

SMCP 2026 Q1 Sales

Tuesday, 28th April 2026

SMCP 2026 Q1 Sales

Operator: Welcome to the SMCP 2026 First Quarter Sales Presentation. For the first part of the conference call, the participants will be in listen-only mode. During the questions and answers session, participants will be able to ask questions by dialling pound key five on their telephone keypad.

Now I will hand the conference over to the speakers to begin today's conference. Please go ahead.

Amélie Dernis: Good morning, everyone. Thanks for being with us today for the publication of SMCP Q1 sales. I'm here with our CEO, Isabelle Guichot, and our CFO, Patricia Huyghues Despointes. You can listen to the publication via the usual conference call, and you can connect to the webcast to have the presentation displayed.

As usual, we will go through the presentation and then we'll have the Q&A session. Before I hand it over to Isabelle and Patricia, I invite you to go through our usual disclaimer on page two. I think we can start now.

Isabelle Guichot: Thank you, Amélie. Good morning, everyone. Thank you all for joining us today to talk about our Q1 2026 sales with, first, the key highlights on figures and business initiatives. Then Patricia, as usual, will detail with more granularity our performance by region.

On page four, you can see that our three months sales reached €287 million, representing an organic evolution of minus 0.8% versus last year and minus 0.9% on a like-for-like basis in a particularly challenging global environment.

The first quarter performance was supported by positive organic trends in America, EMEA and APAC, while France was impacted by a more difficult macroeconomic context, a negative perimeter effect, a deliberately reduced promotional activity and a high comparison base, especially for Sandro. Patricia will be more granular later in the presentation on this.

The network decreased, encompassing several factors across the world, which are mostly technical. In retail, network decreased by 24 point of sales. The main impact stems from the closure of Saks corner in the US and also their internet sites in relation with the ongoing bankruptcy process.

In partners network, the decrease of 19 point of sales is mainly linked to the takeover of South Korea by our new partner, Samsung, early March.

Finally, our full-price strategy continues to deliver with a further 2 point improvement in discount rate across all regions and brands, and particularly in APAC. Our digital share remains at a satisfactory level of circa 22%.

Page five, you can see the bridge explaining the evolution of sales between the first quarter of '25 and the first quarter of '26. Starting with the like-for-like network, sales are slightly down by €0.7 million or 0.9%, reflecting a negative contribution from France, while America, EMEA and APAC all recorded positive underlying trends.

The network evolution impact mainly comes from the closure of Saks corners in the US, as well as the effect of the BHV-SGM corners in France that occurred in Q4 '25. As mentioned earlier, foreign exchange had a strong negative impact this quarter of minus €6.8 million.

Finally, retail partners activity continued to contribute positively to growth in the first quarter in line with our strategic roadmap.

Moving on to page six, you will find the performance by region. This slide illustrates the Group's ability to rely on a diversified geographical footprint and to navigate ongoing macroeconomic uncertainties. Patricia will come back to this later in the presentation.

I would just highlight a few key elements on the sales breakdown. First by region, as mentioned earlier, France this quarter lost 3 points in the sales mix compared to last year, while EMEA gained 3 points. America and APAC remained broadly stable and kept their position in the mix.

Then, by brand, reflecting Maje resilience and the stronger exposure of other brands to the French market, other brands lost 2 points, while Maje gained 2 points year-on-year.

Finally, by channel. Wholesale increased by 2 points compared to last year, fully in line with our strategy, as explained earlier, while the retail network continues to represent the largest share of the Group sales.

I will now present to you the most recent key initiatives illustrating our brands' desirability on page seven. Sandro and Maje celebrated the Lunar New Year with dedicated capsule collections, marking the beginning of '26 with a strong creative momentum. As you know, it's the Year of the Horse, a symbol of energy, freedom and movement. The two brands explore the contemporary reinterpretation of Lunar New Year codes.

Page eight. Now, as on the previous slides, brands are developing local product activations to enhance brand desirability in different market. That's an important strategic move for our brands.

In the Middle East, Sandro and Maje introduced a dedicated capsule collection for Ramadan, designed to accompany key moments of the season with elegance and sobriety. These capsules reflect the brand's ability to adapt their creative expression to cultural local moments, combining fluid silhouettes, refined materials and subtle details.

Page nine now. The first quarter is always the occasion of the presentation of new collections to press, influencers, department store clients.

Let's start with Sandro, which unveiled its Autumn Winter '26 collection in the heart of the iconic Opéra-Comique in Paris. Live dance performance brought the silhouette to life, creating a sharp dialogue between fashion and art. The collection explores a multifaceted femininity and a bold German masculinity. I think you have a very nice picture to illustrate this presentation.

Different ambience at Maje but as striking as the one at Sandro. Maje presented its upcoming Fall Winter collection in Paris during Paris Fashion Week, entitled The Living Suite. The concept draws inspiration from iconic Parisian private mansions and unfolds through an immersive scenography [?] [00:06:42] organised around three main spaces: a welcoming lobby, presentation group, showcasing the collection silhouettes and a lounge bar designed as a place for guests to meet and enjoy conviviality.

On page 11, a few pictures of the Claudie Pierlot Fall presentation and Claudie envisioned the auditorium, a creative space where each silhouette forms its own harmony. The studio explored a subtle balance between everyday use and refinement. That was a very nice event.

And on the right side, the Fursac activation, which was deliberately discarded to show a KOL strategy of Fursac with selected personalities such as the actor Pierre Lottin at 26th César ceremony and the influencer, Lucas Drag, featured in a more distinctive and contemporary setting, kite surfing while wearing a Fursac suit.

On page 12, you can see some examples of partner openings, as we mentioned earlier, an important pillar of our strategy. The recent openings during the quarter, notably in Chile and Thailand, illustrating our selective and disciplined expansion strategy through partners in key markets.

I will now hand over to Patricia to walk through the regional performance in more detail.

Patricia Huyghues Despointes: Thank you, Isabelle. Good morning, everyone. In France, sales amounted to €89 million, representing an organic decrease of 13% compared to Q1 '25, which represented a relatively high comparison base with an increase of 4% versus Q1 '24, especially at Sandro.

During this quarter, we faced a series of effects explaining this double-digit decrease. Some are exogenous, in particular, a weak consumption environment associated with economic and geopolitical uncertainty and reflected in market indices, retailing, etc., which are all negative. Others are more specific to SMCP and we can mention the following ones.

First, a negative scope effect notably related to the closure of 25 BHV-SGM corners in November '25. We are working on identifying new locations to replace but it takes some time. Still about scope, we also have big renovations ongoing, especially at Sandro in Paris flagships such as Franks-Bourgeois and Vieille du Temple.

We also had weaker performance of promotions at large. First at the beginning of the year with a less meaningful role of January official sales from the deliberate Group strategy to reduce reliance upon promotional periods as a result of tighter inventory management. The volumes made available during the sales are more limited, meaning that official sales now represent less of a structural peak in the year than they used to.

Second factor about promotions. Smaller brands reduced clearance of all collections, notably Claudie Pierlot in line with its ambition to durably strengthen brand desirability. While this factor stands out when we look at Q1, it will become less meaningful in full year.

Finally, we have a technical reduction of revenue in digital pure players, for example, Farfetch, for which all export sales used to be accrued for in France. Now the fulfilment for the US has been implemented locally because of tariffs.

In EMEA, sales amounted to €103 million in the first quarter, representing organic growth of 5% compared to Q1 '25, despite very high comps. On a two-year stack, we are at circa plus 15% organic. The region benefited from generally resilient consumption trends across the main directly operated markets, notably Southern Europe and Germany. Activity through partners continue to show positive dynamics, particularly in Turkey and in the Balkans.

Same as in France, the Group improved the average discount rate by circa 2 points. In the Middle East, at this stage, revenue has not been impacted yet by the conflict as the stores are operated by a local partner. Our deliveries of the Spring Summer '26 collections were largely completed prior to the onset of the conflict. The Group nevertheless monitors very closely the evolution of the situation in order to assess future impacts.

On page 15, America at current rates. Sales are flat due to a very strong negative FX impact, but on an organic basis, we recorded an excellent trend of plus 12% and plus 7% like-for-like. We continue to be supported by the price increase passed last year in April. All markets are positive: USA and Canada in retail, Mexico and South America with our partners.

As far as the network is concerned, we have a seven unit decrease explained by the bankruptcy of Saks.

Finally, Asia records a slightly positive organic growth of 3%, which is the first time since we launched our action plan in the region two years ago. So things evolve as expected, supported by a sharper retail execution, which results in elevated desirability of our brands, a positive like-for-like and a much better quality of revenue.

We gained 5 points of average discount, which is the strongest improvement of the Group. The 2-point something improvement at worldwide level being nearly 2 points in America, France and EMEA, and 5 points in Asia.

About the apparently important decrease of the network in Asia. As mentioned by Isabelle earlier, this is due to the change of partner who wants to roll out a full-price strategy, resulting in the closure of 24 POS, notably outlets out of 150 stores. That being said, the beginning of this partnership is completely smooth and we are very satisfied about this new chapter in this important country.

Isabelle Guichot: Thank you, Patricia. To conclude, Q1 '26 reflects a resilient sales performance achieved in a complex and volatile macroeconomic and geopolitical environment. We saw contrasted regional trends over the quarter, which with solid momentum in America, EMEA and APAC, while consumption in France remains under pressure before a normalisation that we expect in Q2.

At the same time, we have maintained a strict full-price strategy across all regions, which continue to drive an improvement in discount rates and margins, and to reinforce the desirability of our brands.

Looking ahead, we will, of course, monitor very closely the aftermath of the conflict in the Middle East depending on how long it lasts. There may be impacts on inflation, consumption and tourism, one reason more to continue our prudence on cost management and deleveraging.

Today is not a full P&L disclosure, as you know, but we continue to manage our operations to reach '26 targets, circa 10% adjusted EBIT margin in H2 and €50 million free cash flow generation in full year.

Before we move on to the Q&A, there is no specific update on the sales process or 51% of the share capital of SMCP, as you know, it had been announced at the end of November that it would take several months and this process is still ongoing. So we won't be able to comment and we'll communicate to the market when appropriate.

Thank you everyone. Now we open for your questions.

Questions and Answers

Operator: Ladies and gentlemen, if you wish to ask a question by phone, please dial pound key five on your telephone keypad to enter the queue. If you wish to withdraw your question, please dial pound key on your telephone keypad. If you are attending the conference on the web, you can also ask a question using the chat box at the bottom of the page. The next question comes from Marie-Line Fort from Bernstein. Please go ahead.

Marie-Line Fort (Bernstein): Good morning. I would like to come back on the performance in France. Just wanting to know, do you see any difference between High Street stores and department stores? And is any difference between the regions and Paris, for instance?

Second question is about China. You are returning to positive like-for-like, which is great news. Is it an increase in traffic stores or is it an increase in conversion rate?

Finally, regarding the other brands, the decline is very noticeable. How is it split between Claudie and Fursac? What is your view on the performance of this brand in the first quarter?

Isabelle Guichot: Thank you, Marie-Line. Let's start with France. I would say that there is a general sluggish consumption mood in France. It's not new to anyone around this call. What we can monitor, we don't see any major difference between department stores and High Street stores. We can say one thing is that we see a difference between Paris and the provincial stores. That usually we feel it more acutely at the beginning of the year. Usually it smooths down whenever we come to a tourism season and sunny days where the Riviera, for instance, is a little bit more alive.

Paris is definitely a much better trend for sure. Then now it will rely on the tourism flows that we expect are going to be fine in the coming month, and the weather will help also. That is the granularity I can give you on France.

On China, it's not so much traffic. It's a lot of our ability to treat the good clients to be able to have a more loyalty programmes that are working to increase the level of service to clients, to be able to increase the UPT and also the fact that we've been fighting against discounts. The quality of our sales transactions are improving. That translates obviously into the revenues.

The conversion, obviously in this sense is now much better. The traffic remains what it is, what we all know in China, which is an average. But the qualitative part of our work is now paying off and it clearly shows in the numbers.

On the two brands, I would say there is a technical effect on Claudie Pierlot last year. The Q1 '25 Claudie Pierlot recorded quite a lot of liquidation sales to clear the inventory and to make space for the new collection. It's true that the historical numbers for Claudie Pierlot are incorporating those liquidations. Obviously, the sales are not fully comparable.

On Claudie, that's my explanation. On Fursac, I would say that we see a nice progress on Fursac, so we are on a better track.

Marie-Line Fort: Thank you very much.

Operator: As a reminder, if you wish to ask a question, please dial pound key or hashtag five on your telephone keypad to enter the queue. The next question comes from Gilles Crespell. Please go ahead.

Speaker: Good morning, Isabelle. Good morning, Patricia. Thank you very much for taking my question. I had only one regarding the network. Would you consider it now as stabilised? Or is the reduction which we saw in Q1, something to be sustained? Or do you even consider some bounce back in some regions? I'm talking about '26 and possibly up the '27, too. Thank you very much.

Isabelle Guichot: Thank you for asking the question. The network is never frozen. We were not expecting the closure of BHV in the last Q4. We're not expecting either the bankruptcy of Saks. We always have to face those kind of events that are part of our retail life to be honest.

The move to Samsung early March was an important one. It was expected to absolutely transfer the network from our old partner to the new partner. We knew that Samsung didn't want to take back all those outlets, because the first-price strategy doesn't justify to have that number of outlets. That was a technical effect that we were absolutely anticipating and validating. That was an effect that was recorded on Q1.

The Saks bankruptcy also recorded on Q1. Those were really one-off effect, I would say. Overall, if I take the bigger picture, if our forecast for '26 will be a slight decrease of the network because of those two effects that are quite impactful.

Speaker: Thank you very much.

Operator: The next question comes from David Da Maia from CIC CIB. Please go ahead.

David Da Maia (CIC CIB): Hi. Good morning. Thank you for taking my question. I have actually one on France. I think you mentioned that you expect a kind of normalisation in Q2. What do you mean by that? You mean in terms of like-for-like or maybe on the impact of the network evolution?

Isabelle Guichot: What I mentioned, the normalisation is that, as you see, there was an underlying trend that was tough, obviously, but there were also some technical effects, as we mentioned, for instance, the liquidation effect on Q1 '25, that is not going to happen in Q2. It didn't happen this first quarter of '26, and that's not going to be recorded either in Q2. Typically that kind of technical effect won't be recorded again.

The Sandro flagship stores are going to reopen this week. I mean, there was a lot of one-off headwind effect in Q1 that we're not going to experience in Q2. That's what we mean by normalisation.

David Da Maia: Okay. Thank you.

Amélie Darnis: Thank you. Okay, so we have one question from the chat. So it's about Middle East. What is your estimation of the impact of the situation? And considering the fact that you're in wholesale mode, which quarters will be mostly affected?

Isabelle Guichot: For the time being, there has not been any impact on the sales of the first quarter. Because as we mentioned earlier in the presentation, the deliveries of the Spring Summer collection have largely been completed before the beginning of the conflict. From March onwards, we have started to see some indirect effects, notably a slowdown in the consumption in certain European countries such as the UK, which typically usually benefit from tourism from the Middle East. These effects exist but remain limited at this stage, and we might record a bit less reorder from this partner that expected.

Looking ahead, the problem – I mean, not the problem, but the impact will be more scheduled between Q2 and Q3, end of Q2 and beginning of Q3, depending on how the situation evolves and our partner visibility. This could represent a few million euros. That will also depend on the Middle East carriers if whenever they come back to a normal activity, which will then automatically generate a flow of tourism to those regions.

We're also monitoring potential impact on the supply chain, mainly related to higher transportation costs, but which are going to materialise primarily in Q2.

You know that we have been pursuing also a strategy of relying mainly on sea freight, which is definitely less affected than air freight, even though it may result in longer delivery times. At this stage, it's a little early to quantify these impacts, whether for Q2 or for the full year. We are monitoring the situation very closely for our retail network and with our partners, and we'll adapt as necessary.

Amélie Darnis: I think we have a last one on the chat. Can you comment on the evolution of Sandro versus Maje, since there are 6-point difference between the two brands?

Isabelle Guichot: That's a good point. The gap is mainly explained by the base of comparison effect. Last year, Maje had an easier comparison base with a gap of around 4 points in the opposite direction. As mentioned during the presentation, the perimeter effect is also more polarising Sandro, which is currently renovating several flagship stores in Paris.

That said, it is worth highlighting the very strong start of the summer collection at Maje, which also makes us more confident about normalisation of the trends in France going forward.

Amélie Darnis: Thank you, Isabelle. I think we are done with the question now. I would like to share with you our next dates. Our annual shareholders' meeting is scheduled on 11th June, and our next results publication for H1 is scheduled on 28th July. We look forward to speaking with you on those occasions. Thank you very much for your attention today and we wish you a good day. Thank you.

Operator: The live conference is now over. Thank you for your participation.

[END OF TRANSCRIPT]