order to determine the discount rate and perpetuity growth rate;
- forecasting cash flows.

6.4.1 Points of sale test

The Group defines its directly owned points of sale as CGUs, *i.e.* the smallest group of assets (including right-of-use assets, property, plant and equipment, intangible assets and the allocation of the brand attached to the point of sale) that can individually generate cash flows. A test of the points of sale must be carried out in the event of any indication of impairment. The impairment criteria used are a decrease in revenue and/or a decrease in profitability and/or a decrease in the marketability of the point of sale.

The recoverable amount of each of these points of sale is determined using the discounted cash flow method (DCF). These DCFs are based on the budget by point of sale and the business plan by CGU combination and CGU (retained for the duration of the contract), approved by the Executive Committee and by the Board of Directors, and are used to calculate the value in use as of December 31, 2025. The growth rates used are those used by management for the business plan and take into account the growth outlook specific to each brand and/or market (Sandro Europe, Maje Europe, Claudie Pierlot Europe, Fursac, APAC, North America). At the end of their useful life, points of sale are considered closed and non-amortised assets, such as leasehold rights in France, are sold. To calculate the value in use, future cash flows are discounted using a weighted average cost of capital (WACC), which varies based on the brand

operating at that point of sale. When this value in use is lower than the net carrying amount of the assets constituting the CGU, an impairment loss is recorded in the financial statements.

In 2025, Management identified and recognised an impairment of the leasehold rights and/or right-of-use assets in the amount of €8.1 million.

6.4.2 Testing of CGU combinations

IAS 36 requires an impairment test to be performed annually for each CGU or CGU combinations to which the goodwill has been allocated.

As recommended by IAS 36, each CGU or CGU combination to which goodwill is thus allocated must represent, within the entity, the lowest level at which goodwill is monitored for internal management purposes and must not be larger than a segment determined under IFRS 8 "Operating Segments", prior to combination.

The level of analysis at which the SMCP Group assesses the recoverable amount of goodwill corresponds to the brand. The goodwill test level is based on both organisational and strategic criteria.

An impairment test was therefore carried out on each of the four Sandro, Maje, Claudie Pierlot and Fursac brands.

As part of the preparation of its annual strategic plan, the Group reviewed the business outlook for its various segments. This strategic plan served as the basis for the impairment test carried out on each combination of the Group's CGUs as at December 31, 2025. It compares the net carrying amount of each of the four brands (composed of the brand, the portion of the allocated goodwill, the right-of-use assets, the other fixed assets and the working capital requirement) with the higher of the fair value net of asset disposal costs and the value in use of the brands. This is determined using the free cash flow (DCF) method. These DCFs are based on the 2026 budget and the business plan by combination of CGUs determined by the Executive Committee and approved by the Board of Directors. The duration of the business plan was adjusted according to the maturity of each brand. Sandro and Maje are therefore mature brands in all geographical areas and in the various distribution channels. The duration of the business plan is five years. On the other hand, the Claudie Pierlot and Fursac brands are still in the consolidation phase, and the duration of their business plan is maintained over eight years.

The Group called upon an independent appraiser to update the discount rate and the long-term growth rate for each of its CGU combinations. This review takes into account differentiated rates by country. The rates applied to each CGU combination result from the weighting of these rates by country, according to the geographical presence of the brands. The following table presents the discount and long-term growth rates used for each CGU combination:

	2024 test discount rate	2024 test long-term growth rate	2025 test discount rate	2025 test long-term growth rate
Sandro	10.3%	1.9%	10.4%	2.0%
Maje	10.3%	1.9%	10.4%	2.0%
Claudie Pierlot	10.9%	1.8%	11.0%	1.9%
Fursac	10.9%	1.8%	11.0%	1.9%

Following the impairment tests carried out in 2025, the Group recognised a partial impairment of Claudie Pierlot's goodwill for €11.8 million (of which €4.4 million as of the interim closing on June 30), and a total impairment of Fursac's residual goodwill for €6.5 million. As a reminder, in 2024, the Group recognised a partial impairment of Claudie Pierlot's goodwill for €22.4 million as of the interim closing on June 30.

Among the Group's other business segments, only the Fursac segment has assets with a carrying amount close to their recoverable amount. The amount of assets and the potential impacts of changes in the discount rate after tax, or the perpetual growth rate, are detailed below:

(In millions of euros)	Carrying amount of goodwill and brands (net of DTL) at 12/31/2025	Carrying amount of assets in CGU combination affected at 12/31/2025	Amount of impairment that would be recognised in the event of:			
			0.5% increase in the discount rate after taxes	0.5% decrease in the perpetual growth rate	Discount rate threshold	Perpetual growth rate threshold
Sandro	575.8	683.4	-	-	11.9%	n.a
Maje	407.1	490.2	-	-	12.6%	n.a
Claudie Pierlot	47.5	65.9	(5.7)	(3.3)	11.0%	1.9%
Fursac	44.9	51.5	(3.7)	(2.3)	11.0%	1.9%
TOTAL	1,075.3	1,291.0				

6.5 NON-CURRENT FINANCIAL ASSETS

Financial assets amounted to €14.2 million at December 31, 2025 and correspond mainly to loans and guarantees.

6.6 INVENTORIES

Raw materials and other supplies are recognised at the lower of purchase cost and their estimated net realisable value.

The cost of finished products and goods (excluding defective goods) is based on purchase price or production cost. The production cost is determined by the integration of all costs directly attributable to products.

The cost of finished products includes the cost of design, raw materials, and direct costs including logistics costs. It does not include borrowing costs.

At the end of the period (annual or interim), the Group recognises an impairment on its inventories for all collections that have already been sold within its *outlet* network and based on their expected turnover.

The table below illustrates changes in inventories at the end of the period:

<i>(In millions of euros)</i>	12/31/2025		
	Gross value	Impairments	Net value
Raw materials and other supplies	29.9	(5.8)	24.1
Finished products	226.2	(17.3)	208.9
TOTAL INVENTORIES	256.1	(23.1)	233.0

<i>(In millions of euros)</i>	12/31/2024		
	Gross value	Impairments	Net value
Raw materials and other supplies	30.8	(5.4)	25.4
Finished products	253.2	(18.3)	234.8
TOTAL INVENTORIES	283.9	(23.7)	260.2

The impairment of inventories reflects the technical and stylistic obsolescence of the Group's inventories at December 31, 2025.

<i>(In millions of euros)</i>	12/31/2025
Cumulative impairment at the beginning of the period	(23.7)
Impairments	(17.9)
Reversals	17.7
Other and foreign exchange differences	0.8
CUMULATIVE IMPAIRMENT AT THE END OF THE PERIOD	(23.1)

<i>(In millions of euros)</i>	12/31/2024
Cumulative impairment at the beginning of the period	(24.5)
Impairments	(23.3)
Reversals	24.5
Other and foreign exchange differences	(0.4)
CUMULATIVE IMPAIRMENT AT THE END OF THE PERIOD	(23.7)

6.7 TRADE AND RELATED RECEIVABLES

Trade and related receivables are initially recognised at fair value. Subsequent measurement takes account of the probability that the receivables will be collected and a specific impairment loss is recorded for any doubtful receivables, as follows:

- disputed receivables are impaired when there is certain and specific evidence showing that the receivables will not be collected;
- the impairment of other doubtful items is recorded to adjust the estimated recoverable amounts on the basis of information available when the financial statements are prepared.

The net carrying amount of assets *is* reduced through impairment and the loss is recorded in the income statement under "Other operating income and expenses". Irrecoverable receivables are recorded in the income statement and existing impairments are reversed.

The Group's exposure is limited to its wholesale/partnered retail, affiliate and department store sales activities.

Judgements and estimates

Impairment for doubtful receivables represents a reasonable estimate of loss attributable to the specific and general risk of not being able to collect the trade receivables recognised in the financial statements.

<i>(In millions of euros)</i>	01/01/2025	Changes in gross value	Impairments	Reversals	Translation adjustment	12/31/2025
Trade and related receivables	71.3	(3.6)	-	-	(2.0)	65.7
Provisions for impairment	(2.3)	-	(3.5)	-	0.1	(5.7)
TRADE RECEIVABLES, NET	69.0	(3.6)	(3.5)	-	(1.9)	60.0

<i>(In millions of euros)</i>	01/01/2024	Changes in gross value	Impairments	Reversals	Translation adjustment	12/31/2024
Trade and related receivables	69.0	1.6	-	-	0.8	71.3
Provisions for impairment	(0.8)	-	(1.8)	0.3	-	(2.3)
TRADE RECEIVABLES, NET	68.2	1.6	(1.8)	0.3	0.8	69.0

Department stores are invoiced at the end of the month, for payment the following month. Receivables from local partners are paid between 30 and 45 days. A bank guarantee is in place for these partners.

The amount of trade receivables is as follows:

<i>(In millions of euros)</i>	12/31/2024	12/31/2025
Not past due	50.0	47.3
1 to 30 days	(1.0)	(0.8)
31 to 60 days	2.3	(0.4)
More than 60 days	1.8	1.7
TOTAL	53.1	47.8

6.8 OTHER CURRENT ASSETS

Other receivables, for a total amount of €40.5 million at December 31, 2025, mainly include prepaid expenses of €17.0 million, advances and down payments paid to suppliers for €8.7 million, tax receivables for

€8.5 million, notably the value added tax recoverable by the Group from the tax authorities of the countries in which it operates, as well as €6.2 million of corporate tax receivables, mainly in France.

6.9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of readily available liquid assets and financial investments with maturity of no more than three months from the date of acquisition. These assets are highly liquid, easily convertible into cash, and subject to a negligible risk of change in value.

Loans and guarantees pledged as collateral are recorded as non-current financial assets.

At December 31, 2025, cash and cash equivalents (net of current bank overdrafts) break down as follows:

<i>(In millions of euros)</i>	12/31/2024	12/31/2025
Cash and cash equivalents	48.5	47.4
Current bank overdrafts	(21.7)	(5.5)
CASH NET OF CURRENT BANK OVERDRAFTS	26.8	41.9

6.10 EQUITY

6.10.1 Share capital

The total value of the shares issued by the parent company is recognised in full within equity, as these instruments represent its share capital.

At December 31, 2025, the Company's fully subscribed and paid-up share capital amounted to €86,159,587.80 corresponding to 78,326,898 ordinary shares with a nominal value of one euro and ten

cents (€1.10). On August 11, 2025, European TopSoho S.à r.l. obtained the return of the 12,106,939 shares that had been transferred to a third party by ETS in 2021, and now holds 23.2% of the share capital of SMCP SA. It should also be noted that all of the Class G preferred shares that were still outstanding at the end of 2024 were converted into ordinary shares as of January 1, 2025.

Shareholders	12/31/2025			
	Number of ordinary shares	Number of G PS	Total number of shares	% of share capital
European TopSoho S.à r.l.	18,182,787	-	18,182,787	23.2%
Glas SAS (London Branch)	21,952,315	-	21,952,315	28.0%
Founders & Managers	5,921,974	-	5,921,974	7.6%
Free Float	31,769,869	-	31,769,869	40.6%
Treasury shares	499,953	-	499,953	0.6%
TOTAL	78,326,898	-	78,326,898	100.0%

Shareholders	12/31/2024			
	Number of ordinary shares	Number of G PS	Total number of shares	% of share capital
European TopSoho S.à r.l.	6,075,848	-	6,075,848	8.0%
Glas SAS (London Branch)	21,952,315	-	21,952,315	28.8%
Other shareholder(s)	12,106,939	-	12,106,939	15.9%
Founders & Managers	5,693,512	601,804	6,295,316	8.3%
Free Float	29,549,474	95,539	29,645,013	38.9%
Treasury shares	213,099	-	213,099	0.3%
TOTAL	75,591,187	697,343	76,288,530	100.0%

6.10.2 Rights attached to shares

Each share is entitled to one vote after its issuance, proportional to the portion of share capital it represents.

There were five free share plans (LTIPs) at December 31, 2025 (see Note 5.5 "Share-based payments").

6.10.3 Treasury shares

Treasury shares are recognised as a deduction from equity at their acquisition cost. Earnings from the disposal or cancellation of shares are recognised directly in equity.

The total amount of treasury shares consists, on the one hand, of shares purchased under the liquidity agreement and, on the other hand, of shares bought back to cover the long-term incentive plans of Group executives and employees (499,953 shares). These treasury shares correspond to a total amount of approximately €4.5 million.

Note that at December 31, 2025, no shares were held under the liquidity agreement.

6.11 FINANCIAL LIABILITIES

Each quarter, the Group calculates net debt, which constitutes an important indicator of the Group's financial performance, as follows:

<i>(In millions of euros)</i>	12/31/2024	12/31/2025
Cash and cash equivalents	(48.5)	(47.4)
Current bank overdrafts	21.7	5.5
Cash net of current bank overdrafts	(26.8)	(41.9)
Short-term bank borrowings and debt	103.9	96.7
Long-term bank borrowings and debt	156.7	89.0
Other financial borrowings	3.6	3.7
Accrued interest on borrowings and other liabilities	(0.3)	(0.1)
NET DEBT LINKED TO OPERATIONS	237.2	147.5

As of December 31, 2025, the leverage clause (ratio of net financial debt excluding IFRS 16 to EBITDA excluding IFRS) was compliant, with leverage standing at 1.3x. The main components of financial liabilities are presented below:

<i>Liabilities in millions of euros</i>	Initial or maximum amount	Capital outstanding at 12/31/2025	Maturity
Term Loan A	265.0	75.0	May 2027
Revolving Credit Facility	200.0	0.0	May 2027
PGE issued in 2020	140.0	42.0	June 2026
PGE issued in 2021	53.0	38.0	June 2027
NEU CP	200.0	30.0	Unlimited
Other of which acquisition financing	5.0	1.7	July 2026

As set out by the amortisation plans for each financing line, in 2025 the Group repaid €15 million in respect of Term Loan A and €47 million in respect of the two PGE, as well as €1.7 million of various medium-term loans (see Statement of cash flows in Section 6.1.1.4 "Reimbursement of financial liabilities").

The partial drawdown of the revolving credit facility (RCF), which amounted to €15 million at the end of the 2024 financial year, was repaid in 2025. It should also be noted that the maturity of Term Loan A and the RCF was extended by one year to May 2027.

The debt maturity schedule is as follows:

<i>(In millions of euros)</i>	Carrying amount as of December 31, 2025	Contractual cash flows	<1 year	1 to 5 years	>5 years
Bank borrowings	161.2	162.2	72.6	89.6	-
Amortisable term borrowings (Term Loan A & PGE)	154.0	155.0	65.4	89.6	-
Revolving Credit Facility (RCF)	-	-	-	-	-
Other bank borrowings	1.9	1.9	1.9	-	-
Bank overdraft	5.5	5.5	5.5	-	-
Accrued interest on borrowings and other liabilities	(0.2)	(0.2)	(0.2)	-	-
Other loans and borrowings	33.7	33.7	31.6	2.1	-
Short-term negotiable securities (NEU CP)	30.0	30.0	30.0	-	-
Other financial borrowings	3.7	3.7	1.6	2.1	-
FINANCIAL LIABILITIES	194.9	195.9	104.2	91.7	-

Loans contracted under the Credit Facility will bear interest at an EURIBOR-indexed floating rate for the drawn period, increased by the applicable margin.

6.12 CURRENT AND NON-CURRENT PROVISIONS

Basic principles

A provision is recognised whenever the Group has an obligation with regard to a third party which is likely to result in an outflow of cash that can be reliably estimated. When execution of this obligation is expected to be deferred by more than one year, the provision is classified within "Non-current liabilities" and the amount is discounted, with the effects of discounting recognised as net financial expense using the effective interest rate method.

Judgements and estimates

The main estimates and judgements relating to provisions for contingent liabilities are based on the following assumptions:

- restructuring costs: number of employees, probable costs per employee;
- Disputes and litigation (e.g.: contractual penalties, tax risks): the assumptions underlying the assessment of the legal position and the valuation of risks based on the probability of occurrence.

The table below illustrates changes in this item over the period presented:

<i>(In millions of euros)</i>	01/01/2025	Additions	Reversals (utilised provisions)	Reversals (N/A)	OCI/ reclassification	Foreign exchange differences	12/31/2025
Provision for contingencies and charges	4.9	-	(0.4)	-	0.2	(0.3)	4.4
Provisions for pension liabilities	4.6	1.0	(0.6)	-	(0.1)	-	4.9
TOTAL NON-CURRENT PROVISIONS	9.5	1.0	(1.0)	-	0.1	(0.3)	9.3
Provisions for disputes	1.6	0.8	(0.6)	-	-	-	1.8
TOTAL CURRENT PROVISIONS	1.6	0.8	(0.6)	-	-	-	1.8

<i>(In millions of euros)</i>	01/01/2024	Additions	Reversals (utilised provisions)	Reversals (N/A)	OCI/ reclassification	Foreign exchange differences	12/31/2024
Provision for contingencies and charges	0.6	-	(0.4)	-	4.6	0.1	4.9
Provisions for pension liabilities	5.0	1.0	(0.4)	-	(0.8)	-	4.6
TOTAL NON-CURRENT PROVISIONS	5.6	1.0	(0.8)	-	3.8	0.1	9.5
Provisions for disputes	1.3	1.0	(0.9)	-	0.2	-	1.6
TOTAL CURRENT PROVISIONS	1.3	1.0	(0.9)	-	0.2	-	1.6

Provisions for disputes include provisions for labour-related risks and supplier-related risks.

6.13 EMPLOYEE BENEFITS

Defined contribution plans

Under defined contribution plans, the Group pays contributions based on salaries to external bodies and has no obligation with regard to the level of benefits paid to the beneficiaries. Expenses are recognised when the contributions become due.

Defined benefit plans

Retirement benefit obligations under defined-benefit plans are recognised at the present value of the obligations arising from these plans as of December 31, 2025. The Group's commitment for defined benefit pension plans is calculated annually by independent actuaries, using a discount rate determined on the basis of issuance rates for high-quality private-sector bonds (AA and AAA-rated companies) for periods equivalent to the commitment periods.

The obligation depends on the retirement conditions provided for in the collective agreement and on the length of service of the employees, insofar as it is determined according to their possible retirement date. This commitment takes into account the

probability that the employee will leave the Company after having acquired the right to a full pension. All of these costs, including social security contributions, are cumulative and systematically recognised in the income statement for as long as the employee remains in the workforce. The provision for severance packages, under the collective agreements, covers the specific benefits of the French plan. The Group has no commitments of this nature for its employees who are employed in countries other than France. It is estimated on an actuarial basis using the projected unit credit method (method of allocating accrued benefits pro-rated on years of service) in accordance with IAS 19 "Employee Benefits". The IFRIC amendment has no impact on the Company (see Note 2.2.2 "Accounting rules and policies").

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised under "Other comprehensive income" and are not reclassified to profit or loss.

Past service costs are immediately recognised in the income statement.

The provision for pension liabilities only relates to France and takes into account:

- the rights acquired by each employee at the end of each period. The salary revaluation rate (excluding inflation) is estimated at 3.75% for managerial-grade staff and supervisors and 2.75% for blue-collar workers and administrative staff;
- the probability of each employee being with the Group at retirement (and being entitled to a full pension);
- the probability of termination of the employment contract by the employee;
- a discount rate of 4%;
- top management is not eligible for pension benefits.
- The maturity of the commitments at December 31, 2025 is 17 years.

(In millions of euros)

	12/31/2024	12/31/2025
Projected benefit obligation at the beginning of the period	4.9	4.6
Current service cost	0.4	0.3
Estimated interest cost	0.1	0.1
Other comprehensive income	(0.8)	(0.1)
Projected benefit obligation at the end of the period	4.6	4.9
Liability recognised on the statement of financial position	4.6	4.9
Service cost	0.4	0.3
Current service cost	0.4	0.3
Net interest cost	0.1	0.1
Interest cost	0.1	0.1
Net cost for the period	0.5	0.4

6.14 TRADE AND OTHER PAYABLES

Trade payables, amounting to €138.8 million as of December 31, 2025, include, in particular, €15.9 million of payables related to acquisitions of non-current assets. The amount of trade payables (excluding suppliers of non-current assets and supplier invoices not received) is as follows:

<i>(In millions of euros)</i>	12/31/2024	12/31/2025
Not past due	43.9	42.4
1 to 30 days	22.0	14.9
31 to 60 days	4.0	2.2
More than 60 days	3.7	0.8
TOTAL	73.6	60.3

6.15 OTHER CURRENT LIABILITIES

Other current liabilities amounted to €85.1 million at December 31, 2025 and were mainly composed of taxes, duties and other payroll-related liabilities totalling €67.0 million, and advances and down payments from customers for €18.1 million.

6.16 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair value measurement

Pursuant to IFRS 13 "Fair Value Measurement", fair value (or market value) is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interests.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by employing the asset in its highest and best use or by selling it to another market participant that would employ the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy (see below) based on the lowest-level input that is significant to the fair value measurement as a whole:

- level 1 – quoted (unadjusted) prices in active markets for identical assets or liabilities;
- level 2 – valuation techniques for which the lowest-level input that is significant to the fair value measurement is directly or indirectly observable;

- level 3 – valuation techniques for which the lowest-level input that is significant to the fair value measurement is unobservable.

In "Non-current financial assets" (Note 6.5), the Group measures pledged assets as collateral at fair value on December 31 of each year (Level 2 of the fair value hierarchy).

The fair value of derivative instruments recognised at December 31, 2025 was determined using Level 2 of the fair value hierarchy.

Fair value hedge (FVH):

These changes in the fair value of the hedged assets or liabilities are recorded in the income statement and offset changes in the value of the derivative instrument allocated to the underlying asset. The time value of a purchased option and the forward component (carry forward/discount) of forward contracts are treated as a "cost" related to the hedging. Thus, the change in the time value of the options and the change in the carry forward/discount of forward transactions are recorded in equity during the life of the transactions, and recognised in the income statement symmetrically with the hedged item.

Cash flow hedge (CFH):

The effective portion of changes in the value of the derivative is recorded in other comprehensive income and recognised in the income statement symmetrically with the hedged item. The time value of a purchased option and the forward component (carry forward/discount) of forward contracts are treated as a "cost" related to the hedging. Thus, the change in the time value of the options and the change in the carry forward/discount of forward transactions are recorded in equity during the life of the transactions, and recognised in the income statement symmetrically with the hedged item. The ineffective portion is recognised immediately in the income statement.

The net carrying amounts and fair values of financial assets and liabilities are summarised in the table below:

(In millions of euros)	Notes	Valuation procedures	Fair value hierarchy	12/31/2024		12/31/2025	
				Net carrying amount	Fair value	Net carrying amount	Fair value
Loans and receivables		Loan & receivable	(1)	16.8	16.8	14.1	14.1
Non-current financial assets	6.5			16.8	16.8	14.1	14.1
Trade and related receivables	6.7	Loan & receivable	(1)	69.0	69.0	60.2	60.2
Derivative instruments eligible for hedge accounting⁽²⁾		FV OCI/FV PL	(2)	0.2	0.2	0.6	0.6
Cash and cash equivalents	6.9	Loan & receivable	(1)	48.5	48.5	47.4	47.4
Term Loan A		Amortised costs	(1)	75.0	75.0	56.0	56.6
PGE		Amortised costs	(1)	79.7	79.7	33.0	33.0
Other loans		Amortised costs	(1)	1.9	1.9	-	-
Deposits and sureties received		Amortised costs	(1)	0.6	0.6	0.7	0.7
Other financial borrowings		Amortised costs	(1)	2.2	2.2	1.4	1.4
Long-term financial borrowings	6.11			159.2	159.2	91.1	91.7
Trade and other payables	6.14	Amortised costs	(1)	143.4	143.4	138.6	138.6
Current bank overdrafts		Amortised costs	(1)	21.7	21.7	5.5	5.5
Term Loan A		Amortised costs	(1)	13.6	15.0	17.6	18.4
Revolving Credit Facility (RCF)		Amortised costs	(1)	15.0	15.0	-	-
NEU CP		Amortised costs	(1)	25.0	25.0	30.0	30.0
PGE		Amortised costs	(1)	48.0	47.3	47.4	47.0
Other loans		Amortised costs	(1)	2.5	2.5	1.9	1.9
Accrued interest on borrowings		Amortised costs	(1)	(0.3)	(0.3)	(0.2)	(0.2)
Other financial borrowings		Amortised costs	(1)	0.7	0.7	1.6	1.6
Bank overdrafts and short-term borrowings and debt	6.9	Amortised costs	(1)	126.2	126.9	103.8	104.2
Derivative instruments eligible for hedge accounting⁽²⁾		FV OCI/FV PL	(2)	2.0	2.0	0.4	0.4

(1) Fair value is not provided since the net carrying amount represents a reasonable estimate of their fair value.

(2) These are forward contracts or options intended to hedge future cash flows denominated in foreign currencies. The application of IFRS 9 has broadened the scope of financial instruments eligible for hedge accounting. Below are the Group's accounting rules for hedge accounting under IAS 39 and then IFRS 9:

At December 31, 2025, the fair value of derivative instruments was estimated based on their market value (using Level 2 of the fair value hierarchy according to IFRS 13, by reference to recent transactions between knowledgeable, willing parties in an arm's length transaction).

FV OCI: fair value through other comprehensive income

FV PL: fair value through profit or loss

6.17 FINANCIAL INSTRUMENTS AND MARKET RISK MANAGEMENT

6.17.1 Organisation of foreign exchange, interest rate and market risk management

Foreign exchange and interest rate risk are managed on a centralised basis.

The Group has implemented a strict policy and rigorous guidelines to manage, assess and monitor these market risks and may use financial instruments within this framework.

6.17.2 Foreign exchange risk

The Group has a significant portion of its revenue (approximately 39% during the period ended December 31, 2025) in foreign currencies, notably the US dollar, the Chinese yuan, the pound sterling, the Swiss franc, the Canadian dollar, the Australian dollar, the New Zealand dollar and the Hong Kong dollar. A portion of the cost of its sales is also denominated in foreign currencies, in particular purchases denominated in US dollars or Chinese yuan. The Group also holds certain assets that are recorded in its balance sheet in foreign currencies.

The Group is therefore exposed to changes in its currencies, as its reporting currency is the euro.

6.17.3 Interest rate risk

The Group is exposed to the risk of interest rate fluctuations due to some of its debt whose interest rates are indexed to the European Interbank Offered Rate ("EURIBOR"), plus a margin. The table below shows the breakdown of fixed-rate/floating-rate debt at December 31, 2025:

<i>(In millions of euros)</i>	12/31/2024		12/31/2025	
Floating-rate debt	175.7	67%	135.2	72%
Term Loan A	90.0	34%	75.0	40%
Revolving Credit Facility (RCF)	15.0	6%	0.0	0%
Floating-rate PGEs	45.7	17%	30.2	16%
Short-term negotiable securities (NEU CP)	25.0	10%	30.0	16%
Fixed-rate debt	85.7	33%	51.8	28%
Fixed-rate PGE lines	81.3	31%	49.8	27%
Other bank borrowings	4.4	2%	1.9	1%
TOTAL	261.4	100%	187.0	100%

6.17.4 Sensitivity to interest rate risk

Based on the Group's financial commitments during the year ended on December 31, 2025, and the level of interest rates, a 50 basis points increase of these rates would have an impact of €0.9 million over the period.

6.17.5 Derivatives used to manage foreign exchange risk

Foreign currency transactions

Transactions carried out by consolidated companies in a currency other than their functional currencies are translated at the average annual exchange rate for the period in question.

Trade receivables, trade payables and liabilities denominated in currencies other than the entities' functional currencies are translated at the applicable exchange rates as of December 31, 2025.

Unrealised foreign exchange differences resulting from this translation are recognised:

- as cost of sales in the case of commercial transactions;
- as net financial expense in the case of financial transactions.

Foreign exchange gains and losses arising from the translation of intragroup transactions or receivables and payables denominated in currencies other than the entities' functional currency are recorded in the income statement.

The Group uses financial instruments to reduce its exposure to foreign exchange risks.

Derivative instruments are initially recognised at fair value on the date of signature of the derivative contract, and are subsequently revalued at their fair value, whether or not the derivatives qualify as hedges within the meaning of IFRS 9. The recognition of gains or

losses the income statement depends on whether or not the derivative is designated as a hedging instrument and, in this case, on the nature of the hedged item. The Group hedges the foreign exchange risk relating to recognised assets or liabilities, or future transactions deemed highly probable (cash flow hedges).

The fair values of asset and liability derivative instruments at December 31, 2025 are as follows:

<i>(In millions of euros)</i>	Positive Fair Value	Negative Fair Value	Net Fair Value
Terms	0.5	(0.3)	0.2
Options	0.1	-	0.1
TOTAL	0.6	(0.3)	0.3

The fair values of asset and liability derivative instruments were as follows on December 31, 2024:

<i>(In millions of euros)</i>	Positive Fair Value	Negative Fair Value	Net Fair Value
Terms	0.2	(1.7)	(1.6)
Options	0.1	(0.3)	(0.2)
TOTAL	0.2	(2.0)	(1.8)

At the time of the transaction, the Group documents the relationship between the hedging instrument and the hedged item, the management objective and the hedging strategy. The Group also documents the efficiency of the hedge in offsetting changes in fair value or cash flows of hedged items from the time of its application and for its full duration.

A significant portion of Group companies' sales to customers and to their own retail subsidiaries as well as some of their purchases are denominated in currencies other than their functional currency.

Hedging instruments are used to mitigate risks arising from currency fluctuations in transactions forecasted in future periods (cash flow hedges).

Future foreign currency-denominated cash flows are estimated in the budget preparation process and are hedged progressively over average maturity for a collection period rarely exceeding one year. In fact, in accordance with market trends, identified foreign exchange risks are hedged by forward contracts or options.

Type of impact	Hedge type	USD	GBP	CHF	CNY	CAD	HKD	AUD	NZD	12/31/2025
		Export	Export	Export	Export	Export	Export	Export	Export	
AERG impacts	CFH	0.0	0.1	0.0	0.2	(0.0)	(0.0)	(0.0)	0.0	0.2
AERG impacts	FVH	(0.0)	(0.0)	0.0	(0.0)	0.0	(0.0)	(0.0)	(0.0)	(0.0)
CoR impacts	CFH	0.0	0.00	0.0	0.0	0.0	0.00	0.0	0.0	0.0
CoR impacts	FVH	0.0	0.0	0.0	(0.1)	0.0	0.1	(0.0)	0.0	0.0
CoR impacts	Trading	0.0	0.0	0.0	0.0	(0.0)	0.00	(0.0)	0.0	0.0
TOTAL (in €M)		0.0	0.1	0.1	0.1	(0.0)	0.1	(0.1)	0.0	0.3
Position <i>(in million foreign currency)</i>		13.1	12.8	0.2	49.0	2.7	97.5	15.0	0.7	

Cash flow hedges are used to hedge purchases and sales of the Group's spring/summer and autumn/winter collections.

Foreign exchange risk sensitivity analysis

An increase (decrease) in the euro against the various currencies at December 31 would have affected the value of the financial instruments denominated in foreign currencies and would have led to a decrease (increase) in equity and profit as indicated in the table below.

12/31/2025 (In millions of euros)	Equity		Income statement	
	Increase	Decrease	Increase	Decrease
USD (+/-10% change)	(0.5)	0.5	(0.6)	0.6
GBP (+/-10% change)	(1.1)	1.2	(0.1)	0.0
CHF (+/-10% change)	(0.5)	0.6	0.7	(0.7)
HKD (+/-10% change)	(0.4)	0.3	(0.6)	0.7
CNY (+/-10% change)	0.0	0.0	0.0	0.0
CAD (+/-10% change)	(0.3)	0.2	0.1	(0.2)
AUD (+/-10% change)	(0.2)	0.2	(0.7)	0.5
NZD (+/-10% change)	0.0	(0.0)	(0.0)	0.0
NET CASH FLOW SENSITIVITY	(3.0)	3.0	(1.1)	1.1

An increase (decrease) in the euro against these currencies at December 31 would have affected the presentation of the consolidated financial statements to the extent indicated in the table below (excluding the impact of financial instruments and derivatives above). This

This analysis is based on exchange rate fluctuations that the Group considers reasonable as of December 31, 2025. For the purposes of this analysis, it was assumed that all other variables and particularly interest rates, remained constant. Impacts on forecast sales and purchases were not taken into account.

analysis is based on the exchange rate in force as of December 31, 2025 on the financial statements denominated in foreign currencies of consolidated entities as of December 31, 2025.

12/31/2025 (In millions of euros)	Equity		Income statement	
	Increase	Decrease	Increase	Decrease
USD (+/-10% change)	(2.9)	3.5	(1.7)	2.0
GBP (+/-10% change)	0.2	(0.1)	(0.9)	1.1
CHF (+/-10% change)	(0.9)	1.1	(0.4)	0.5
HKD (+/-10% change)	(5.1)	6.2	2.8	(3.4)
CNY (+/-10% change)	(0.9)	1.1	(0.4)	0.5
SENSITIVITY TO EXCHANGE RATE	(9.6)	11.8	(0.6)	0.7

6.17.6 Maturity of financial liabilities and liquidity risk

The Group's exposure to liquidity risk can be assessed in relation to the amount of its short-term borrowings excluding derivatives, net of cash and cash equivalents.

The Group's liquidity depends on the amount of its investments, its capacity to raise long-term borrowings and the quality of its banking relationships (i.e. whether there are any committed credit facilities).

The following table presents the contractual repayment schedule of principal and interest (excluding derivatives) at December 31, 2025.

(In millions of euros)	2026	2027	Total	Carrying amount as of December 31, 2025
Amortisable term borrowings (Term Loan A & PGE)	65.4	89.6	155.0	154.0
Revolving Credit Facility (RCF)	-	-	-	-
Other bank borrowings	1.9	-	1.9	1.9
Bank overdrafts and short-term borrowings and debt	30.0	-	30.0	30.0
Accrued interest on borrowings and other liabilities	(0.2)	-	(0.2)	(0.2)
Other financial borrowings	1.6	2.1	3.7	3.7
Bank overdraft	5.5	-	5.5	5.5
TOTAL FINANCIAL LIABILITIES AS OF DECEMBER 31, 2025	104.2	91.7	195.9	194.9

At the end of the 2025 financial year, NEU CP's outstanding amount was €30 million. The €200 million revolving credit facility was fully undrawn.

6.17.7 Credit risk

The Group is exposed to a limited credit risk given the various sales channels for the Group's products:

- a large part of its business is retail for which customers pay cash;
- affiliates are billed once or twice a month and payment is made within a few days. The Group has a bank guarantee for each of its affiliates;
- department stores are billed at the end of each month for payment during the following month. If there is a recovery risk, an impairment loss may be recorded (€5.7 million as of December 31, 2025);
- local partners, or "wholesale/partnered retail" (outside France) pay within 30 to 45 days usually covered by letters of credit. If local partners are located in a country considered at risk, they pay before the delivery of the goods;
- at the end of period on December 31, 2025, the amount of receivables due represented €0.5 million, or 1% of the balance of trade receivables.

Note 7 Off-balance sheet commitments

7.1 COMMITMENTS RECEIVED

<i>(In millions of euros)</i>	12/31/2024	12/31/2025
Undrawn credit lines (revolving credit)	185.0	200.0
Guarantee commitments	5.9	11.8
COMMITMENTS RECEIVED	190.9	211.8

At December 31, 2025, the guarantee commitments consisted of guarantees received from affiliates for €2.1 million and from partners for €9.2 million.

7.2 COMMITMENTS GIVEN

<i>(In millions of euros)</i>	12/31/2024	12/31/2025
Sureties	-	-
Letters of credit	0.3	-
Pledging of a business	0.1	-
Guarantee commitments	32.3	42.8
Guarantee linked to the issuance of short-term negotiable securities (Neu CP) ⁽¹⁾	210.0	210.0
COMMITMENTS GIVEN	242.7	252.8

At December 31, 2025, the guarantee commitments consist primarily of bank guarantees.

(1): NEU CPs were invested at €30 million as of December 31, 2025, compared with €25 million as of December 31, 2024

8. SCOPE OF CONSOLIDATION

The table below shows the scope of consolidation at December 31, 2025:

Companies	12/31/2024		12/31/2025	
	% interest*	Consolidation method	% interest*	Consolidation method
SMCP	100.00%	Parent company	100.00%	Parent company
SMCP GROUP	100.00%	FC	100.00%	FC
SMCP LOGISTIQUE	100.00%	FC	100.00%	FC
SANDRO ANDY	100.00%	FC	100.00%	FC
SMCP BELGIQUE	100.00%	FC	100.00%	FC
SMCP DEUTSCHLAND	100.00%	FC	100.00%	FC
PAP SANDRO ESPAÑA	100.00%	FC	100.00%	FC
SMCP ITALIA	100.00%	FC	100.00%	FC
SMCP UK	100.00%	FC	100.00%	FC
SMCP IRELAND	100.00%	FC	100.00%	FC
MAJE	100.00%	FC	100.00%	FC
SMCP LUXEMBOURG	100.00%	FC	100.00%	FC
MAJE SPAIN	100.00%	FC	100.00%	FC
MAJE STORES	100.00%	FC	100.00%	FC
CLAUDIE PIERLOT	100.00%	FC	100.00%	FC
SMCP USA	100.00%	FC	100.00%	FC
SMCP USA Retail East	100.00%	FC	100.00%	FC
SMCP USA Retail West	100.00%	FC	100.00%	FC
SMCP CANADA	100.00%	FC	100.00%	FC
SMCP ASIA	100.00%	FC	100.00%	FC
SMCP SHANGHAI TRADING CO.	100.00%	FC	100.00%	FC
SMCP NETHERLANDS	100.00%	FC	100.00%	FC
SMCP SWITZERLAND	100.00%	FC	100.00%	FC
SMCP Hong Kong	100.00%	FC	100.00%	FC
SANDRO FASHION SINGAPORE	100.00%	FC	100.00%	FC
AZ RETAIL	100.00%	FC	100.00%	FC
SMCP DENMARK	100.00%	FC	100.00%	FC
SMCP NORWAY	100.00%	FC	100.00%	FC
SMCP MACAU	100.00%	FC	100.00%	FC
SMCP SWEDEN	100.00%	FC	100.00%	FC
SMCP PORTUGAL	100.00%	FC	100.00%	FC
SMCP TAIWAN	100.00%	FC	100.00%	FC
SMCP JAPAN	100.00%	FC	100.00%	FC
SMCP MALAYSIA	100.00%	FC	100.00%	FC
FURSAC	99.97%	FC	100.00%	FC
SMCP AUSTRALIA	100.00%	FC	100.00%	FC
SMCP NEW ZEALAND	100.00%	FC	100.00%	FC
SMCP APAC PTE	100.00%	FC	100.00%	FC
SMCP FASHION	100.00%	FC	100.00%	FC

* % of interest is the same as % of ownership.

Abbreviation used: "FC" = Full consolidation. "NC" = Not consolidated.

9. SUBSEQUENT EVENTS

None