



## BIC THIRD QUARTER & NINE MONTHS 2021 RESULTS

Clichy, France, October 26<sup>th</sup>, 2021

Q3 results exceeding our expectations, 9 months Net Sales on a comparative basis above 2019 levels in almost all regions– Full Year 2021 Net Sales guidance further upgraded

- Mid-single digit growth in the U.S pocket lighter market and solid performance in Latin America drove the **Flame for Life** growth
- **Human Expression** Net Sales led by double-digit increases in Europe, Latin America, Middle-East & Africa and India, and outstanding performance from our recent acquisitions (Rocketbook in the U.S and Lucky Stationery in Nigeria)
- **Blade Excellence** performance driven by Latin America. Double-digit Net Sales growth of our added-value products.

Strong performance in e-commerce, with all channels and regions contributing. Accelerated growth in developing countries.

Adverse Raw Material price increases offset by savings from the **Invent the Future** transformation plan combined with ongoing manufacturing efficiencies

Sustained Free Cash Flow generation driven by solid Cash from Operations

KEY FIGURES in million euros <sup>1</sup>	Q3 2020	Q3 2021	9M 2020	9M 2021
Group Net Sales	441.9	478.4	1 217.8	1 395.1
Change as reported	(9.4)%	+8.2%	(15.9)%	+14.6%
Change on a comparative basis	(3.5)%	+5.0%	(13.2)%	+16.1%
Change on a constant currency basis	(2.6)%	+8.5%	(12.6)%	+19.8%
EBIT Margin	24.5%	17.2%	10.9%	29.8%
Adjusted EBIT Margin	18.9%	17.2%	14.5%	17.8%
EPS (in euros)	1.51	1.28	2.00	6.40
Adjusted EPS (in euros)	1.05	1.28	2.92	3.80
Free Cash Flow before acquisitions and disposals	131.4	128.6	173.7	232.3
Net Cash Position	128.1	475.4	128.1	475.4

“We delivered impressive results in the third quarter and exceeded our own expectations in a challenging trading environment, despite an unfavorable comparable basis. These strong results are the continued tangible outcomes of the organizational and strategic choices we made 18 months ago with our *Invent the Future* and *Horizon* Plans. Our performance reflects a focus on operational excellence and cost efficiency, and the relentless determination and energy of our teams around the world. As we move towards 2022 with strong momentum, we will continue to focus on what we can control and build on our strengths to deliver our *Horizon* trajectory of mid-single digit Net Sales growth.”

Gonzalve Bich, Chief Executive Officer

### 2021 Outlook (based on current market assumptions<sup>2</sup>)

Given the solid nine months performance and current market assumptions, we upgrade our FY 2021 forecast and now expect to deliver above 14% Net Sales growth at constant currencies.

The fourth quarter will be affected by raw materials and freight & distribution cost increases. For the Full-Year, overall input costs inflation will be more than offset by improved manufacturing efficiencies, the savings from our *Invent the Future* plan, and tight management of expenses. Despite the building of strategic inventories to protect supply and delivery for 2022, our goal for **Full-Year 2021 Free Cash Flow remains above 200 million euros**.

<sup>1</sup> Unaudited figures

<sup>2</sup> See page 9 for main market assumptions.

## 9M 2021 HIGHLIGHTS

NET SALES BY GEOGRAPHY <i>in million euros</i>	9M 2020	9M 2021	% As reported	% at Constant Currencies	% On a comparative basis
Group	1 217.8	1 395.1	+14.6 %	+19.8 %	+16.1 %
Europe	404.9	447.5	+10.5 %	+11.7 %	+9.6 %
North America	539.5	601.1	+11.4 %	+18.3 %	+12.3 %
Latin America	151.0	198.5	+31.5 %	+44.7 %	+42.3 %
Middle East and Africa	58.5	82.5	+41.0 %	+44.3 %	+44.3 %
Asia and Oceania (including India)	63.9	65.5	+2.6 %	+2.4 %	+8.0 %

**9M 2021 Net Sales increased 19.8% at constant currencies.** The unfavorable impact of currency fluctuations (-4.5 points) was mainly due to the decrease of the US Dollar against the Euro<sup>3</sup>. Excluding the impact of acquisitions and divestitures, growth on a comparative basis was 16.1%.

9M organic growth continued to be fueled by the **Flame for Life** division. All key regions contributed to the solid performance, particularly North America and Latin America, which accounted for approximately 9 points through Year-to-Date Group Net Sales growth on a comparative basis. In the US, the Pocket Lighters market grew 4.5% in value<sup>4</sup>, and BIC outperformed in both volume and value (+1.2 points market share gains), boosted by distribution gains, the success of the new EZ Reach Utility Pocket Lighter and H1 2021 price increases.

In **Human Expression**, Europe led the growth, followed by Latin America, the Middle East and Africa and India, while the US continued to be affected by supply chain constraints. Our recent acquisitions, Rocketbook (Digital Writing - US) and Lucky Stationery (Core Writing Instrument - Nigeria) showed outstanding performance, with 70% Net Sales growth for Rocketbook and a robust Back-to-School season for Lucky Stationery. Overall, the 2021 Back-to-School season (sell-out) was solid, driven by a rebound in consumption, and the re-opening of schools. BIC maintained or gained market share in France, the UK, and Mexico, and underperformed in the US due to product availability issues.

A strong performance in Latin America, driven by the success of BIC trade-up strategy towards 3-blade products fueled the **Blade Excellence** division. Consistent with our Horizon plan, high-value added products led the overall growth, with BIC 5-blade products up more than 30% Year-to-Date.

**E-commerce (excluding Rocketbook)** delivered a robust +25% growth, well balanced between Pure Player channels (+23%), Omniretailers (+27%), and Direct-to-Consumer (+28%). Combined sales in developing regions more than doubled compared to last year, and BIC grew market share in almost all measured markets and products.

**We achieved more than 20 million euros incremental benefit** from our Invent the Future plan in 9M, of which approximately 7 million euros in direct and indirect procurement. We continued to be affected by the increase in Raw Materials and Packaging prices, and the disruption of worldwide Sea Freight. BIC's raw materials market prices continued to rise in Q3, with plastic up +60% and metals +37% compared to 2020 average. The unavailability of containers and the port congestion resulted in a surge of sea freight costs (+60% in Q3), coupled with increased port to port lead-times. The current market conditions will impact Full Year 2021 margins.

**9M 2021 Free Cash Flow before acquisitions and disposals** totaled 232.3 million euros, including 44.3 million euros of CAPEX. Net Cash Position was 475.4 million euros, positively impacted by 173.9 million euros of proceeds from our headquarters' sale.

<sup>3</sup> this excludes the Argentinian Peso.

<sup>4</sup> IRI data - YTD September 2021

## EARNINGS BEFORE INTEREST AND TAXES (EBIT) AND ADJUSTED EBIT

<i>in million euros</i>	Q3 2020	Q3 2021	9M 2020	9M 2021
<b>Net Sales</b>	<b>441.9</b>	<b>478.4</b>	<b>1 217.8</b>	<b>1 395.1</b>
Gross Profit	214.0	242.9	585.2	716.7
Gross Profit margin	48.4%	50.8%	48.1%	51.4%
<b>EBITDA</b>	<b>181.0</b>	<b>136.7</b>	<b>247.3</b>	<b>470.2</b>
<b>EBIT</b>	<b>108.3</b>	<b>82.5</b>	<b>132.3</b>	<b>415.1</b>
EBIT margin	24.5%	17.2%	10.9%	29.8%
Non-recurring items	(25.0)	0.0	43.9	(166.5)
<b>Adjusted EBIT</b>	<b>83.3</b>	<b>82.5</b>	<b>176.2</b>	<b>248.6</b>
<b>Adjusted EBIT margin</b>	<b>18.9%</b>	<b>17.2%</b>	<b>14.5%</b>	<b>17.8%</b>

**9M Gross Profit margin** increased by 3.3 points to 51.4% compared to 48.1% in 9M 2020. Excluding 2020 under-absorption of fixed costs due to the COVID-19 pandemic, the Gross Profit margin increased by 0.9 points. The improvement was driven by the strong increase in North America Lighter sales, a decrease in Brand Support above Net Sales, and manufacturing and Raw Material procurement efficiencies. This was partially offset by adverse Forex from Latin American currencies against the US Dollar.

**9M Adjusted EBIT** was favorably impacted by operating leverage from Net Sales growth. Freight and Distribution costs were higher as a result of the increase in customer demand.

**9M 2021 non-recurring items** included:

- 167.7 million euros from Clichy Headquarters sale gain in Q1 2021,
- 3.0 million euros from Pimaco divestiture gain in Q1 2021,
- 4.2 million euros of restructuring costs related to BIC's transformation plan,

<b>KEY COMPONENTS OF THE CHANGE IN ADJUSTED EBIT MARGIN</b> <i>(in points)</i>	Q1 2021 vs. Q1 2020	Q2 2021 vs. Q2 2020	Q3 2021 vs. Q3 2020	9M 2021 vs. 9M 2020
• Change in Gross Profit <sup>5</sup>	+0.5	+2.6	(0.4)	+0.9
• Brand Support	+1.2	(0.5)	(0.4)	+0.1
• OPEX and other expenses <sup>6</sup>	+5.9	+2.7	(0.9)	+2.3
<b>Total change in Adjusted EBIT margin</b>	<b>+7.6</b>	<b>+4.8</b>	<b>(1.7)</b>	<b>+3.3</b>

## NET INCOME AND EPS

<i>in million euros</i>	Q3 2020	Q3 2021	9M 2020	9M 2021
<b>EBIT</b>	<b>108.3</b>	<b>82.5</b>	<b>132.3</b>	<b>415.1</b>
Finance revenue/costs	(2.8)	(0.7)	7.1	(4.7)
Income before Tax	105.5	81.9	139.3	410.4
Net Income Group share	68.0	57.3	90.1	287.5
<b>Adjusted Net Income Group Share<sup>7</sup></b>	<b>47.3</b>	<b>57.6</b>	<b>131.2</b>	<b>170.4</b>
<b>Adjusted EPS Group Share (in euros)</b>	<b>1.05</b>	<b>1.28</b>	<b>2.92</b>	<b>3.80</b>
EPS Group Share (in euros)	1.51	1.28	2.00	6.40

**9M 2021 finance revenue** decrease is due to 2020's strong favorable impact of the fair value adjustments to financial assets denominated in US Dollar (against the Brazilian Real and Mexican Peso).

**9M 2021 effective tax rate** was 29.9% vs. 35.3% in 9M 2020. FY 2020 effective tax rate excluding Cello impairment, was 31.2%.

<sup>5</sup> Excluding in 2020 under absorption of fixed costs due to COVID-19 pandemic for the Gross Profit and excluding restructuring costs, Cello impairment and non-recurring items mostly commercial force underactivity for the OPEX and other expenses

<sup>6</sup> Other expenses include notably Freight & Distribution and R&D

<sup>7</sup> Excluding 2021 Clichy Headquarters net capital gain, 2021 Pimaco divestiture, 2020 & 2021 restructuring costs & Argentina hyperinflationary accounting

## NET CASH POSITION

CHANGE IN NET CASH POSITION <i>in million euros</i>	2020	2021
<b>Net Cash position (beginning of period – December)</b>	<b>146.9</b>	<b>183.9</b>
Net cash from operating activities	+231.9	+276.6
• <i>Of which operating cash flow</i>	+220.8	+336.3
• <i>Of which change in working capital and others</i>	+11.1	(59.7)
CAPEX <sup>8</sup>	(58.2)	(44.3)
Dividend payment	(110.2)	(80.9)
Share buyback program	(7.4)	(31.2)
Net cash from the liquidity contract	(0.1)	+0.5
Proceed from the sale of Clichy Headquarters	-	+173.9
Proceed from Pimaco divestiture	-	+3.8
Acquisitions <sup>9</sup>	(37.4)	(7.2)
Other items	(37.4)	+0.3
<b>Net Cash position (end of period – September)</b>	<b>+128.1</b>	<b>+475.4</b>

At the end of September, the Group's Net Cash position was 475.4 million euros, positively impacted by the sale of Clichy Headquarters and of Pimaco. The tax related to the headquarter sale (46 million euros) will be paid later in the year. Net cash from operating activities was impacted by an unfavorable change in working capital due to increased accounts receivables following strong 9M Net Sales and increased inventory.

## SHAREHOLDERS' REMUNERATION

- Ordinary dividend of 1.80 euros per share paid in June 2021.
- 31.2 million euros in share buy-backs was completed by SOCIÉTÉ BIC at the end of September 2021. 555,901 shares were purchased at an average price of 56.20 euros through the [ESG Impact Share buyback program](#) launched in March in partnership with Exane BNP Paribas.

<sup>8</sup> Including -12.6 million euros in 9M 2020 and +0.8 million euros in 9M 2021 related to assets payable change

<sup>9</sup> Haco Industries Ltd in 2020 & 2021, Rocketbook and DjEEP in 2021

## OPERATIONAL TRENDS BY DIVISION

### HUMAN EXPRESSION (STATIONERY)

<i>in million euros</i>	Q3 2020	Q3 2021	9M 2020	9M 2021
<b>Net Sales</b>	<b>161.3</b>	<b>197.5</b>	<b>455.1</b>	<b>530.7</b>
<i>Change as reported vs. prior year</i>	(21.1)%	+22.4%	(24.8)%	+16.6%
<b>Change on a comparative basis vs. prior year</b>	<b>(17.8)%</b>	<b>+15.9%</b>	<b>(23.6)%</b>	<b>+13.5%</b>
<i>Change at constant currency vs. prior year</i>	(17.4)%	+22.8%	(22.8)%	+20.4%
Adjusted EBIT	14.8	12.7	33.8	40.3
<b>Adjusted EBIT Margin</b>	<b>9.2%</b>	<b>6.5%</b>	<b>7.4%</b>	<b>7.6%</b>
EBIT	18.4	12.7	(16.4)	41.9
EBIT Margin	11.4%	6.5%	(3.6)%	7.9%

Growth in **Human Expression** was driven by a strong performance in Europe, the Middle East and Africa, Latin America and India, and by our recent acquisitions (Rocketbook in the U.S and Lucky Stationery in Nigeria).

**In Europe**, the French Stationery market grew 3.1% in value<sup>10</sup> and almost recovered its 2019 levels. The BIC® Brand maintained its leadership positions during the Back-to-School season, driven by a strong performance in the Ball Pen segment. In the UK, the market grew +2.2% in value<sup>11</sup>, driven by coloring, and BIC gained 2.1% market share in value during Back-to-School, thanks to incremental listings. Consistent with our Horizon plan, we strengthened our presence in the growing Art and Creative segments thanks to our renewed BIC Intensity marker line.

**In North America**, the Stationery market rebounded, increasing 16.8% in value<sup>12</sup> with the Gel segment as the main growth engine. BIC lost 1.1 points market share affected by product availability constraints. During the Back-to-School season, the market increased by almost 30% compared to the same period last year and grew low-single-digit vs. two years ago. Our recent innovations such as BIC® Prevaguard, and the eco-friendly BIC® ReVolution range performed well during the season.

**In Middle East and Africa**, performance was boosted by a robust Back-to-School season in Morocco, Kenya and Nigeria, supporting BIC's efficient route-to-market strategy in the region.

**In Latin America**, the market bounced back in Mexico during Back-to-School season, boosted by a return to classrooms which led to a double-digit growth in value compared to prior year. BIC successfully gained 1.9 pts during the season driven by Ball Pen, Coloring and Highlighter. Year-to-Date market trends in value turned positive at the end of September (+6.5% in value). **In Brazil**<sup>13</sup>, BIC continued to outperform a declining market, fueled by Coloring and Pens segments.

**In India**, Cello Net Sales grew double-digit, driven by improved domestic market conditions and a solid performance in e-commerce.

**9M 2021 Human Expression division adjusted EBIT margin** was 7.6% compared to 7.4% in 2020. The Net Sales increase (including Rocketbook) and the manufacturing and raw material procurement efficiencies were partly offset by unfavorable Forex (from Latin American currencies against the US Dollar) and higher freight and distribution costs. **Q3 2021 adjusted EBIT margin** was 6.5% compared to 9.2% in 2020. This decline was driven by an increase in Raw Material costs and in Freight and Distribution, partly offset by higher Net Sales (including Rocketbook).

<sup>10</sup> IRI YTD August 2021 Modern trade only

<sup>11</sup> IRI YTD September 2021 Modern trade only

<sup>12</sup> NPD YTD September 2021 with Coloring

<sup>13</sup> Nielsen YTD, August 2021

## FLAME FOR LIFE (LIGHTERS)

<i>in million euros</i>	Q3 2020	Q3 2021	9M 2020	9M 2021
<b>Net Sales</b>	<b>171.1</b>	<b>170.7</b>	<b>439.3</b>	<b>538.1</b>
<i>Change as reported vs. prior year</i>	+5.7%	(0.2)%	(8.8)%	+22.5%
<b>Change on a comparative basis vs. prior year</b>	<b>+13.1%</b>	<b>(2.1)%</b>	<b>(5.4)%</b>	<b>+26.5%</b>
<i>Change at constant currency vs. prior year</i>	+14.8%	+0.1%	(4.7)%	+29.2%
Adjusted EBIT	65.6	68.6	152.9	214.2
<b>Adjusted EBIT Margin</b>	<b>38.4%</b>	<b>40.2%</b>	<b>34.8%</b>	<b>39.8%</b>
EBIT	80.6	68.6	164.6	212.4
<i>EBIT Margin</i>	47.1%	40.2%	37.5%	39.5%

The **Flame for Life** division performance was driven by improved market conditions in US Pocket Lighters since the beginning of the year, as well as robust growth in Latin America.

**In Europe**, Net Sales were driven by a rebound in both traditional channel and Modern Mass Market in France, a good performance in both Pocket and Utility lighters in Italy combined with strong growth in Tobacco retailers, and successful new listings in Russia.

**In the US**<sup>14</sup>, the Pocket Lighters market declined 3.7% in volume and grew 4.5 % in value driven by positive overall market dynamics and unexpected consumer demand at the beginning of the year. BIC gained share in both volume (+2.4 points) and value (+1.2 points), fueled by further distribution gains in the convenience channel, positive pricing, and our Revenue Growth Management strategy. Growth was also driven by the continued success of our new EZ Reach lighter, reaching 4.8% market share in value in Q3. This performance was boosted by the successful “Pass it” advertising campaign featuring Snoop Dogg and Martha Stewart, which drew more than 5.6 billion total media impressions in the US. The Utility lighter market grew 3.4% in value compared to a +27.4% growth in 2020. BIC slightly underperformed year-to-date (+2.0% in value), due to lack of product availability resulting from sea freight challenges, and longer lead times. However, BIC remains the leader in this segment, with over 50% market share in value.

**In Latin America**, Net Sales performance was fueled by Brazil following a low level of customers' inventory at the end of 2020 and higher demand for both smoking and non-smoking usages, combined with lower importations of lighters due to adverse currency fluctuations (devaluation of the Brazilian Real). In Mexico, Net Sales were fueled by strong sell-out and distribution gains in all regions.

**9M 2021 Flame for Life division adjusted EBIT margin** was 39.8% compared to 34.8% in 2020, boosted by the strong increase in Net Sales and the favorable impact of price adjustments in US Lighters. This was partially offset by higher Brand Support investments compared to the same period last year and higher Freight and Distribution costs. **Q3 2021 adjusted EBIT margin** was 40.2% compared to 38.4% in 2020, fueled by higher Gross Profit, driven by favorable fixed cost absorption and price increases in the US, partly offset by an increase in Brand Support and higher Freight and Distribution costs.

<sup>14</sup> For the US: IRI data YTD September 2021

## BLADE EXCELLENCE (SHAVERS)

<i>in million euros</i>	Q3 2020	Q3 2021	9M 2020	9M 2021
<b>Net Sales</b>	<b>102.9</b>	<b>104.6</b>	<b>303.6</b>	<b>304.9</b>
<i>Change as reported vs. prior year</i>	(10.4)%	+1.6%	(10.6)%	+0.4%
<i>Change on a comparative basis vs. prior year</i>	(1.2)%	+1.1%	(6.2)%	+5.7%
<i>Change at constant currency vs. prior year</i>	(0.8)%	+1.9%	(5.6)%	+6.2%
Adjusted EBIT	17.5	18.5	39.4	50.9
<b>Adjusted EBIT Margin</b>	<b>17.0%</b>	<b>17.7%</b>	<b>13.0%</b>	<b>16.7%</b>
EBIT	25.6	18.5	42.9	50.8
EBIT Margin	24.8%	17.7%	14.1%	16.7%

The **Blade Excellence** division's overall performance was driven by strong results in Latin America as well as the success of our added-value products such as our 5-blade shavers' range, despite a challenging competitive environment in key geographies.

**In Europe**, Net Sales continued to be affected by challenging markets trends, notably in France, the UK and Italy and product availability issues in several countries, partially offset by solid growth in Eastern Europe.

**In the US**, the in-store Disposable market declined 1.5% in value<sup>15</sup> with aggressive promotional activity and new products launched by competition since the beginning of 2021, including value positioning items. BIC lost 2.2 points market share, -3.5 points in the female segment mostly in 3-blade and -1.7 points in the male segment. In line with the Horizon strategy, we continued to focus on premium segments and successfully gained +0.7 points in value in the 4 and 5 blade segments and pursued e-commerce growth with a +0.7 points<sup>15</sup> value share gain.

**In Latin America**, our trade-up strategy continued to drive overall performance in both Brazil and Mexico. Brazil's market grew 2.0% in value<sup>16</sup>, and we maintained our market share. We gained share in the 3-blade segment, driven by both male and female products, including our flagship BIC® Soleil range. In Mexico, BIC lost 0.4 points in share<sup>17</sup>, in a growing market, but gained successfully in the female segment with +2.3 points for the BIC® Soleil range.

**9M 2021 Blade Excellence division adjusted EBIT margin** improved to 16.7% compared to 13.0% in 2020, impacted positively by operating leverage from Net Sales growth, manufacturing and raw material procurement efficiencies, and more effective promotional activities and Brand Support. **Q3 2021 adjusted EBIT margin** was 17.7% compared to 17.0% in 2020.

## OTHER PRODUCTS

<i>in million euros</i>	Q3 2020	Q3 2021	9M 2020	9M 2021
<b>Net Sales</b>	<b>6.6</b>	<b>5.7</b>	<b>19.7</b>	<b>21.3</b>
<i>Change as reported</i>	(3.8)%	(14.9) %	(10.9)%	+8.1 %
<i>Change on a comparative basis</i>	(2.1)%	(15.5) %	(9.9)%	+7.7 %
<i>Change at constant currency</i>	(2.2)%	(15.5) %	(10.0)%	+7.7 %
Adjusted EBIT	(1.4)	(1.0)	(2.5)	(3.9)
EBIT	(1.8)	(1.0)	(5.3)	(4.0)

## UNALLOCATED COSTS

<i>in million euros</i>	Q3 2020	Q3 2021	9M 2020	9M 2021
Adjusted EBIT	(13.2)	(16.3)	(47.4)	(52.8)
EBIT	(14.5)	(16.3)	(53.4)	114.0

**9M 2021 unallocated costs** are mainly related to Corporate headquarters costs, and Clichy Headquarters sales capital gain amounting 167.7 million euros. **The decrease in Adjusted EBIT** is due to the costs of the implementation of the transformation plan.

<sup>15</sup> IRI YTD September 2021

<sup>16</sup> Nielsen YTD August 2021 for both Brazil and Mexico data

<sup>17</sup> YTD AUG 2021 Nielsen

## BIC'S SUSTAINABLE DEVELOPMENT JOURNEY

In line with our Sustainable Development journey, we launched several innovative products with environmental benefits during the first nine months, and moved a step forward to reducing our overall carbon footprint:

- The [BIC® Cristal® Re'New™](#), our first rechargeable metallic Cristal Ball Pen, was introduced in Europe in January. This refillable premium ball pen completes BIC's iconic Cristal® range, offering a metal body, and a recycled plastic cap.
- In April, BIC USA launched BIC® ReVolution, a full range eco-friendly Stationery line made of at least 50% recycled plastic. The BIC® ReVolution Ocean Retractable Ball Pens comprises 73% recycled ocean-bound plastic, material collected within 50 km of a shore or a waterway that leads to the ocean, preventing it from entering the ocean.
- In May, we launched [the BIC® BAMBOO](#) shaver. This five-blade Hybrid Flex 5 with a movable head has a handle made from a natural raw material, namely responsibly sourced bamboo. BIC® Bamboo comes in 100% recyclable cardboard packaging made of 50% recycled paper, including refills in 95% recycled paper packaging. Boosted by its success online, this innovative product has been praised by Scandinavian retailers, and is now available in-stores.
- During these first nine months, we introduced our new "SD Hybrid" shaver range in Europe. Made with recycled plastic handles, this range of innovative shavers with recyclable packaging is currently being deployed in North America and Latin America.
- In May, we upgraded our renewable electricity target and committed to achieve 100% by 2025. We also pledged to define a CO2 emissions reduction roadmap by our 2022 Annual General Meeting.
- Our future headquarters in Clichy (France) will be certified BREEAM (Building Research Establishment Environmental Assessment Method), meeting the highest requirements for environmental performance and energy consumption efficiency.
- On October 19, we announced the development with Avient of a new recycled material that will be incorporated into the handle of the future refillable BIC Soleil Click 5 shaver, with a launch planned in the spring of 2022. By using this new material, the handle will be made of more than 40% recycled material.



## APPENDIX

### 2021 OUTLOOK ASSUMPTIONS

Our 2021 outlook is based on **the following market assumptions<sup>18</sup>**:

#### Market trends (in value):

- **Europe:** Flat to slight increase in Stationery, slight increase in Lighters, high-single-digit decrease in Shavers
- **North America:**
  - High-single digit increase in US Stationery market,
  - Low-single digit to mid-single digit increase for total US pocket Lighter market,
  - Low-single digit decrease in total US one-piece Shaver market,
- **Latin America:** high-single to double-digit decrease in Stationery Brazil, flat in Stationery Mexico; mid-single digit increase in Lighters and low to mid-single-digit increase in Shavers,
- **India:** high-single digit to low-double digit increase in Stationery.

#### EBIT and Free Cash Flow drivers:

- Flat Gross Profit Margin with increased volumes and positive price impact offset by higher Raw Materials costs, and adverse FX
- Increase in Freight and Distribution.
- Increase in Brand Support, R&D and Innovation to support Net Sales growth
- Lower OPEX as % of Net Sales
- Approximately 80 million euros in CAPEX

**Currency:** 2021 USD-Euro hedging rate: 1.13

Q3 NET SALES BY GEOGRAPHY in million euros	Q3 2020	Q3 2021	% As reported	% at constant currencies	% On a comparative basis
<b>Group</b>	<b>441.9</b>	<b>478.4</b>	<b>+8.2 %</b>	<b>+8.5 %</b>	<b>+5.0 %</b>
Europe	147.2	155.4	+5.6 %	+5.7 %	+4.3 %
North America	196.3	194.7	(0.8) %	+0.2 %	(5.5) %
Latin America	56.9	72.6	+27.5 %	+27.7 %	+23.0 %
Middle East and Africa	19.5	31.3	+60.4 %	+57.4 %	+57.4 %
Asia and Oceania (including India)	21.9	24.3	+10.7 %	+9.8 %	+14.4 %

9M NET SALES BY GEOGRAPHY in million euros	9M 2020	9M 2021	% As reported	% at constant currencies	% On a comparative basis
<b>Group</b>	<b>1 217.8</b>	<b>1 395.1</b>	<b>+14.6 %</b>	<b>+19.8 %</b>	<b>+16.1 %</b>
Europe	404.9	447.5	+10.5 %	+11.7 %	+9.6 %
North America	539.5	601.1	+11.4 %	+18.3 %	+12.3 %
Latin America	151.0	198.5	+31.5 %	+44.7 %	+42.3 %
Middle East and Africa	58.5	82.5	+41.0 %	+44.3 %	+44.3 %
Asia and Oceania (including India)	63.9	65.5	+2.6 %	+2.4 %	+8.0 %

<sup>18</sup> Euromonitor and BIC estimates

<b>Q3 NET SALES BY CATEGORY</b> <i>in million euros</i>	<b>Q3 2020</b>	<b>Q3 2021</b>	<b>Change as reported</b>	<b>FX impact<sup>19</sup></b> <i>(in points)</i>	<b>Change in Perimeter<sup>20</sup></b> <i>(in points)</i>	<b>Argentina impact<sup>21</sup></b> <i>(in points)</i>	<b>Change on a Comparative basis</b>
<b>Group</b>	<b>441.9</b>	<b>478.4</b>	<b>+8.2 %</b>	<b>+0.2</b>	<b>+2.5</b>	<b>+0.5</b>	<b>+5.0 %</b>
Stationery- Human Expression	161.3	197.5	+22.4 %	+0.2	+5.9	+0.4	+15.9 %
Lighters- Flame for Life	171.1	170.7	(0.2) %	+0.2	+1.0	+0.7	(2.1) %
Shavers- Blade Excellence	102.9	104.6	+1.6 %	+0.3	(0.2)	+0.4	+1.1 %
Other Products	6.6	5.7	(14.9) %	+0.6	-	-	(15.5) %

<b>9M NET SALES BY CATEGORY</b> <i>in million euros</i>	<b>9M 2020</b>	<b>9M 2021</b>	<b>Change as reported</b>	<b>FX impact</b> <i>(in points)</i>	<b>Change in Perimeter</b> <i>(in points)</i>	<b>Argentina impact</b> <i>(in points)</i>	<b>Change on a Comparative basis</b>
<b>Group</b>	<b>1 217.8</b>	<b>1 395.1</b>	<b>+14.6 %</b>	<b>(4.5)</b>	<b>+2.8</b>	<b>+0.2</b>	<b>+16.1 %</b>
Stationery- Human Expression	455.1	530.7	+16.6 %	(3.1)	+6.3	(0.1)	+13.5 %
Lighters- Flame for Life	439.3	538.1	+22.5 %	(6.0)	+1.6	+0.4	+26.5 %
Shavers- Blade Excellence	303.6	304.9	+0.4 %	(5.0)	(0.3)	-	+5.7 %
Other Products	19.7	21.3	+8.1 %	+0.4	-	-	+7.7 %

<sup>19</sup> Forex impact excluding Argentinian Peso (ARS)

<sup>20</sup> Mainly acquisitions of Djeep and Rocketbook

<sup>21</sup> See glossary

<b>IMPACT OF CHANGE IN PERIMETER AND CURRENCY FLUCTUATIONS ON NET SALES (EXCLUDES ARS)</b> <i>(in %)</i>	<b>Q3 2020</b>	<b>Q3 2021</b>	<b>9M 2020</b>	<b>9M 2021</b>
<b>Perimeter</b>	<b>+0.5</b>	<b>+2.5</b>	<b>+0.1</b>	<b>+2.8</b>
<b>Currencies</b>	<b>(6.4)</b>	<b>+0.2</b>	<b>(2.8)</b>	<b>(4.5)</b>
<i>Of which USD</i>	<i>(1.8)</i>	<i>(0.6)</i>	<i>(0.1)</i>	<i>(3.2)</i>
<i>Of which BRL</i>	<i>(2.5)</i>	<i>+0.1</i>	<i>(1.6)</i>	<i>(0.9)</i>
<i>Of which MXN</i>	<i>(0.6)</i>	<i>+0.4</i>	<i>(0.4)</i>	<i>+0.1</i>
<i>Of which AUD</i>	<i>(0.0)</i>	<i>+0.0</i>	<i>(0.1)</i>	<i>+0.1</i>
<i>Of which ZAR</i>	<i>(0.2)</i>	<i>+0.2</i>	<i>(0.1)</i>	<i>+0.1</i>
<i>Of which INR</i>	<i>(0.1)</i>	<i>(0.0)</i>	<i>(0.0)</i>	<i>(0.1)</i>
<i>Of which RUB and UAH</i>	<i>(0.4)</i>	<i>(0.0)</i>	<i>(0.2)</i>	<i>(0.3)</i>

<b>EBIT BY CATEGORY</b> <i>in million euros</i>	<b>Q3 2020</b>	<b>Q3 2021</b>	<b>9M 2020</b>	<b>9M 2021</b>
<b>Group</b>	<b>108.3</b>	<b>82.5</b>	<b>132.3</b>	<b>415.1</b>
<i>Margin</i>	<i>24.5 %</i>	<i>17.2 %</i>	<i>10.9 %</i>	<i>29.8 %</i>
Stationery- Human Expression	18.4	12.7	(16.4)	41.9
<i>Margin</i>	<i>11.4 %</i>	<i>6.5 %</i>	<i>(3.6) %</i>	<i>7.9 %</i>
Lighters- Flame for Life	80.6	68.6	164.6	212.4
<i>Margin</i>	<i>47.1 %</i>	<i>40.2 %</i>	<i>37.5 %</i>	<i>39.5 %</i>
Shavers- Blade Excellence	25.6	18.5	42.9	50.8
<i>Margin</i>	<i>24.8 %</i>	<i>17.7 %</i>	<i>14.1 %</i>	<i>16.7 %</i>
Other Products	(1.8)	(1.0)	(5.3)	(4.0)
Unallocated costs	(14.5)	(16.3)	(53.4)	114.0

<b>ADJUSTED EBIT BY CATEGORY</b> <i>in million euros</i>	<b>Q3 2020</b>	<b>Q3 2021</b>	<b>9M 2020</b>	<b>9M 2021</b>
<b>Group</b>	<b>83.3</b>	<b>82.5</b>	<b>176.2</b>	<b>248.6</b>
<i>Margin</i>	<i>18.9 %</i>	<i>17.2 %</i>	<i>14.5 %</i>	<i>17.8 %</i>
Stationery- Human Expression	14.8	12.7	33.8	40.3
<i>Margin</i>	<i>9.2 %</i>	<i>6.5 %</i>	<i>7.4 %</i>	<i>7.6 %</i>
Lighters- Flame for Life	65.6	68.6	152.9	214.2
<i>Margin</i>	<i>38.4 %</i>	<i>40.2 %</i>	<i>34.8 %</i>	<i>39.8 %</i>
Shavers- Blade Excellence	17.5	18.5	39.4	50.9
<i>Margin</i>	<i>17.0 %</i>	<i>17.7 %</i>	<i>13.0 %</i>	<i>16.7 %</i>
Other Products	(1.4)	(1.0)	(2.5)	(3.9)
Unallocated costs	(13.2)	(16.3)	(47.4)	(52.8)

<b>CONDENSED PROFIT AND LOSS</b> <i>in million euros</i>	<b>Q3 2020</b>	<b>Q3 2021</b>	<b>9M 2020</b>	<b>9M 2021</b>
<b>Net Sales</b>	<b>441.9</b>	<b>478.4</b>	<b>1,217.8</b>	<b>1 395.1</b>
Cost of goods	227.9	235.5	632.6	678.4
Gross profit	214.0	242.9	585.2	716.7
Administrative & net other operating expenses/ (gain)	105.7	160.4	452.9	301.6
<b>EBIT</b>	<b>108.3</b>	<b>82.5</b>	<b>132.3</b>	<b>415.1</b>
Finance revenue/costs	(2.8)	(0.7)	7.1	(4.7)
Income before tax	105.5	81.9	139.3	410.4
Income tax expense	(37.4)	(24.5)	(49.2)	(122.9)
<b>Net Income Group Share</b>	<b>68.0</b>	<b>57.3</b>	<b>90.1</b>	<b>287.5</b>
<b>Earnings per Share Group Share (in euros)</b>	<b>1.51</b>	<b>1.28</b>	<b>2.00</b>	<b>6.40</b>
Average number of shares outstanding (net of treasury shares)	44,973,055	44,890,535	44,973,055	44,890,535

<b>CONDENSED BALANCE SHEET</b> <i>in million euros</i>	<b>September 30, 2020</b>	<b>September 30, 2021</b>
<b>ASSETS</b>		
Non-current assets	1,059.9	1,044.5
Current assets	1,140.4	1,479.3
<b>TOTAL ASSETS</b>	<b>2,200.3</b>	<b>2,523.8</b>
<b>LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>		
Shareholders' equity	1,434.5	1,682.6
Non-current liabilities	266.7	223.3
Current liabilities	499.1	617.9
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>	<b>2,200.3</b>	<b>2,523.8</b>

## RECONCILIATION WITH ALTERNATIVE PERFORMANCE MEASURES

<b>ADJUSTED EBIT RECONCILIATION</b> <i>in million euros</i>	<b>Q3 2020</b>	<b>Q3 2021</b>	<b>9M 2020</b>	<b>9M 2021</b>
<b>EBIT</b>	<b>108.3</b>	<b>82.5</b>	<b>132.3</b>	<b>415.1</b>
<i>Restructuring costs (Transformation plan) and Ecuador factory closure in in Q2 2020 and LAM commercial operations restructuring in Q3 2020</i>	+6.1	-	+13.9	<b>4.2</b>
<i>Cello impairment</i>	-	-	+41.7	-
<i>Some Expenses related to the COVID-19 epidemic mainly under absorption of fixed costs</i>	+13.0	-	+32.4	-
<i>Favorable Pensions adjustment in the U.S.</i>	(44.1)	-	(44.1)	-
<i>Clichy Headquarters sales capital gain</i>	-	-	-	<b>(167.7)</b>
<i>Pimaco divestiture capital gain</i>	-	-	-	<b>(3.0)</b>
<b>Adjusted EBIT</b>	<b>83.3</b>	<b>82.5</b>	<b>176.2</b>	<b>248.6</b>

<b>ADJUSTED EPS RECONCILIATION</b> <i>in million euros</i>	<b>Q3 2020</b>	<b>Q3 2021</b>	<b>9M 2020</b>	<b>9M 2021</b>
<b>EPS</b>	<b>1.51</b>	<b>1.28</b>	<b>2.00</b>	<b>6.40</b>
<i>Restructuring costs (Transformation plan) and Ecuador factory closure in in Q2 2020 and LAM commercial operations restructuring in Q3 2020</i>	+0.10	-	+0.22	<b>+0.07</b>
<i>Cello impairment</i>	-	-	+0.93	-
<i>Some Expenses related to the COVID-19 epidemic mainly under absorption of fixed costs</i>	+0.20	-	+0.51	-
<i>Argentina hyperinflationary accounting (IAS29)</i>	+0.01	-	+0.03	<b>+0.04</b>
<i>Favorable Pensions adjustment in the U.S.</i>	(0.77)	-	(0.77)	-
<i>Clichy Headquarters sales capital gain</i>	-	-	-	<b>(2.67)</b>
<i>Pimaco divestiture capital gain</i>	-	-	-	<b>(0.04)</b>
<b>Adjusted EPS</b>	<b>1.05</b>	<b>1.28</b>	<b>2.92</b>	<b>3.80</b>

<b>FREE CASH FLOW RECONCILIATION</b> <i>in million euros - rounded figures</i>	<b>December 31, 2020</b>	<b>September 30, 2021</b>
Net cash from operating activities (1)	+357.6	+276.6
Capital expenditure (2)	(83.1)	(44.3)
<b>Free Cash Flow before acquisition and disposals (1) - (2)</b>	<b>274.5</b>	<b>232.3</b>

## SHARE BUYBACK PROGRAM

SOCIETE BIC	Number of shares acquired	Average weighted price (in €)	Amount (in M€)
March 2021	62,600	50.46	3.2
April 2021	77,005	53.35	4.1
May 2021	65,770	62.93	4.1
June 2021	72,459	59.57	4.3
July 2021	85,175	56.76	4.8
August 2021	82,975	57.11	4.8
September 2021	109,917	54.10	5.9
<b>Total</b>	<b>555,901</b>	<b>56.20</b>	<b>31.2</b>

## CAPITAL AND VOTING RIGHTS

As of September 30, 2021, the total number of issued shares of SOCIÉTÉ BIC is 45,395,857 shares, representing:

- 66,744,760 voting rights,
- 65,929,685 voting rights excluding shares without voting rights

Total number of treasury shares held at the end of September 2021: 815,075.

## GLOSSARY

- **Constant currency basis:** constant currency figures are calculated by translating the current year figures at prior year monthly average exchange rates.
- **Organic change or Comparative basis:** at constant currencies and constant perimeter. Figures at constant perimeter exclude the impact of acquisitions and/or disposals that occurred during the current year and/or during the previous year, until their anniversary date. All Net Sales category comments are made on a comparative basis. Organic change excludes Argentina Net Sales for both 2020 and 2021.
- **EBITDA:** EBIT before Depreciation and Amortization (excluding amortization of right of use under IFRS 16 standard), and impairment.
- **Adjusted EBIT:** adjusted means excluding normalized items.
- **Adjusted EBIT margin:** adjusted EBIT as a percentage of Net Sales.
- **Net Cash from operating activities:** Cash generated from principal activities of the entity and other activities that are not investing or financing activities.
- **Free Cash Flow:** Net cash flow from operating activities less capital expenditures (CAPEX). Free cash flow does not include acquisitions and proceeds from the sale of businesses.
- **Net cash position:** Cash and cash equivalents + Other current financial assets - Current borrowings - Non-current borrowings (except financial liabilities following IFRS 16 implementation)

*SOCIETE BIC consolidated financial statements as of September 30, 2021, were approved by the Board of Directors on October 26, 2021. A presentation related to this announcement is also available on the BIC website ([www.bic.com](http://www.bic.com)). This document contains forward-looking statements. Although BIC believes its expectations are based on reasonable assumptions, these statements are subject to many risks and uncertainties. A description of the risks borne by BIC appears in the section, "Risks Management" in BIC's 2020 Universal Registration Document filed with the French financial markets authority (AMF) on April 1, 2021.*

## ABOUT BIC

A world leader in stationery, lighters and shavers, BIC brings simplicity and joy to everyday life. For more than 75 years, the Company has honored the tradition of providing high-quality, affordable, essential products to consumers everywhere. Through this unwavering dedication, BIC has become one of the most recognized brands and is a trademark registered worldwide. Today, BIC products are sold in more than 160 countries around the world and feature iconic brands such as BIC Kids™, BIC Flex™, BodyMark by BIC™, Cello®, Djeep, Lucky Stationery, Rocketbook, Soleil®, Tipp-Ex®, Us.™, Wite-Out® and more. In 2020, BIC Net Sales were 1,627.9 million euros. The Company is listed on "Euronext Paris", is part of the SBF120 and CAC Mid 60 indexes and is recognized for its commitment to sustainable development and education. It received an A- Leadership score from CDP. For more, visit [www.bic.com](http://www.bic.com) or follow us on [LinkedIn](#), [Instagram](#), [Twitter](#), or [YouTube](#).

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## 2021/2022 AGENDA

ALL DATES TO BE CONFIRMED

<b>FY 2021 Results</b>	February 15, 2022
<b>1st Quarter 2022 Results</b>	April 26, 2022
<b>2022 Annual General Meeting</b>	18 May, 2022
<b>1st Half 2022 Results</b>	August 2, 2022
<b>3rd Quarter 2022 Results</b>	October 27, 2022