

SMCP

sandro • maje • claudie pierlot • fursac



Q3 2024 Sales

Press release - Paris, October 29th, 2024

Q3 performance driven by Europe and the US Environment still challenging in China

- **Q3 2024 Sales at €293m**, decreasing by -0.9% on an organic¹ basis vs. Q3 2023 Sales at €295m
 - Sales growth of +3.1% on an organic basis excluding China, with a good resilience of sales in America and Europe (despite a negative effect of Olympic Games in Paris on the business)
 - Trend improvement in September, in particular in France and Europe
 - Continued strict full-price strategy with a two-point decrease of average in-season discount rate vs Q3 2023
- **9M 2024 Sales at €878m**, decreasing by -2.7% on an organic basis vs 9M 2023 Sales at €905m; excluding China, sales grow by +1.4% on an organic basis
 - Good performance for Sandro and Maje in all the markets excluding China
- **Pursuit of network optimization** with 35 net closings in the quarter, notably in Asia and for Claudie Pierlot in Europe, to reach 1,666 POS
- Pursuit of **mid-term action plan** of savings to get back to profitable growth

Commenting on those results, Isabelle Guichot, CEO of SMCP, stated: *“As anticipated, our growth in the third quarter progressively improved, but remains impacted by the deteriorated environment in China. In France, we posted a resilient performance, despite the impact of the Olympic Games in July and August. We also recorded a solid performance in the rest of Europe, thanks to the continuation of our strict discount rate policy, and in America, where the economic environment remains volatile. In this context, we continued to implement our action plan (particularly in China), and notably made significant progress in pursuing the store network optimization plan, as well as in renegotiations with our lessors. All the Group’s teams are fully committed to pursuing the action plan initiated at the beginning of the year, aimed at stimulating our growth while ensuring our financial solidity and protecting our profitability. We are confident that this plan will deliver first tangible results as early as 2025.”*

¹ Organic growth | All references in this document to the “organic sales performance” refer to the performance of the Group at constant currency and scope

SALES

| €m | Q3 2023 | Q3 2024 | Organic change | Reported change | 9M 2023 | 9M 2024 | Organic change | Reported change |
|---------------------------|--------------|--------------|-------------------|--------------------|--------------|--------------|-------------------|--------------------|
| Sales by region | | | | | | | | |
| France | 97.5 | 97.8 | +0.4% | +0.4% | 301.4 | 300.3 | -0.4% | -0.4% |
| EMEA ex. France | 96.5 | 102.0 | +5.4% | +5.8% | 285.6 | 293.8 | 2.3% | 2.9% |
| America | 42.7 | 45.0 | +6.6% | +5.4% | 123.0 | 129.8 | 6.1% | 5.6% |
| APAC | 58.2 | 47.7 | -18.6% | -18.0% | 194.7 | 153.9 | -19.5% | -20.9% |
| Sales by brand | | | | | | | | |
| Sandro | 143.3 | 145.3 | +1.3% | +1.4% | 438.8 | 437.6 | 0.0% | -0.3% |
| Maje | 112.4 | 113.1 | +0.5% | +0.7% | 340.9 | 332.0 | -2.3% | -2.6% |
| Other brands ¹ | 39.2 | 34.1 | -13.1% | -13.0% | 125.0 | 108.2 | -13.6% | -13.4% |
| TOTAL | 294.9 | 292.6 | -0.9% | -0.8% | 904.7 | 877.9 | -2.7% | -3.0% |

¹ *Claudie Pierlot et Fursac*

SALES BREAKDOWN BY REGION

In **France**, sales reached €300m in the first nine months, remaining fairly stable (-0.4%) compared to 2023. Third-quarter sales (+0.4% vs. Q3 2023) were impacted in July and August by the organization of Olympic Games, particularly in Paris, with touristic flows concentrated over just a few weeks, coupled with a drop in local consumer traffic. However, consumer trends and traffic have improved significantly since the beginning of September. The fall/winter collections have been very well received and the season has started off well, particularly for Sandro and Maje.

The network recorded seven net closings during the quarter, particularly at Claudie Pierlot.

In **EMEA**, sales reached €294m at the end of September, i.e. an organic increase of +2.3% compared to 2023. The third quarter (+5.4% vs Q3 2023) records a consistent growth in the North and in the South of Europe, and benefits from a strict full-price strategy. The consumption environment, unfavourable in Q3 2023, is improving. Like-for-like performance is positive in the largest retail markets. Retail partners trend remains positive, notably in the Middle East. The network recorded 15 net closings during the quarter (notably Claudie Pierlot and some relocations).

In **America**, sales reached €130m in the first nine months, an organic increase of +6.1% compared to 2023. This good performance is supported by steady Q3 sales (+6.6% vs Q3 2023) despite a challenging environment. In the US, Sandro and Maje showed a consistent trend, leading to a solid performance in Q3. In Mexico, sales recorded a strong performance during the quarter.

The network is decreasing with five net closings during the quarter.

In **APAC**, sales reached €154m at the end of September, decreasing by -19.5% organic vs 2023. The trend in the third quarter is similar (Q3 2024 -18.6% vs Q3 2023).

In China, third-quarter sales continue to be impacted by a deteriorated environment and a decline in traffic. In this context, where consumer confidence remains low, the Group is continuing its action plan, notably with immediate initiatives such as negotiations with landlords and store network optimization. Nevertheless, the Group remains fully confident in the potential of the Chinese market and is implementing initiatives to capitalize on upcoming opportunities when demand picks up.

In the rest of Asia, sales remained resilient, with a positive trend in Malaysia and Thailand, and an improving situation in South Korea.

The network is decreasing with eight net closings during the quarter, including ten closings in China, in line with the announced action plan.

CONCLUSION AND OUTLOOK

In a macroeconomic environment that remains complex and uncertain, SMCP continues to focus on executing its action plan to ensure financial strength and support future growth.

As planned, the Group continued in the third quarter to readjust its network and accelerate its Retail partners activity, the effects of which will intensify over the coming quarters (with the imminent opening of the first stores in India and ongoing development in Southeast Asia).

The Group remains committed to a sound management of cash and debt, through expense optimization and careful inventory management.

FINANCIAL CALENDAR

February 27, 2025 – 2024 Results publication

April 29, 2025 – 2025 Q1 Sales publication

June 12, 2025 – Annual Shareholding meeting

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|---|
| <p>A conference call with investors and analysts will be held today by CEO Isabelle Guichot and CFO Patricia Huyghues Despointes, from 9:00 a.m. (Paris time). Related slides will also be available on the website (www.smcp.com), in the Finance section.</p> |
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METHODOLOGY NOTE

Unless otherwise indicated, amounts are expressed in millions of euros and rounded to the first digit after the decimal point. In general, figures presented in this press release are rounded to the nearest full unit. As a result, the sum of rounded amounts may show non-material differences with the total as reported. Note that ratios and differences are calculated based on underlying amounts and not based on rounded amounts.

DISCLAIMER: FORWARD-LOOKING STATEMENTS

Certain information contained in this document includes projections and forecasts. These projections and forecasts are based on SMCP management's current views and assumptions. Such forward-looking statements are not guarantees of future performance of the Group. Actual results or performances may differ materially from those in such projections and forecasts as a result of numerous factors, risks and uncertainties, including the impact of the current COVID-19 outbreak. These risks and uncertainties include those discussed or identified under Chapter 2 "Risk factors and internal control" of the Company's Universal Registration Document filed with the French Financial Markets Authority (Autorité des Marchés Financiers - AMF) on 5 April 2024 and available on SMCP's website (www.smcp.com).

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APPENDICES

Breakdown of point of sales by region

| Number of DOS | Q3-23 | 2023 | H1-24 | Q3-24 | Q3-24 variation | 2024 variation |
|-------------------------|--------------|--------------|--------------|--------------|--------------------|-------------------|
| <u>By region</u> | | | | | | |
| France | 463 | 470 | 475 | 468 | -7 | -2 |
| EMEA | 401 | 411 | 406 | 395 | -11 | -16 |
| America | 171 | 176 | 180 | 173 | -7 | -3 |
| APAC | 314 | 316 | 280 | 270 | -10 | -46 |
| <u>By brand</u> | | | | | | |
| Sandro | 583 | 591 | 579 | 565 | -14 | -26 |
| Maje | 485 | 490 | 479 | 472 | -7 | -18 |
| Claudie Pierlot | 206 | 210 | 201 | 190 | -11 | -20 |
| Fursac | 75 | 82 | 82 | 79 | -3 | -3 |
| Total DOS | 1,349 | 1,373 | 1,341 | 1,306 | -35 | -67 |

| Number of POS | Q3-23 | 2023 | H1-24 | Q3-24 | Q3-24 variation | 2024 variation |
|-------------------------|--------------|--------------|--------------|--------------|--------------------|-------------------|
| <u>By region</u> | | | | | | |
| France | 464 | 471 | 475 | 468 | -7 | -3 |
| EMEA | 540 | 555 | 546 | 531 | -15 | -24 |
| America | 209 | 215 | 221 | 216 | -5 | +1 |
| APAC | 491 | 489 | 459 | 451 | -8 | -38 |
| <u>By brand</u> | | | | | | |
| Sandro | 765 | 775 | 764 | 749 | -15 | -26 |
| Maje | 633 | 640 | 628 | 622 | -6 | -18 |
| Claudie Pierlot | 231 | 233 | 226 | 215 | -11 | -18 |
| Fursac | 75 | 82 | 83 | 80 | -3 | -2 |
| Total POS | 1,704 | 1,730 | 1,701 | 1,666 | -35 | -64 |
| o/w partners | 355 | 357 | 360 | 360 | - | +3 |

ABOUT SMCP

SMCP is a global leader in the accessible luxury market with four unique Parisian brands: Sandro, Maje, Claudie Pierlot and Fursac. Present in 48 countries, the Group comprises a network of over 1.600 stores globally and a strong digital presence in all its key markets. Evelyne Chetrite and Judith Milgrom founded Sandro and Maje in Paris, in 1984 and 1998 respectively, and continue to provide creative direction for the brands. Claudie Pierlot and Fursac were respectively acquired by SMCP in 2009 and 2019. SMCP is listed on the Euronext Paris regulated market (compartment A, ISIN Code FR0013214145, ticker: SMCP).

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