

Puig exceeds €3,600 million in Revenues and achieves Net Income of €400 million in 2022

- Revenues increased by 40% compared to 2021 and net income grew by 71%
 - This growth puts the company in a strong position to achieve its goal of €4,500 million in revenues in 2025
 - The company reaffirms its position in the fragrance market of selective distribution and reaches a global market share of 10% for the first time in its history, due to the performance of its own brands
 - In 2022, Puig reinforced its brand portfolio through the acquisition of a majority stake in the Swedish luxury brand Byredo and the incorporation of the wellness brands Kama Ayurveda and Loto del Sur
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Barcelona, March 23, 2023

Puig is a house of love brands, present in beauty and fashion, that closed 2022 with record net revenues of 3,620 million euros, representing an increase of 40% on 2021 (+30% at comparable perimeter and with constant exchange rates), boosted by the good performance of its own brands in a market that is growing thanks to the recovery of consumer spending. The company reached EBITDA of 638 million euros, representing a 37% increase on 2021. Net income rose to 400 million euros, up 71% compared to the previous year. The company achieved these record results in spite of a complex geopolitical environment, plus the impact of inflation and rising interest rates.

The three-year plan for Puig, which was presented in March 2021, aimed for sales of 3,000 million euros in 2023 and 4,500 million euros in 2025. That meant doubling the sales of 2020 in three years and tripling them in five years. Due to the growth in the last two years, the company has achieved its ambition to doubling 2020 net revenues one year ahead of schedule and is putting the company in a strong position to reach the goal of 4,500 million euros in revenues in 2025.

In terms of inorganic growth, Puig carried out important acquisitions in 2022. During this period, the company acquired a majority stake in the Swedish luxury brand Byredo and incorporated the wellness brands Kama Ayurveda, in India, and Loto del Sur, in Colombia. All of these brands are firmly committed to sustainability and have a direct channel with consumers. These new brands significantly increase the company's own points of sale and we are pleased to welcome 1,000 new employees, while at the same time reinforcing the Puig ecosystem of founders. These incorporations are highly valuable from a strategic standpoint, although their impact on 2022 results remained limited.

Evolution of Net Revenues and Profit (2021-2022)

In millions of euros

	2021 (1)	2022	Y22/FY21	Y22/FY21 (2)
Net Revenues	2,585	3,620	+40%	+30%
EBITDA	466	638	+37%	
Net Income	234	400	+71%	

(1) Figures corresponding to the audited annual accounts for 2021.

(2) Growth at comparable perimeter and with constant exchange rates.

Performance by category

In all the categories (fragrances and fashion, makeup, skincare) 2022 was a year of growth for Puig, with double-digit revenue growth vs 2021, ahead of the global average.

Category breakdown (2021-2022)

In millions of euros

	2021	2022	Y22/Y21
Fragrances and fashion	1,898	2,665	+40%
Makeup	413	626	+52%
Skincare	274	328	+20%

Puig fragrances reached an all-time high market share in the selective distribution category

Puig accelerated its growth in the fragrances and fashion category ahead of the market average, with a 40% increase in net revenues compared to 2021, based not only on organic growth but also due to the incorporation of brands such as Byredo. In 2022, the company achieved a global market share of 10% in the fragrance market of selective distribution, marking a milestone in its history. This success was possible due to the strength of its own brands, with two of these, Paco Rabanne and Carolina Herrera, placed among the world's top 10. The Puig brands in the Prestige segment had an excellent performance, boosted by the successful launch of Fame, a fragrance from Paco Rabanne; by the consolidation of Good Girl, from Carolina Herrera, following the launch of Very Good Girl in 2021; and by the good performance of Scandal from Jean Paul Gaultier. Likewise, the Niche brands reaffirmed their growth plan in Asia with the opening of new own points of sale for Penhaligon's and L'Artisan Parfumeur in China. Dries Van Noten presented its first collection of perfumes with a line of ten gender fluid fragrances in refillable bottles.

Fashion is growing in stride with the rest of the company

Fashion is growing at the same pace as the company and takes an increasingly relevant position due to the success of the collaboration method implemented in the haute couture and prêt-à-porter collections of Jean Paul Gaultier, the signing of Harris Reed as Artistic Director of Nina Ricci and the consolidation of the proposals of Julien Dossena in Paco Rabanne and Wes Gordon in Carolina Herrera. Dries Van Noten has become one of the benchmark firms in the industry.

Makeup is the category that has grown the most, led by Charlotte Tilbury and Carolina Herrera

With a 52% increase of revenues over the previous year, makeup was the category with the largest growth in 2022. Charlotte Tilbury was the #1 makeup brand in the UK, and it became even stronger in 2022 due to the strength of products such as the iconic Pillow Talk color range, in addition to offering important

technology innovations that combine the physical and virtual experience of makeup. In 2022 Carolina Herrera achieved its best results since the launch of its makeup line in 2020. Byredo had a very positive year, reinforced by the launch of a series of new iconic products. In 2022 Dries Van Noten made its first inroads into this category with a collection of 30 shades of lipstick in refillable containers.

Eco-friendly formulas boosted growth in skincare

Revenues in the skincare categories grew 20% in 2022. For Charlotte Tilbury, the leading product was Magic Cream, reinforcing its offer in this category whilst adhering to its commitment to providing a complete beauty wardrobe. Uriage and Apivita saw an accelerated investment in innovation and technology in order to continue developing science-based dermatology products that are respectful of the environment, mainly in the solar protection and anti-ageing ranges. The latter two brands are distributed largely through the pharmacy and drugstore channel.

Regional market performance

Puig grew by over 30% in net revenues compared to 2021 in all regions, the highest growth coming in the Americas, which reported growth of 56%. The global structure was reinforced with the incorporations of Byredo, Loto del Sur and Kama Ayurveda, which consolidate the presence of Puig in India, Colombia, China and USA, among other countries.

Geographical breakdown (2021-2022)

In millions of euros

	2021	2022	FY22/FY2
Revenues in EMEA	1,498	1,959	+31%
Revenues in Asia	248	349	+41%
Revenues in the Americas	839	1,312	+56%

Net revenues are growing in the major European markets

In EMEA, which accounts for 54% of overall revenue, Puig recorded in 2022 a 31% growth over 2021, which is a positive performance in spite of the geopolitical tension. Europe is the market of origin of the majority of the brands of Puig, and these results reinforce its position in the continent. Five of the ten major national markets of Puig are located in Europe: UK, Spain, France, Germany, and Italy. Spain accounts for 7% of total sales.

Puig inaugurates its Miami offices and USA becomes consolidated as the major market

In the Americas, which account for 36% of revenues, Puig recorded growth of 56% in 2022, boosted mainly by USA and benefiting from the appreciation of the US dollar against the euro.

In the USA, the largest market in net revenues for Puig, significant growth was seen in the Prestige fragrance segment and in Charlotte Tilbury. In the latter case, it was largely due to distribution through Sephora, where Charlotte Tilbury was the #1 brand. There were further developments in the growth strategy of the Niche brands due to the acquisition of Byredo. In Latin America, where there are three top 10 countries for Puig (Mexico, Brazil, and Chile), the incorporation of Loto del Sur will help Puig to consolidate its relevant position in the region, mainly in Colombia, where the brand already has a network of own shops. In 2022 a new structure was also established in Miami, to handle the travel retail business there in the Americas, which started operating in January 2023.

Net revenues in Asia grew by 41%, with reinforced presence in India

In Asia, which accounts for 10% of revenues, Puig recorded a 41% growth in 2022 compared to the previous year. In China, the most relevant market in the region and a top 10 market for Puig, the company achieved a 36% growth of net revenues even with the zero covid measures in place. A high point in 2022 was the incorporation of the Indian brand Kama Ayurveda, reinforcing the presence of Puig in that country with an important network of own shops.

Performance by channels

Puig in 2022 increased its digital net revenues by 23% over the previous year, and the channel now accounts for 25% of total revenue. In spite of the digital acceleration, consumers largely returned to their pre-pandemic habits and to buying at brick-and-mortar outlets. Puig is present through three different types of digital channels: e-commerce facilities of each brand, e-tailing by distributors who have physical shops, and distributors who sell exclusively online.

Meanwhile, the travel retail channel grew by 72% in 2022 for Puig compared to the previous year, due to the return of travelers from the Americas and Europe. Travel retail increased 28% compared to Puig 2019 performance, surpassing the pre-covid days. The importance of travel retail for Puig was proven in 2022 with the pre-launch of Fame in this channel.

Commitment to ESG

Puig has advanced in its commitment to being a benchmark of sustainability in the industry and has contributed to two major commitments: limiting global warming to 1.5 °C by 2030, in keeping with the Paris Agreement, and becoming net zero in emissions in 2050. With these objectives as a starting point, each brand in 2022 has defined its specific goal in terms of ESG, according to their identity and their corporate global strategy.

Also, following the roadmap of the 2030 ESG Agenda, the company's biodiversity strategy was established and new key policies in ESG management were defined. Among the goals achieved, it should be highlighted that 50% of the power used comes from renewable sources and 100% of the factories producing fragrances send zero waste to landfill.

The ESG performance of the company's activities continues to be assessed according to a number of international standards. Puig in 2022 attained the Gold Medal certificate from EcoVadis and scored A- in Climate in CDP. The Apivita brand achieved the revalidation of the BCorp certification, with one of the highest scores in the industry.

In terms of social responsibility, Puig continues to work on its Invisible Beauty Makers social action program, supporting the mentoring and financing of high-impact initiatives, which in the seventh edition focused on generating synergies and alliances that foster equality, female empowerment, and responsible production and consumption. More than 50 organizations in Europe, Latin America, USA, Africa and Asia have been a part of the project since its creation in 2014.

Outlook for 2023

Although the outlook for 2023 remains uncertain, Puig forecasts that it will continue to grow ahead of the market in the next financial year. This has been confirmed by a very positive performance in the first two months of 2023.

About Puig

Puig is a home of Love Brands, within a family company, that furthers wellness, confidence and self-expression while leaving a better world.

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 the fragrances and fashion, makeup and skincare categories, our house of love brands generates engagement through great storytelling that connects with people's emotions and is reinforced by a powerful ecosystem of founders.

Puig portfolio includes our brands Carolina Herrera, Paco Rabanne, Jean Paul Gaultier, Dries Van Noten, Nina Ricci, Byredo, Penhaligon's, L'Artisan Parfumeur, Kama Ayurveda, Loto del Sur, Charlotte Tilbury, Uriage and Apivita. As well as the beauty licenses of Comme des Garçons Parfums, Christian Louboutin, Benetton, Antonio Banderas and Adolfo Dominguez, among others.

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.

In 2022 Puig recorded sales of €3,620 million. Puig sells its products in more than 150 countries and has offices in 30 of them.

<https://www.puig.com/en>

https://www.instagram.com/puig_official

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