

Interparfums

2021  
letter to  
shareholders  
**Interparfums**



## Message to Shareholders

Dear friends,

After 2020 so heavily impacted by the health crisis, we were already anticipating a sharp rebound and a rather buoyant market in 2021.

However, we clearly did not expect to see such strong momentum in the different global markets in 2021 over the entire year.

And while sales overall were sustained in all markets, the US delivered an unprecedented performance with growth of nearly 40%. This strong upturn clearly contributed to the record sales now expected in 2021 of between €520m and €530m.

The strength of different markets is naturally a source of satisfaction. However, it is not the only reason for our brands' excellent results. This has notably been the case for our portfolio's top sellers, Montblanc, Jimmy Choo and Coach in particular, whose stellar performances helped us add market share and consolidate our positions. This achievement is even more noteworthy in the context of supply chain and sourcing difficulties that have impacted a number of business sectors. However, while rendering our task a little more complicated, our teams have remained fully focused on meeting these challenges.

Despite these trends, the year-end was marked by the promising pre-launch of the Moncler duo, setting the stage for solid growth prospects in 2022 with a target for annual sales of €560m-€570m. For these reasons, we are more than ever confident in the outlook for the upcoming years.

Best regards to all,

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**Philippe Santi**  
Executive Vice President and CFO

## Coach

Coach fragrances, with sales of nearly €95m, registered record gains of 47% over 9 months, benefiting not only from the strength of the first Coach line but also from the launch, in 2020 and 2021, of several flankers developed around the second *Coach Dreams* line;

*Coach Dreams Sunset* stays true to the values of the American luxury house. Taking us on a new road trip with friends, it is based on oriental and floral notes where dreams have no limits.



## Rochas

After gaining 14% in the first nine months, Rochas perfumes are back on a positive track with nearly €26m in sales, boosted by the rollout in certain countries of its eco-friendly fragrance line, *Rochas Girl*.

A Girl of the times! Since there is no "planet B" and the time has come to shake things up, Rochas is raising the bar for eco-responsible fragrance with its new release. More than an ode to women, *Girl* conveys a promise to life and to the planet in its pretty almond-green box.



## Montblanc

With sales of nearly €114m, Montblanc fragrances ended the first nine months with revenue marginally outperforming the same period in 2019, the year in which the *Montblanc Explorer* line was launched, bolstered by the rollout of the *Montblanc Explorer Ultra Blue* line in April 2021;

*Montblanc Explorer Ultra Blue* is an invitation to traverse the infinite wonders of this marvelous and magnificent world. But while ambition is one of Montblanc's most iconic values, so is respect.



## Jimmy Choo

With the brand's established lines now back to more normal levels and the successful launch of the *I Want Choo* line at the start of the year, Jimmy Choo fragrances was up by more than 30% from Q1 2019 with sales of more than €104m.

Joy meets good cheer in the new Jimmy Choo fragrance; just a few drops are enough to become totally addicted. Oh Jimmy, *I Want Choo*!



## Lanvin

With more than €42m in sales, Lanvin fragrances returned to growth over the first nine months driven by a strong rebound in Asia and Eastern Europe.

Natural floral bouquets, modern creations building on tradition by offering a poetic rendering of the present: *Fleurs de Lanvin*.

## Van Cleef & Arpels

*Collection Extraordinaire Orchid Leather*  
 Named in honor of the precious orchid that produces the vanilla pod, *Orchid Leather* takes us on an imaginary journey.



## Boucheron

The Boucheron collection: *Cuir de Venise*  
Like a second skin, *Cuir de Venise* is an enveloping, voluptuous and sensual precious essence.

## Karl Lagerfeld

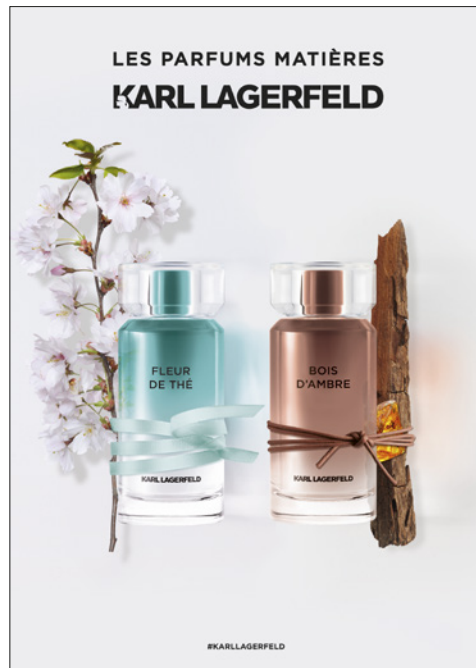
The *Les Parfums Matières* fragrance collection of Karl Lagerfeld  
Designed as two exceptional pieces, the trails of *Fleur de Thé* and *Bois d'Ambre* converge in the wake of the legacy left by couturier Karl Lagerfeld.

## Repetto

*Dance with Repetto Floral* is an ode to an emotion, clarity and movement, a state of grace and freedom – the very essence of dance.

## S.T. Dupont

S.T. Dupont Collection *Golden Wood*  
*Golden Wood*, new woody signature range as bright as gold...





## Paul Smith

Romantic and unique, *Paul Smith Rose Limited Edition* is the perfect declaration of love.

## Kate Spade

Kate Spade New York was designed as an ode to the city that saw the birth of the eponymous brand. But it is also an emphatic declaration of love to the cherished freedom and carefree attitude that bring us joy.



## Moncler

Fragrance duo launched in early October 2021: *Moncler pour Femme* and *Moncler pour Homme*.

The line will be rolled out in the first quarter of 2022 in a very selective distribution network, and gradually expanded to 3,000 points of sale by the end of the year.



## Key figures 2021

### Strong growth in sales

441 m

in sales at  
September 30, 2021

€520m-€530m

in sales expected for 2021

### An exceptionally high level of operating profitability

An operating margin of

24.7%

at June 30, 2021

Between

15% and 16%

of operating margin target  
for 2021

### A solid balance sheet

€513m

Shareholders' equity  
at June 30, 2021

Between

€150m and €170m

of cash position net of borrowings  
expected at December 31, 2021



## Acquisition of the future headquarters office complex

In mid-April, Interparfums completed  
the acquisition of its future headquarters at  
10 rue de Solférino in the 7<sup>th</sup> arrondissement of Paris.



## Stock market

### Dividends and bonus share issue

Since 1998, Interparfums has been distinguished by a dividend policy that reward shareholders while at the same time associating them with the Group's expansion.

To partially compensate for the absence of a dividend in 2020 linked to the Covid-19 pandemic (for FY 2019), the company decided to make a considerable effort in 2021 (for FY 2020) by offering a dividend of €0.55 per share representing nearly 95% of the prior's year's earnings.

In addition, in June 2021, the company proceeded with its 22<sup>th</sup> bonus share issue on the basis of one new share for every ten shares held.

### 2022 investors calendar

2021 sales:  
January 25, 2022

2021 annual results:  
March 2, 2022

2022 first-quarter sales:  
April 26, 2022

Annual General Meeting:  
April 29, 2022

### Trading activity: Interparfums vs. the SBF 120

Stock price at 11/29/2021 €68.10

Change since 01/01/2021 + 73.2%

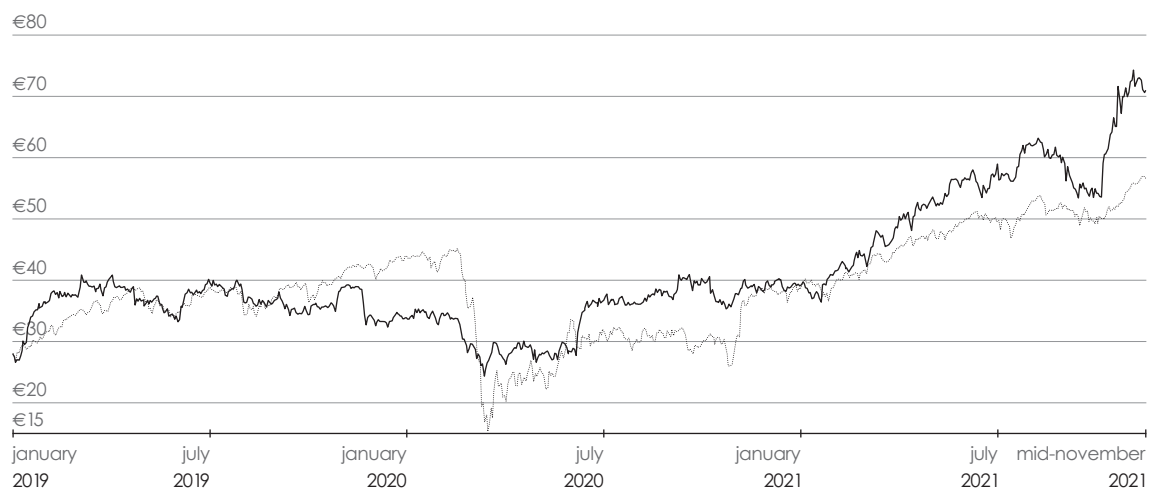
Market capitalization as of 11/29/2021: €3.889bn

### 2021 shareholder base

Interparfums Inc.: 72.4%  
Public: 27.6%

Interparfums has 10,300 individual shareholders and 360 institutional shareholders (with foreign investors representing one third).

### Trading activity: Interparfums vs. the SBF 120



# Corporate social responsibility

CSR (Corporate Social Responsibility) considerations are becoming increasingly important in the lives of companies and their employees, both professionally and personally.

While Interparfums has, and continues to have, many strengths in the areas of responsible employment, corporate citizenship and governance practices, it is also clear that we must now take a more active approach to environmental issues.

We already apply Good Manufacturing Practices, our sourcing is mostly European and we have been equipped with a HQE (High Environmental Quality) warehouse since 2011.

But we can also, in relation to our size and resources, integrate an "optimized eco-design" dimension into our product development process.

This means, among other things:

- Increasing use of more environmentally responsible materials;
- Reducing weight and size in glass, cardboard and plastics;
- Replacing certain materials by recycled materials or BIO-sourced materials.

This is the approach currently being applied by the Supply Chain and Operations Department and its teams, both in terms of primary and secondary packaging, juices, and advertising, and also the supply chain.

In addition, we must build a comprehensive approach based on the framework provided by the widely used UN Sustainable Development Goals (SDGs).

Muriel Buiatti, who has been focusing on these issues for many years, will help us structure this approach in order to adopt "genuine CSR" practices as opposed to greenwashing like many companies.

With this objective, we have established a CSR Executive Committee comprised of all stakeholders: the Human Resources Department for employment related issues, the Legal Department for governance and the Production and supply chain Department for environmental issues as well as the Communications Department and the Shareholder Relations Manager.

We are currently working on a detailed strategy in this area that includes the definition of 3 or 4 major issues for the company and related objectives.

This action plan has been submitted to the Chairman-CEO and our Board of Directors for approval and will be presented in the coming weeks.

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# How to become an Interparfums shareholder

## Bearer shares:

Your shares are not registered in an Interparfums' share account. Your financial intermediary maintains your security account and is your only contact for share services. As such, only this intermediary can apply custody charges and has the ability to identify you.

## Advantages

1. Simple and rapid execution of purchase or sell orders placed.
2. Possibility of having all securities of your portfolio managed by a single financial intermediary.

Interparfums is authorized to make use of provisions available by law to identify holders of securities conferring voting rights in shareholders' meetings.

## Standard registered shares (*nominatif pur*):

To register or convert your Interparfums shares as a standard registered shareholder, you must transfer the shares to CIC Market Solutions – Middle Office Corporates – Euroclear member No. 025 – 6 avenue de Provence- 75452 Paris Cedex 99 – Tel.: +33 (zero)1 53 48 80 10/Email: 34318@cic.fr. You are registered directly with the Company as a shareholder and your securities are maintained in a custody-only securities account opened with CIC Market Solutions who will be your only contact for share services.

## Advantages

1. No custody charges.
2. Personalized information: the company sends you the notice for the General Meeting, the admission card in addition to all information for transactions involving the share.
3. Double voting rights in shareholders' meetings after the securities are held three years.
4. A French tax reporting form (Imprimé Fiscal Unique or IFU) is sent to your home address. This document, which will be requested by French tax authorities, specifies the amount of shares sold and the capital gain on sales of your Interparfums shares.

## Administered registered shares (*nominatif administré*):

To record or convert your Interparfums shares into administered registered shares, you must submit a request to your financial intermediary. Your financial intermediary remains your account holder. As such, it provides information about your holdings to CIC Market Solutions enabling the company to know your identity.

## Advantages

1. Personalized information: the company sends you the notice for the General Meeting in addition to all information concerning transactions involving the share.
2. Facilitated access to the General Meeting: no prior formalities to render the shares temporarily nontransferable, and, on request, sending of the admission card.
3. Double voting rights in shareholders' meetings after the securities are held three years.

This shareholders letter and other company publications can be downloaded directly from our website: [www.interparfums.fr/publications](http://www.interparfums.fr/publications)

## Investor Relations

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