

BOGART

PRESS RELEASE
Paris, 2 February 2023

FULL-YEAR 2022 TURNOVER AT €293.0 MILLION (UP 19.2%) UPDATE ON THE STATE OF RETAIL BUSINESS IN FRANCE AND ON THE OUTLOOK FOR 2022 EARNINGS

BOGART (Euronext Paris – Compartment B – FR0012872141 – JBOG), which specialises in the creation, manufacture and sale of luxury fragrances and cosmetics, reported double-digit turnover growth (up 12.4%) for Q4 2022. The *Bogart Fragrances and Cosmetics* division continued to enjoy strong momentum, driven by the success of key brand launches at the end of the year. The *Bogart Beauty Retail* division reported growth in Q4 2022 thanks to extensions to its scope of consolidation (full-year impact of the consolidation of Fann stores) and dynamic trends in certain countries (in particular Belgium - with the Di store - and in Israel) which offset the decline in business in France at the end of the year. All told, BOGART reported 2022 turnover of €293.0m (up 19.2%). However, as announced, the Group suffered a decline in the profitability of its store network in France which will impact the results in FY2022. Reorganisation measures have been rapidly implemented for this network and are currently being discussed with employee representative bodies.

Revenues in €m (unaudited)	2021	2022	Change
Q4 turnover	84.2	94.6	+12.4%
<i>Bogart Fragrances & Cosmetics</i>	15.6	18.0	+15.4%
<i>Bogart Beauty Retail</i>	68.6	76.6	+11.7%
Other Q4 revenues¹	3.0	2.5	-16.7%
Total Q4 revenues	87.2	97.1	+11.4%

Revenues in €m (unaudited)	2021	2022	Change
12-month turnover	245.9	293.0	+19.2%
<i>Bogart Fragrances & Cosmetics</i>	43.1	55.1	+27.8%
<i>Bogart Beauty Retail</i>	202.8	237.9	+17.3%
Other 12-month revenues¹	11.8	11.6	-1.7%
Total 12-month revenues	257.7	304.6	+18.2%

¹ Revenues from licences and advertising rebillings for brands which are distributed to BOGART's own-brand networks.

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Q4 turnover growth of 12.4%

BOGART posted consolidated turnover of €94.6m for the fourth quarter of 2022, representing growth of +12.4% relative to the year-earlier period. At constant consolidation scope (excluding the consolidation of Nocibé and Fann² stores) and exchange rates, growth came to 7.6%.

The *Bogart Fragrances & Cosmetics* business enjoyed solid trends in Q4 2022, driven notably by successful new launches from key brands Carven (women's fragrance), Jacques Bogart (men's fragrance) and Ted Lapidus (women's fragrance) in the United States, Latin America and the Middle East as well as a positive currency effect. As a result, the division reported Q4 2022 turnover of €18.0 million, up 15.4% (+8.1% at constant exchange rates).

On a full-year basis in 2022, the *Bogart Fragrances & Cosmetics* division posted record turnover of €55.1 million, up 27.8% (up 22% at constant exchange rates).

Business at the *Bogart Beauty Retail* division came out at €76.6 million in Q4 2022 versus €68.6 million in Q4 2021, up 11.7%, thanks to the acquisition of the Fann company in Slovakia at the start of 2022. At constant consolidation scope, growth at the division came to 5.8% (7.5% at constant scope and exchange rates). Dynamic business trends in certain countries (in particular Belgium - the Di store - and in Israel), notably during end-of-year festivities, offset the decline in turnover at stores in France (down 6.6% between Q4 2021 and Q4 2022).

For 2022 as a whole, turnover at the *Bogart Beauty Retail* division was up 17.3%, reflecting the full effect of the extension to its scope of consolidation (up 4.0% at constant consolidation scope) and a positive currency effect. At constant consolidation scope and exchange rates, growth was almost stable at 2.8%.

At the end of the 2022 financial year, the Group's turnover totalled €293.0m, an increase of 19.2% versus 2021 (up 6.4% at constant consolidation scope and exchange rates).

Update on the state of retail business in France

In its press release on 19 January 2023, BOGART announced the measures taken by April France, its subsidiary, following the decline in business and profitability observed in its store network in France linked both to the general economic backdrop (inflation, purchasing power, the war in Ukraine), increased expenses (energy prices, Covid rents payable by tenants) and the extension of its network (integration of the Nocibé stores).

A second meeting was held on 30 January 2023 with employee representatives relative to the April France reorganisation plan. Recall that this plan provides for the potential closure of 17 stores in France (of a total of 67 points of sale) which could lead to 50 positions being lost as part of the Group's restructuring plan. The next communication meetings will continue with the Economic and Social Committee and all employee representatives to organise the terms and conditions of the employment protection plan (*Plan de Sauvegarde de l'Emploi*).

²38 Nocibé stores since October 2021 and 70 fragrance boutiques from the Fann chain in Slovakia since January 2022

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Impact on Group results in 2022

The decline in profitability of the *Bogart Beauty Retail* business in France (decline in EBITDA at *Bogart Beauty Retail France* estimated at around €5 million before IFRS 16) will weigh on Group results in 2022. While Bogart's 2022 EBITDA should remain stable, thanks to the accounting treatment of rents for new stores (IFRS 16), current operating income is expected to be down significantly compared with 2021 but should nevertheless remain in positive territory for the year as a whole (in 2021, it stood at €5.3 million).

2023 outlook

At the start of 2023, Bogart is confident it can continue to generate growth with its fragrance and cosmetic brands over the next financial year (the "*Fragrances & Cosmetics*" business).

In parallel, Bogart will keep a close eye on fixed expenses to limit the impacts of inflation on its store network. In France, Bogart will continue its discussions with employee representative bodies regarding the implementation of its employment protection plan. The Group hopes that negotiations will be rapidly concluded to reach an agreement to enable the implementation of an efficient reorganisation plan at the best conditions for both the Group and its employees.

Next publication

BOGART Group will publish its full-year results on 27 April 2022 (after market close)

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