

Puig Records Revenues of €1,537 Million in 2020

- Total revenues decreased by 24% compared to 2019 due to the Covid-19 crisis, yet the company plans to double them in three years and triple them in five

Barcelona, April 28, 2021

Puig, a family-owned beauty and fashion company, achieved net revenues of 1,537 million euros in 2020, which represented a 32% decrease on a like-for-like basis compared to 2019.

This percentage was partially offset by the incorporation of Charlotte Tilbury in June 2020, reducing the decline to 24%.

Although the company's results in the first two months of 2020 were very satisfactory, the year was cut short by the Covid-19 pandemic, an unprecedented health and economic crisis which has left almost every sector shaken by its effects.

For the first time in the recent history of the company, Puig ended the year at a loss. Lockdown and social distancing measures reduced perfume and fashion consumption, while our business customers all over the world started to close down: perfumeries, department stores, airport shops and shopping malls.

Evolution of Net Revenues and Profit (2019-2020)

In millions of euros

| | 2019 | 2020 | Y20/Y19 | (1) |
|-------------------|-------|-------|---------|------|
| Net revenues | 2,029 | 1,537 | -24% | -32% |
| Profit before tax | 304 | -72 | | |
| Net income | 226 | -70 | | |

(1) Growth on a like-for-like basis.

Geographical Breakdown (2019-2020)

In millions of euros

| | 2019 | 2020 | Y20/Y19 |
|------------------------------------|--------------|--------------|-------------|
| Revenues in Spain | 280 | 191 | -32% |
| Revenues in EMEA (excluding Spain) | 893 | 723 | -19% |
| Revenues in Asia | 158 | 133 | -16% |
| Revenues in North America | 271 | 233 | -14% |
| Revenues in Latin America | 427 | 257 | -40% |
| TOTAL | 2,029 | 1,537 | -24% |

Business Development

The impact in 2020 on the global selective fragrances market led to a fall of 29%, with this decline increasing to 71% in travel retail. This channel was affected by a decrease in passenger traffic that reached 90% in the months of April and May. This resulted in the closure of a large part of airport duty free stores, which at year end remained shut and which significantly affected the sector.

Online fragrance revenues increased, accounting for 28% of total turnover.

In June 2020, in the middle of lockdown, Puig announced the acquisition of Charlotte Tilbury, an iconic British makeup and skincare brand founded in 2013 with a strong online positioning.

In fashion, and prior to the emergence of the pandemic in Europe, in January 2020 Jean Paul Gaultier celebrated his 50 years in the business and his farewell to the catwalks with a spectacular show at the Théâtre du Châtelet in Paris which included the likes of Bella Hadid, Irina Shayk, Dita Von Teese and Rossy de Palma. During the months of lockdown and as a result of the strict restrictions imposed due to Covid-19, the fashion world entered a new virtual era featuring online shows that have enabled brands to continue to engage with their followers.

The Organization and its Forward-Looking Vision

Since January 1, 2021, following the incorporation of the brands Uriage, Apivita and the company's 50% stake in Isdin, Puig has reorganized its business structure into three divisions:

- **Beauty and Fashion Division**, made up of the brands Paco Rabanne, Carolina Herrera, Jean Paul Gaultier, Nina Ricci, Dries Van Noten, Penhaligon's and L'Artisan Parfumeur; the beauty product licenses of Christian Louboutin and Comme des Garçons Parfums, and the Lifestyle brands Adolfo Dominguez, Antonio Banderas, Shakira and Benetton. The fragrance business of these brands positions Puig as the fifth largest player in the world in selective perfumes with a market share of nearly 10% and with three brands in the top 20 of the world rankings.

- **Charlotte Tilbury**, a disruptive and digital native British makeup and cosmetics brand, which in just a few years since its foundation has revolutionized the sector.
- **Derma Division**: made up of Uriage, Apivita and the 50% stake in Isdin included in the Puig portfolio (the latter company's figures are not consolidated into those of Puig). With these brands, Puig is now the third largest company in the European dermocosmetics sector.

With this new structure, the company aims to exceed revenues of €3,000 million in 2023 and reach €4,500 million in 2025. This would mean doubling current turnover in 2023 and tripling it in 2025. The plan is based on forecasts of significant growth through promotion of the digital channel and an increase in revenues in Asia, which will represent 30% and 25% respectively in 2025.

In recent years, Puig has grown by developing an ecosystem with entrepreneurs with whom it shares values and a common business vision in building brands, positioning the multinational as a significant player in the future of the luxury sector.

The Company's Contribution to the Fight against the Pandemic

Since the beginning of the pandemic, the company's priority has always been the safety of its employees, allowing them to work remotely and implementing strict safety protocols in those cases where onsite working was essential.

Puig put its production capabilities at the disposal of the Spanish Government to manufacture hydroalcoholic and sanitizing gels and thus supply society with extraordinary amounts of this type of product needed in the fight against Covid-19.

Although the company is not a manufacturer of this gel-type, it adapted several of its production lines to help protect the professionals and people who needed it. The hydroalcoholic gels were produced in the company's factory in Vacarisses (Barcelona) to meet the established requirements, following indications from the Spanish Ministry of Health.

More than 1,200,000 units of 500 ml hydroalcoholic gels were produced, for use in health centers, nursing homes for the elderly, the country's security forces and companies whose workforces remained operational. 500,000 units were donated through the Puig Foundation to nursing homes and other organizations. Puig also made its entire logistics network available, which facilitated the distribution of the products to the different centers designated by the authorities.

The fashion workshops were also adapted to manufacture PPE (mainly gowns and masks), thus supporting the needs of thousands of health workers and caregivers in hospitals and nursing homes.

Commitment to ESG

One of Puig main commitments is to leave a better world for the next generation, and, in this regard, the company has raised its levels of ambition on the road to sustainability. Puig as a whole works within an ESG (environment, social and corporate governance) framework, adopting a global approach that encompasses all business units, and defining a sustainability agenda on the brand level, with a focus on environmental and social aspects.

The first Puig Sustainability program launched in 2014 was completed in 2020. Over the course of these years, the program has successfully achieved its goals:

- Zero waste to landfill.
- Carbon neutral production.
- 100% renewable electricity in the facilities managed by Puig.
- 100% of alcohol from natural sources.
- 84% reduction in paper consumption per employee.
- 20-25% reduction in the volume of Lifestyle brand *coffrets*.
- 100% of folding cardboard from sustainably managed forests.

In addition, the unexpected health crisis caused by Covid-19 and the consequent global social and economic crisis, prompted the company to internally develop a strategy to adapt and respond to the environment.

During 2020, Puig carried out the CDP (Carbon Disclosure Project) climate questionnaire for the first time, taking a further step in the measurement, transparency and adoption of measures that directly reduce greenhouse gas emissions. Every year, the CDP gives a score to companies through this questionnaire based on their environmental disclosure and leadership. In 2020 the company obtained a B grade.

Also, in 2020, a new commitment was undertaken: adherence to the global Science Based Targets (SBT) initiative, which helps companies set science-based targets aligned with the Paris Agreement's goal of limiting the global temperature increase to 1.5 °C.

Social Action

In line with its long-standing commitment to society right from its origins, the company channels its social action in two ways:

- Global Invisible Beauty Program.
- Local actions suggested and managed by each business unit.

In November, together with Ashoka, Puig launched the 6th international edition of the Invisible Beauty Program, an entrepreneurship initiative through which the company supports entrepreneurs with social ideas to improve their communities. Adapting the new edition to a digital environment due to the circumstances and restrictions of the pandemic, a total of 26 applications for projects were submitted by young social entrepreneurs.

The participation of Puig employees in training and mentoring activities is an essential pillar which underpins the Invisible Beauty Makers Programs.

About Puig

Puig creates unique and highly desirable beauty and fashion Love brands that empower people to reinforce their self-esteem and find their own expression, in a family company that aims to leave a better world for the next generation.

Since 1914, our company's entrepreneurial spirit, creativity and passion for innovation have made Puig a challenger in the beauty and fashion world. Present in fashion and in the three prestige beauty categories (fragrances, makeup and dermo-cosmetics) our brand portfolio generates engagement through great storytelling that connects with people's emotions.

At Puig we honor the values and principles put in place by three generations of family leadership. Today we continue to build on that legacy, through conscious commitments in our ESG agenda (environmental, social and governance) aligned with the UN Sustainable Development Goals.

Our brand portfolio is structured in three divisions: Beauty and Fashion, with the owned brands Carolina Herrera, Nina Ricci, Paco Rabanne, Jean Paul Gaultier, Dries Van Noten, Penhaligon's and L'Artisan Parfumeur; the licenses of Christian Louboutin and Comme des Garçons perfumes; and Lifestyle fragrances, among them Adolfo Dominguez, Antonio Banderas, Shakira and Benetton. The Charlotte Tilbury division, which includes the luxury makeup brand. And the Derma division, with the Apivita, Uriage and Isdin brands.

In 2020, Puig recorded sales of 1.537M €. We sell products in 150 countries and operate 26 subsidiaries.

<https://www.puig.com>

https://www.instagram.com/puig_official

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