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PUIG BRANDS
Beyond the Offering - A growing three-legged family of beauty brands

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Abstract

In the context of a collaborative report, my teammate and I carried out most of the content jointly, striving to complement each other’s contributions. Despite this integrated approach, we also devoted greater individual focus to specific sections of the report. My contribution centers on the **Financial Analysis**, the **Industry Overview**, and the **Recommendation**.

The **Financial Analysis** involves a detailed examination of Puig's historical financial performance, aiming to derive valuable insights that inform the valuation methodology. This analysis encompasses all major accounts from the income statement and key balance sheet ratios, providing a comprehensive understanding of the company's financial health and trends.

The **Industry Overview** addresses the primary trends and macroeconomic factors currently influencing the beauty industry, highlighting sources of growth expected in the near future. Furthermore, this section identifies the major players in the sector and examines their relationship with Puig, offering context on the competitive landscape and Puig’s positioning within it.

Finally, the **Recommendation** synthesizes key findings from the report into a cohesive justification for purchasing Puig’s stock. This section also includes an estimation of potential investor returns based on our projected financial performance.

Through these sections, my work establishes a rigorous foundation for understanding Puig’s value proposition and supports our investment thesis.

Keywords
Competition, Differentiation, Premiumization, Identity

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This report is part of the Beyond the Offering - Following Puig Down the Premium Beauty Brick Road report (annexed), developed by Guillem Franch and Òscar Peiró and should be read has an integral part of it.

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Introduction

The objective of this joint report is to conduct an in-depth analysis of Puig Brands (hereafter referred to as Puig), examining the company, its industry, and its current position to derive a valuation based on the insights gained. This valuation aims to determine whether Puig's stock is expected to increase or decrease in value by December 2025, ultimately leading to a recommendation on whether investors should buy, hold or sell the stock.

Our analysis concludes that Puig's stock presents a compelling investment opportunity. We recommend purchasing the stock, as we anticipate a significant upside potential driven by revaluation and, eventually, dividend returns.

The report is structured into several sections to ensure a comprehensive evaluation. It begins with an introduction to the company, detailing its business model, ownership structure, and governance. This is followed by an analysis of Puig's historical performance, using key financial metrics to assess its past results. Next, the report delves into the beauty industry, exploring current trends, potential sources of future growth, and Puig's competitive positioning within the sector. We also address recent events impacting Puig and their implications for our valuation. Finally, we present the valuation itself, which combines the Discounted Cash Flow (DCF) method with relative valuation techniques to arrive at a precise stock price estimation that faithfully represents Puig's value, according to our estimations.

This individual report focuses specifically on the Financial Analysis, Industry Overview, and Final Recommendation sections. Meanwhile, my teammate's contribution includes the Company Overview, Recent Events, and Valuation sections, providing a complementary perspective to our overall conclusions.

Financial Analysis

“From EUR 0,8 to EUR 4,3 billion in revenues in 19 years”

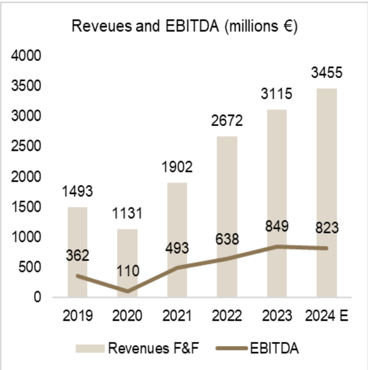

Figure 8 – Source: Company reports

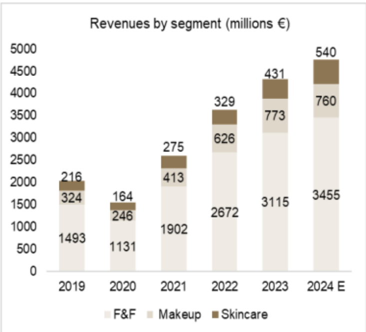

Figure 9 – Source: Company reports

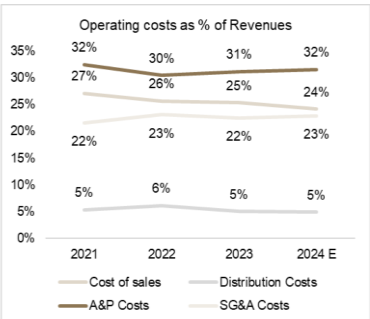

Figure 10 – Source: Company reports

- Revenues

In 2023, net revenues increased a 18.9%, reflecting a strong organic growth in Puig’s core market across all business segments. In fact, Puig’s Like-for-Like net revenue growth represents a 18.7% increase in revenues. The increase is also explained by the steady growth in the global beauty industry, yet negatively affected by the impact of inflation and higher interest rates. At the same time, the contribution to net revenue from recently acquired brands such as Byredo, Kama Ayurveda and Loto del Sur played a pivotal role.

Fragrance and Fashion growth is explained by an increase in net revenues from the Prestige and Niche brands category, particularly in North America and EMEA, driven by the success of brands such as Rabanne, Jean Paul Gaultier, and Carolina Herrera, whose latest product launches reached the top five of the brand’s best-selling fragrances in most markets within the first month of its launch.

The increase in net revenues for the makeup business was primarily due to the success of Charlotte Tilbury, which remains the number one makeup brand in the UK. Also, new product launches across Puig’s existing brands like Rabanne and CH contributed to this increase.

Lastly, the skincare business segment is the one with the least contribution to overall net revenues but it’s the one that experienced more growth in 2023. Charlotte Tilbury's growth, Puig's dermo-cosmetics brands (Uriage and Apivita), Kama Ayurveda's success, and the introduction of new products were the main drivers of the increase.

- Expenses

Since 2020, the company has effectively improved cost management in raw material procurement and implemented efficiency initiatives. These measures have enabled the company to progressively lower its cost of sales as a percentage of revenues, reaching an anticipated level of 24% by 2024. This figure represents a significant improvement, bringing the cost ratio below pre-pandemic levels and highlighting the company's ability to enhance operational efficiency over time.

Distribution expenses as a percentage of revenues has been decreasing the last two years until reaching 5.1%, which reflects the easing of the logistics and global shipping challenges experienced in 2022.

Advertising and promotion expenses as a percentage of revenues started to slightly increase in 2023, primarily due to Puig’s efforts to support and increase the

Peers companies' Distribution and A&P Costs as % of Revenues		
	Distribution Cos	A&P Costs
PUIG	5.1%	31.1%
Natura & Co Holding SA	5.7%	23.3%
Coty Inc		
L'Occitane International SA	36.8%	17.2%
Shiseido Co Ltd		26.7%
Inter Parfums Ltd		22.0%
Estee Lauder Companies Inc		
Givaudan	13.0%	
l'Oreal - Lancome		32.5%
e.l.f Beauty Inc		36.1%
Proya Cosmetics Co Ltd		44.7%
Cosmax Nbt, Inc		
Mean	15.1%	29.2%

Figure 11 – Source: Peer companies' reports

leadership position of its brands, and to further growth in own stores and DTC channel. We observe that A&P expenses are larger than the costs of sales as a percentage of revenues (32% vs 25% in 2023, respectively). This metric highlights the importance of A&P for Puig.

Selling, general and administrative expenses as a percentage of revenues slightly decreased, partly offset by the necessary growth to support the overall increase in revenues, as well as compound growth in salaries and further integration of newly acquired brands. (Figure 10)

When comparing costs to its peers, in terms of distribution expenses, there is a lack of relevant comparative data. However, in terms of A&P expenses, Puig spends more (as a % of sales) on A&P expenses than most of its peers, only surpassed by Proya Cosmetics and having roughly the same level than L'Oreal (Figure 11). This underscores again, the critical role that marketing plays in the beauty industry.

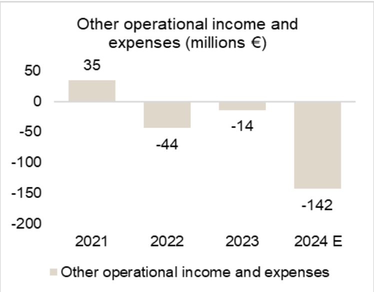

Figure 12 – Source: Company reports

The decrease of other operational income in 2023 results from lower transaction costs due to reduced restructuring costs, the lack of company mergers and the related professional fees and expenses, among others (Figure 12).

Finance income experienced an increase because of the rise in finance income from investments in financial institutions, which benefited from an increase in interest rates. Finance costs increased due to the high-level of bank borrowings to finance the acquisition of Byredo in 2022. Exchange rate losses of EUR 45.7 million in 2023 are explained mainly by the depreciation of the Argentinian peso and other currencies such as US dollar, Chilean peso and British pound (Figure 13).

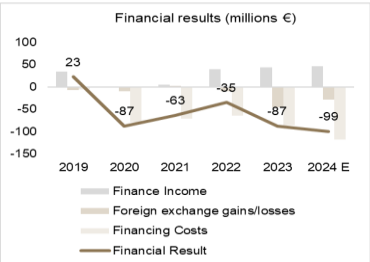

Figure 13 – Source: Company reports

- Profitability

The profitability analysis of Puig indicates that the company consistently outperforms its competitors across key financial margins (Figure 14). This superior position in terms of profitability is a competitive edge, signaling potential resilience during economic downturns or industry disruptions. Strong margins, enhanced by robust free cash flow generation, reflect efficient operations such as optimized supply chains and cost management. Puig's process of premiumization has likely reinforced its leading profitability position by elevating brand equity, enabling higher pricing power, and attracting loyal, value-driven customers. The strategic focus on premium offerings not only supports margin expansion but also aligns with the company's competitive strengths, further solidifying its long-term growth and valuation potential.

Peer companies profitability analysis

in thousands of €	Gross Margin	Operating Margin	Operating Margin
PUIG	74.7%	16.1%	11.6%
Natura & Co Holding SA	64.0%	5.7%	10.2%
Coty Inc	64.1%	11.0%	3.6%
L'Occitane International SA	80.1%	11.2%	5.5%
Shiseido Co Ltd	73.3%	4.1%	2.2%
Inter Parfums Ltd	66.1%	20.7%	14.9%
Estee Lauder Companies Inc	72.4%	12.3%	8.5%
Givaudan	41.2%	16.1%	12.9%
l'Oreal - Lancome	73.9%	19.8%	15.0%
e.l.f Beauty Inc	70.7%	14.6%	12.5%
Proya Cosmetics Co Ltd	69.9%	17.8%	13.4%
Cosmax Nbt, Inc	17.5%	3.2%	1.4%
Mean	64.0%	12.7%	9.3%

Figure 14 – Source: Peer companies' reports

Peer companies liquidity analysis

in thousands of €	Current ratio	Quick ratio	Cash Ratio
PUIG	1.57	1.64	1.40
Natura & Co Holding SA	1.47	0.93	0.74
Coty Inc	0.80	0.32	0.16
L'Occitane International SA	1.20	0.80	0.12
Shiseido Co Ltd	1.06	0.62	0.34
Inter Parfums Ltd	2.70	1.45	0.58
Estee Lauder Companies Inc	1.47	0.99	0.60
Givaudan	1.75	1.14	0.30
l'Oreal - Lancome	1.10	0.63	0.29
e.l.f Beauty Inc	1.60	0.96	0.36
Proya Cosmetics Co Ltd	2.62	2.24	1.89
Cosmax Nbt, Inc	0.51	0.40	0.14
Mean	1.49	1.01	0.58

Figure 15 – Source: Peer companies' reports

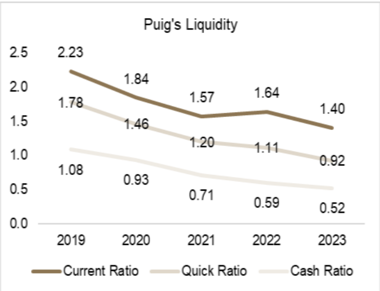

Figure 16 – Source: Company reports

Peer companies CF management analysis

in thousands of €	AHP	ACP	APP	CCC
PUIG	264	41	71	234
Natura & Co Holding SA	599	383	901	81
Coty Inc	469	127	885	-289
L'Occitane International SA	255	40	182	113
Shiseido Co Ltd	197	110	146	161
Inter Parfums Ltd	1130	261	618	773
Estee Lauder Companies Inc	320	43	179	184
Givaudan	77	114	80	111
l'Oreal - Lancome	598	187	846	-61
e.l.f Beauty Inc	233	44	99	178
Proya Cosmetics Co Ltd	109	14	144	-21
Cosmax Nbt, Inc	45	58	53	50
Mean	358	119	350	126

Figure 17 – Source: Peer companies' reports

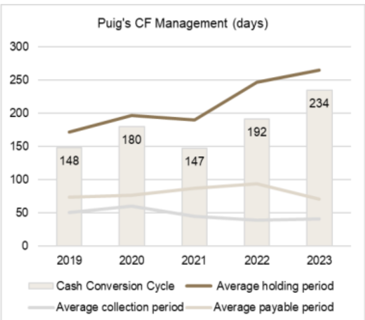

Figure 18 – Source: Company reports

- Liquidity

In 2023, the company's current and quick ratios were observed to be slightly below the average of its competitor which were 1.49 and 1.01 respectively. Despite this, Puig maintained a cash ratio that exceeded the industry mean. During the initial years Puig's liquidity ratios were significantly higher than those of its industry peers, suggesting an overly conservative approach to liquidity management. However, the same ratios have shown a downward trend during the five years studied, showing a movement towards more industry-aligned levels. (Figures 15 and 16)

Although slightly below the industry average, the difference is negligible, indicating that the company operates within acceptable industry parameters. Moreover, the company demonstrates a stable and robust liquidity position, further supported by the availability of undrawn amounts from bank borrowings.

- Cash Flow Management

PUIG's CCC in year 2023 is 234 days, notably above the industry mean (126 days), indicating potential inefficiencies in working capital management. A key factor contributing to this elevated CCC is PUIG's significantly lower APP, which suggests that the company is settling its payables much faster than its peers. This rapid payment cycle could indicate a conservative approach to managing supplier relationships, but it also highlights a missed opportunity for optimizing cash flow by extending payment terms. The overall trend in PUIG's CCC has been negative, with the cycle lengthening over time. (Figures 17 and 18)

It is important to note that while PUIG may exhibit signs of stress in cash flow management, there is significant disparity in the management of cash flows across the industry. The differences in AHP, ACP, and APP among comparable companies imply that cash flow management practices vary widely, reducing the relative importance of PUIG's deviations.

- Invested Capital

Puig is a moderately capital-intensive company. In 2023, invested capital was 55% of revenues. Core invested capital was roughly EUR 5.6 billion, while non-core invested capital was approximately EUR -3.2 billion. The primary driver of the high value of core invested capital is goodwill, which accounts for 74% of core invested capital and 174% of total invested capital. For non-core invested capital, the main driver is related to provisions and other liabilities, totaling EUR 2 billion in 2023.

The substantial value and proportion of goodwill within total invested capital demonstrate that acquisitions have been, and continue to be, a significant source of value for the company, as they have been part of Puig’s central strategy. However, this reliance also suggests a vulnerability to potential impairments if the acquired businesses fail to meet expectations (refer to the valuation section for support on this).

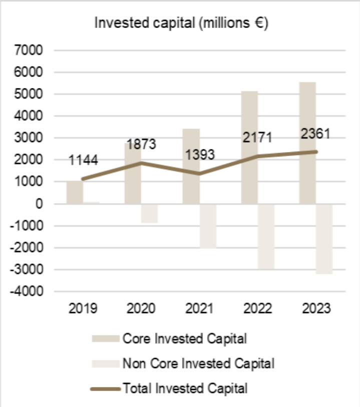

Figure 19 – Source: Company reports

The significant growth in core invested capital observed in 2022 can be attributed to Puig's strategic acquisitions of three brands: Byredo, Loto del Sur, and Kama Ayurveda. These transactions led to a notable increase of approximately EUR 1.4 billion in intangible assets. Furthermore, these acquisitions influenced the company's provisions due to the nature of the agreements established during the transactions. Specifically, Puig frequently signs call and put option contracts, which give him the choice or the duty to buy the founder's minority ownership. (Figure 19)

Return on Invested Capital (ROIC) has stabilized around 30% and has slightly increased in 2024 (expected) with respect to 2023. Most importantly, we note that the company is creating value for shareholders by generating a higher return on core invested capital than the WACC.

Puig's ROIC

ROIC (millions €)	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Operating Result	235	-18	252	461	564	679
Invested Capital	1,144	1,873	1,393	2,171	2,361	
ROIC	-	-2%	13%	33%	26%	29%
Core Operational Margin	11%	-1%	8%	12%	13%	
Core Asset Turnover	-	145%	94%	106%	84%	

Figure 20 – Source: Company reports

Core ROIC has been around 10% in recent years. Puig has maintained a stable operational margin and a high core asset turnover, driven by its sales levels after the acquisitions despite the huge increase in goodwill.

- Capital Structure

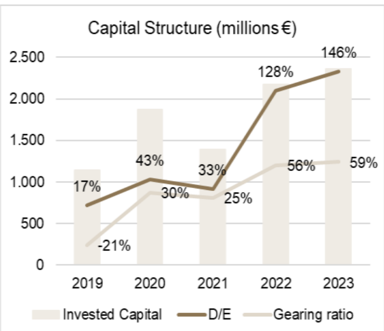

Figure 21 – Source: Company reports

Puig Brands' capital structure reveals a notable reliance on debt financing, particularly following key acquisitions in 2022 and 2023, including Charlotte Tilbury, Byredo, and Barbara Sturm (which will be reflected in 2024’s financial statements). This is reflected in the company's Debt-to-Equity (D/E) ratio, which climbed from 128% in 2022 to 146% in 2023—well above the peer group mean of 81% and the median of 54%.

While Puig's current leverage surpasses major competitors such as Natura & Co (33%) and L'Occitane (54%), it remains aligned with heavily leveraged peers like

Estée Lauder (145%) and Cosmax NBT (196%). The decision to pursue an IPO in 2024 was partly driven by the will to adjust this capital structure by repaying portions of the long-term debt incurred for strategic growth, positioning Puig for improved financial flexibility in the future.

Peer companies capital structure analysis

	D/E
PUIG	146%
Natura & Co Holding SA	33%
Coty Inc	105%
L'Occitane International SA	55%
Shiseido Co Ltd	54%
Inter Parfums Ltd	22%
Estee Lauder Companies Inc	145%
Givaudan	123%
l'Oreal - Lancome	30%
e.l.f Beauty Inc	41%
Proya Cosmetics Co Ltd	22%
Cosmax Nbt, Inc	196%
Mean	81%
Median	54%

Figure 22 – Source: Peer companies' reports

Post-IPO, this move is expected to lower the leverage ratio, enhancing the company's ability to fund future investments with a more balanced equity-to-debt mix (please refer to the IPO and Valuation section for more detail). For the avoidance of doubt, this doesn't mean that their overall net debt decreased. In fact, as a result of the IPO, and according to their target leverage ratio, Puig's net debt amount will increase, since leverage is computed over the market value of equity. Nonetheless, as stated above, their D/E ratio decreased significantly.

Overall, we believe that Puig's historical capital strategy reflects a period of huge inorganic growth that necessitated temporary increases in leverage, with the IPO serving as a pivotal step to readjust the balance sheet and access more equity financing.

Industry Overview

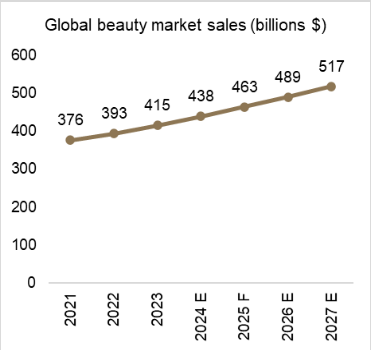

Figure 23 – Source: Company reports

Figure 24 – Source: Company reports

Puig competes in the global beauty industry, which spans segments such as skincare, makeup, fragrances, and hair care. In 2023, this market generated $415 billion in sales and is forecasted to grow to $517 billion by 2027, reflecting an annual growth rate of 6%. (Figure 23) The industry has proven its resilience over the years, consistently delivering growth, even during challenging economic conditions—a contrast to other consumer sectors. Between 2017 and 2022, the beauty market expanded at a compound annual growth rate (CAGR) of 2%, highlighting its long-term potential for continued growth.

China and the United States remain pivotal markets, with projections estimating $96 billion and $115 billion by 2027 in market sales respectively. Skincare, the largest and most lucrative category at 51% of the market, is anticipated to grow at a 6% CAGR. Fragrances and makeup are also expected to experience strong performance, with fragrances forecasted to achieve a 7% CAGR. Each of the categories in which Puig operates is poised for significant expansion in the coming years. (Figure 24)

The growth-map

The ultra-luxury and true luxury beauty markets, which are distinguished by high prices and strong profitability, provide a large growth prospect. Together, they make up a $20 billion market that is expected to develop at a CAGR of 15–20%. An increasing number of wealthy high-net-worth and ultra-high-net-worth individuals are driving this development; this is particularly evident in China, where the population is predicted to increase by 12% a year until 2027.

There are significant development prospects in emerging areas like the Middle East and India. By 2027, the beauty industry in India, which is presently worth $14 billion, is expected to grow to $21 billion. The country's strong economic outlook, fast growing middle class, and largely young population all contribute to its rapid growth. Comparably, the Middle East shows a lot of prospective, with a potential beauty market size of $47 billion by 2027. The UAE and Saudi Arabia, which was named the world's fastest-growing economy in 2023, are driving this expansion.

Absolute growth (billions $) and CAGR (%) in sales 2022-2027 by segent and region

	Asia Pacific excl. China	China	North America	Western Europe	Middle East and Africa	Latin America	Estern Europe	Australasia
Fragance & Fashion	4.6	2.9	4.5	6.1	5.4	3.9	1.1	0.6
	12%	19%	6%	6%	11%	5%	5%	9%
Make-up	7.2	5.3	6.7	3	3.7	1.7	0.8	0.7
	6%	10%	6%	4%	11%	5%	4%	7%
Skincare	26.2	17.1	10.9	5.5	4.7	3.1	1.5	0.9
	7%	7%	6%	4%	12%	5%	5%	6%
Haircare	4.1	4.3	7.2	3.1	6.1	2.8	1.1	0.3
	4%	7%	7%	4%	12%	4%	4%	4%

Figure 25 – Source: McKinsey industry reports

Peer companies' betas

COMPANIES	Unlevered Beta
Natura & Co Holding SA	0.79
Coty Inc	0.79
L'Occitane International SA	0.38
Shiseido Co Ltd	0.54
Inter Parfums Ltd	1.01
Estee Lauder Companies Inc	0.52
l'Oreal SA	0.69

Figure 26 – Source: S&P 500 CIQ

Because of its low cyclicality and consistently strong margins, the beauty industry remains one of the most desirable industries for M&A. (Figure 26) In order to update their product lines, and maintain their competitiveness, major firms undertake strategic acquisitions. The average value deal has significantly increased in 2023, indicating a return to pre-pandemic levels. Nonetheless, the quantity of agreements has stabilized at approximately 175. The fact that there aren't more than 60 transactions until September of 2024, however, may point to a poor year for M&A in the beauty sector. (Figure 27)

Given the sector's appeal and the large number of strategic purchasers with substantial financial resources, we believe that values are unlikely to see a major change in terms of beauty M&A.

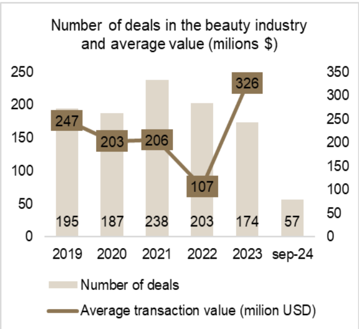

Figure 27 – Source: Kearney and McKinsey industry reports

Trends

The beauty market is being shaped by several trends, with distinct trajectories being shown by each category. The emergence of DTC distribution strategies and niche brands in the fragrance industry have become key growth drivers. Digital innovations like virtual try-on technology are being used more and more in the beauty industry. We have observed a growing customer demand for organic and scientifically supported skincare products.

- Consumer Drivers

Consumers frequently use many brands from different market categories and are more willing to include new items in their daily beauty routines. Although a sizable majority of consumers like trying out new products, many stick with well-known brands, indicating changing prospects for expansion in the cosmetics industry.

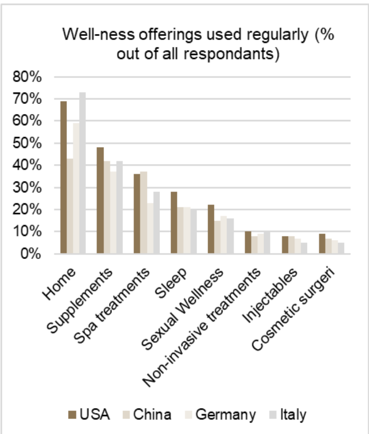

Figure 28 – Source: McKinsey industry reports

Holistic products like probiotic skincare, vitamins, beauty gadgets, and home wellness items are becoming more and more integrated into the notion of beauty. (Figure 28) This highlights the need for Puig to continuously grow its portfolio, which in case of not adapting to the demand of these new product categories, could see how its market share decreases.

Consumers are becoming more willing to spend more on clean and wellness-focused products. According to 45% of all McKinsey poll participants, they would be prepared to spend extra for superior cosmetic products, something that enhances even more the pricing power of beauty brands achieving even greater margins.

"Gen-Z are willing to pay more to buy beauty products from a sustainable brand"

Sustainability is also a top concern, particularly for Gen-Z who prefer eco-friendly products. "*I am willing to pay more to buy beauty products from a sustainable brand*," said 46% of Gen-Z respondents overall, according to the McKinsey survey.

Thus, the company failing to adjust to a more natural, carbon-free feature in its business model might result in a decrease of demand for its products as the consumers become more aware of climate related issues.

Figure 29 – Source: Company reports

The distribution of beauty products has changed due to the growth of e-commerce; by 2022, online shopping accounted for around one-fifth of industry sales, making it the leading sales channel. Nowadays, customers anticipate a combination of in-person and online buying, showing a strong preference for the latter. From 2022 to 2027, e-commerce beauty sales are anticipated to increase at a CAGR of almost 12%, making distribution cost potentially go down. (Figure 29)

Competitive landscape and company positioning

Puig's Potential competitors

Global Producers	Indpendent Brands	Retailers
The Estée Lauder	Glossier	Sephora
L'Oréal	Tatcha	Ulta Beauty
Coty	Skylar	Walmart
Interparfums	Natura Bissé	Aldi
LVMH	Nomad Cosmetics	
Chanel	Nécessaire	
Natura & Co	Maya Chia	
L'Occitane	Versed	
Shiseido Co Ltd		
Givaudan		
e.l.f Beauty Inc		
Proya Cosmetics Co Ltd		

Figure 30 – Source: Analysts research

The beauty industry is fiercely competitive, driven by a wide range of factors that influence consumer choices. Success hinges on more than just the perceived or actual quality of products. Brands also battle for visibility and recognition.

The industry features a broad spectrum of competitors, ranging from global consumer goods conglomerates and luxury leaders to emerging private label brands and innovative disruptors. Key players include prominent firms such as The Estée Lauder Companies Inc. and LVMH, which dominate significant market segments. At the same time, independent brands like Glossier and Tatcha, add to the competitive intensity by targeting niche markets with agility and innovation. Furthermore, the entry of retailers like Sephora and Ulta Beauty into the beauty product space with their private-label offerings introduces additional competitive pressure.

Potential competitors' maket cap and revenues

(milions of €)	Market Cap	Revenues
L'oreal	186,150	43,534
The Estée Lauder	27,030	15,910
Coty	6,396	5,249
LVMH	311,980	86,200
Interparfums	4,177	799
Shiseido	6,830	6,108
Glossier		300
Tatcha		100
Natura & Co	3,060	4,208
PUIG	3,520	4,304

Figure 31 – Source: Competitors' reports and Yahoo Finance

When analyzing market capitalization and revenues, Puig competes with industry giants such as L'Oréal and LVMH, which possess significantly greater resources and influence. While LVMH operates across diverse sectors, including fashion and luxury beverages, its inclusion highlights the scale of corporations Puig is up against. When compared to companies with a market capitalization similar to Puig's, Puig demonstrates a stronger performance in terms of revenue generation. (Figure 31)

Puig shares the industry with private companies with significantly lower profit margins, many of which are at early or intermediate stages of development. These companies are often seen as potential acquisition targets for major players in the industry. While these smaller firms may not directly rival Puig at present, their potential to disrupt the market through niche offerings or innovative business models underscores the dynamic and competitive nature of the beauty industry.

Retailers that have introduced their own beauty lines generally do not compare to established brands like Puig, which hold greater prestige and benefit from the recognition and value associated with being signature brands. Consequently, such retailer-led beauty lines are not typically regarded as direct competitors to Puig. However, these lines could potentially attract some consumers away from Puig by leveraging lower pricing strategies. Despite this possibility, the impact on Puig's market share is likely to be minimal, given the distinct consumer segments targeted.

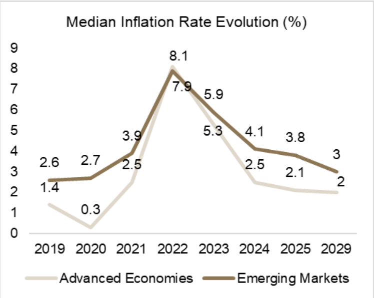

Figure 32 – Source: IMF, World Economic Outlook

Macroeconomic environment

Despite ongoing pricing pressure in certain countries, the world's economy has made great progress in lowering inflation. Inflation in advanced economies is predicted to drop to 2.1% by 2025 after reaching a peak of 8.1% in 2022. (Figure 32)

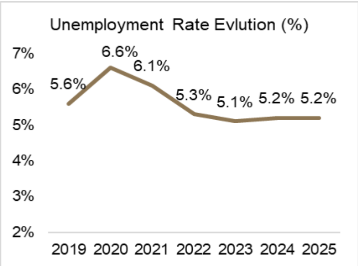

Figure 33 – Source: ILO, World Employment and Social Outlook

The global economy has shown resilience, avoiding a recession throughout the disinflationary period despite a time of vigorous monetary tightening on a global scale. In order to promote economic activity during a period when labor markets are exhibiting indications of stress and unemployment rates are rising, central banks in major industrialized nations have started to reduce interest rates. (Figures 33 and 34) Stabilizing prices should lessen some of the strain on consumers as global inflation declines, which could encourage discretionary spending in areas like cosmetics and beauty.

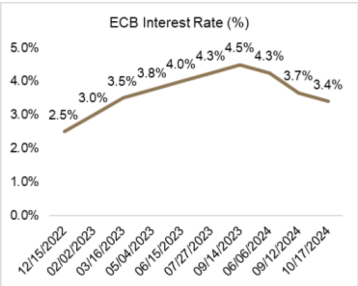

Figure 34 – Source: Global-rates.com

Notwithstanding the recent drop in inflation, there are still significant negative risks to the global economic outlook, such as the possibility of regional conflicts, extended restrictive monetary policies, a more severe economic slowdown in China, and tightening protectionist policies. Global trade volumes, which are predicted to rise by 3.1% in 2024, have not yet been hampered by geopolitical conflicts. (Figure 35)

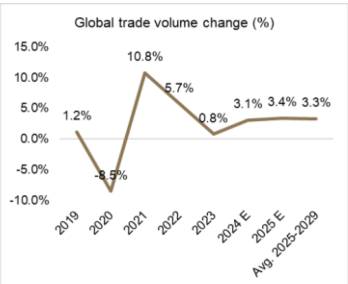

Figure 35 – Source: IMF, World Economic Outlook

In 2025, global growth is expected to level out at about 3.2%. However, growing regional conflicts may cause growth predictions for low-income developing countries to decrease. The medium-term GDP growth projection indicates a slight slowdown to 3.1% by 2029. (Figure 36)

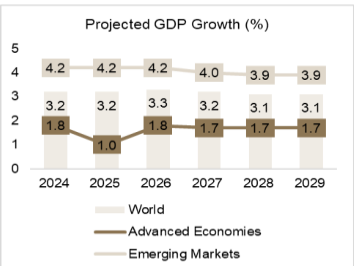

Figure 36 – Source: IMF, World Economic Outlook

Recommendation

We believe that Puig holds a strong position in the premium beauty industry. Their shift towards premiumization, investment in the long-term growth of owned brands, and strategic acquisitions, have been a huge source of value creation that has taken them from being a family business to the road of international success, leadership in profitability with respect to the competition, and consolidation as a company.

After conducting our valuation procedures for Puig, we concluded that the estimated target price is EUR 23.72 as of December 2025. Therefore, we expect the share price to appreciate in the future as markets correctly assess, to our understanding, the true value of Puig's stock. As a result of our confidence in the stock, we issue a BUY recommendation, which will represent a return for the investor of 28.2%, as the stock current price is EUR 18.51. This expected return includes a 27.13% in capital gains and a 1.03% in dividend yields.

Appendix

Financial Statements

Balance Sheet and Income Statement

(in € thousands of €)	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
BASE CASE													
Core Invested Capital													
Property, plant, and equipment	96,097	92,494	210,971	271,094	326,341	366,988	400,696	434,169	467,101	501,693	537,869	575,528	614,537
% of Revenues	5%	6%	8%	7%	8%	8%	8%	8%	8%	8%	8%	8%	8%
Right-of-use assets	249,798	279,159	188,653	239,873	287,922	484,140	528,608	572,766	616,212	661,846	709,571	759,251	810,712
% of Revenues	12%	18%	7%	7%	7%	10%	10%	10%	10%	10%	10%	10%	10%
Intangible assets	504,604	2,259,479	2,660,758	4,062,277	4,114,267	4,428,759	4,725,196	5,000,372	5,251,036	5,501,759	5,750,372	5,994,502	6,231,582
% of Revenues	24.9%	147.0%	102.9%	112.2%	95.6%	93%	91%	89%	87%	85%	83%	81%	79%
Inventories	268,417	273,302	363,134	626,333	788,866	732,102	795,952	858,769	919,954	983,835	1,050,224	1,118,883	1,189,518
Average holding period	172	196	189	247	264	233	233	233	233	233	233	233	233
Operating Cash	50,735	38,432	64,625	90,490	107,602	118,470	129,351	140,156	150,788	161,954	173,633	185,789	198,382
% of revenues	3%	3%	3%	2%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Trade accounts receivable	280,666	254,096	317,254	387,936	484,705	610,200	666,245	721,902	776,659	834,176	894,327	956,943	1,021,803
Average collection period	50	60	45	39	41	47	47	47	47	47	47	47	47
Other current assets	136,976	124,854	47,151	90,278	97,788	118,470	129,351	140,156	150,788	161,954	173,633	185,789	198,382
% of Revenues	6.7%	8.1%	1.8%	2.5%	2.3%	3%	3%	3%	3%	3%	3%	3%	3%
Trade accounts payable	-115,754	-106,871	-166,542	-238,887	-212,072	-235,176	-255,687	-275,866	-295,520	-316,041	-337,368	-359,423	-382,114
Avergae payable period	74	77	87	94	71	75	75	75	75	75	75	75	75
Income tax	-18,535	-6,418	-18,198	-29,096	-55,319	-44,120	-48,172	-52,196	-56,155	-60,314	-64,663	-69,190	-73,880
% of Income payable	-0.9%	-0.4%	-0.7%	-0.8%	-1.3%	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%
Other current liabilities	-396,369	-456,130	-254,276	-358,253	-377,228	-402,797	-439,793	-476,532	-512,678	-550,645	-590,351	-631,684	-674,499
% of Revenues	-20%	-30%	-10%	-10%	-9%	-9%	-9%	-9%	-9%	-9%	-9%	-9%	-9%
Invested Capital on Core Business	**1,056,635**	**2,752,397**	**3,413,530**	**5,142,045**	**5,562,872**	**6,177,036**	**6,631,747**	**7,063,697**	**7,468,184**	**7,880,217**	**8,297,247**	**8,716,388**	**9,134,423**
Non Core Invested Capital													
Financial investments	64,655	69,788	9,595	14,154	16,359	18,011	19,666	21,308	22,925	24,622	26,398	28,246	30,161
% of Revenues	3%	5%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
Investments in associates and joint ventures	342,930	390,359	346,456	344,824	375,212	413,109	451,052	488,732	525,803	564,742	605,465	647,856	691,767
% of Revenues	17%	25%	13%	10%	9%	9%	9%	9%	9%	9%	9%	9%	9%
Other non-current assets	1,344	529	62,637	102,615	131,444	144,720	158,012	171,212	184,199	197,840	212,106	226,957	242,339
% of Revenues	0%	0%	2%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Deferred tax assets	74,569	80,857	85,066	123,897	146,562	161,365	176,186	190,904	205,385	220,595	236,501	253,060	270,212
% of Revenues	3.7%	5%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Other current assets	-	-	106,513	141,781	85,826	158,457	173,011	187,464	201,684	216,619	232,240	248,500	265,343
% of Revenues	0.0%	0%	4%	4%	2%	3%	3%	3%	3%	3%	3%	3%	3%
Deferred tax liabilities	-73,872	-283,799	-398,852	-552,629	-553,741	-688,113	-751,315	-814,078	-875,827	-940,687	-1,008,518	-1,079,129	-1,152,272
% of Revenues	-4%	-18%	-15%	-15%	-13%	-15%	-15%	-15%	-15%	-15%	-15%	-15%	-15%
Provisions and other liabilities	-322,546	-1,137,230	-1,844,186	-2,753,941	-2,759,606	-640,718	-699,567	-758,007	-815,503	-875,896	-939,055	-1,004,803	-1,072,907
% of Revenues						-14%	-14%	-14%	-14%	-14%	-14%	-14%	-14%
Other current liabilities	0	0	-387,717	-391,397	-646,896	-645,135	-704,389	-763,232	-821,125	-881,934	-945,529	-1,011,730	-1,080,304
% of Revenues	0%	0%	-15%	-11%	-15%	-14%	-14%	-14%	-14%	-14%	-14%	-14%	-14%
Financial assets at fair value					3,095								
Invested Capital on Non Core Business	**87,080**	**-879,496**	**-2,020,488**	**-2,970,696**	**-3,201,745**	**-1,078,303**	**-1,177,343**	**-1,275,695**	**-1,372,459**	**-1,474,098**	**-1,580,393**	**-1,691,043**	**-1,805,661**
Financial Assets													
Net Debt	-240,117	559,916	344,559	1,219,752	1,401,918	3,748,764	4,077,232	4,384,235	4,697,175	5,015,286	5,345,465	5,686,985	6,038,979
Net Financial Assets	**-240,117**	**559,916**	**344,559**	**1,219,752**	**1,401,918**	**3,748,764**	**4,077,232**	**4,384,235**	**4,697,175**	**5,015,286**	**5,345,465**	**5,686,985**	**6,038,979**
Total Equity	1,383,832	1,312,985	1,048,483	951,597	959,209	1,349,969	1,377,172	1,403,766	1,398,550	1,390,833	1,371,388	1,338,359	1,289,784
Equity attributable to the parent company	1,368,512	1,307,159	1,040,415	944,849	949,906	1,309,470	1,335,857	1,361,653	1,356,593	1,349,108	1,330,247	1,298,209	1,251,090
Equity attributable to non controlling interests	15,320	5,826	8,068	6,748	9,303	40,499	41,315	42,113	41,956	41,725	41,142	40,151	38,694
Equity + Financial Assets	1,143,715	1,872,901	1,393,042	2,171,349	2,361,127	5,098,733.39	5,454,403.81	5,788,001.24	6,095,724.58	6,406,118.96	6,716,853.61	7,025,344.38	7,328,762.80
Invested Capital	1,143,715	1,872,901	1,393,042	2,171,349	2,361,127	5,098,733.39	5,454,403.81	5,788,001.24	6,095,724.58	6,406,118.96	6,716,853.61	7,025,344.38	7,328,762.80

(in € thousands of €)	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
BASE CASE														
Core Invested Capital														
Property, plant, and equipment	654,731	695,913	737,852	780,283	822,910	865,409	907,432	948,610	988,564	1,026,906	1,063,254	1,097,233	1,128,492	1,156,704
% of Revenues	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%
Right-of-use assets	863,737	918,066	973,393	1,029,369	1,085,603	1,141,669	1,197,107	1,251,430	1,304,138	1,354,720	1,402,671	1,447,498	1,488,735	1,525,953
% of Revenues	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Intangible assets	6,458,875	6,673,505	6,872,502	7,052,849	7,438,149	7,822,293	8,202,129	8,574,334	8,935,467	9,282,038	9,610,577	9,917,715	10,200,256	10,455,263
% of Revenues	76%	74%	72%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%
Inventories	1,261,777	1,335,251	1,409,473	1,483,921	1,558,022	1,631,161	1,702,685	1,771,921	1,838,183	1,900,785	1,959,063	2,012,384	2,060,161	2,101,873
Average holding period	233	233	233	233	233	233	233	233	233	233	233	233	233	233
Operating Cash	211,357	224,652	238,190	251,887	265,648	279,368	292,933	306,226	319,124	331,501	343,235	354,204	364,295	373,402
% of revenues	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Trade accounts receivable	1,088,635	1,157,110	1,226,842	1,297,393	1,368,270	1,438,935	1,508,807	1,577,275	1,643,706	1,707,459	1,767,895	1,824,394	1,876,368	1,923,277
Average collection period	47	47	47	47	47	47	47	47	47	47	47	47	47	47
Other current assets	211,357	224,652	238,190	251,887	265,648	279,368	292,933	306,226	319,124	331,501	343,235	354,204	364,295	373,402
% of Revenues	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Trade accounts payable	-405,326	-428,928	-452,771	-476,686	-500,490	-523,984	-546,960	-569,201	-590,487	-610,597	-629,318	-646,446	-661,794	-675,193
Avergae payable period	75	75	75	75	75	75	75	75	75	75	75	75	75	75
Income tax	-78,712	-83,663	-88,705	-93,806	-98,931	-104,040	-109,092	-114,043	-118,846	-123,455	-127,825	-131,910	-135,668	-139,060
% of Income payable	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%
Other current liabilities	-718,615	-763,816	-809,846	-856,417	-903,204	-949,850	-995,973	-1,041,169	-1,085,021	-1,127,105	-1,166,999	-1,204,294	-1,238,603	-1,269,568
% of Revenues	-9%	-9%	-9%	-9%	-9%	-9%	-9%	-9%	-9%	-9%	-9%	-9%	-9%	-9%
Invested Capital on Core Business	**9,547,817**	**9,952,742**	**10,345,120**	**10,720,680**	**11,301,627**	**11,880,328**	**12,452,001**	**13,011,610**	**13,553,952**	**14,073,755**	**14,565,788**	**15,024,981**	**15,446,537**	**15,826,055**
Non Core Invested Capital														
Financial investments	32,133	34,154	36,213	38,295	40,387	42,473	44,535	46,556	48,517	50,399	52,183	53,851	55,385	56,769
% of Revenues	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
Investments in associates and joint ventures	737,013	783,371	830,580	878,343	926,327	974,168	1,021,472	1,067,825	1,112,800	1,155,961	1,196,876	1,235,126	1,270,313	1,302,071
% of Revenues	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%
Other non-current assets	258,190	274,430	290,968	307,701	324,510	341,270	357,841	374,080	389,835	404,955	419,289	432,688	445,015	456,141
% of Revenues	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Deferred tax assets	287,885	305,993	324,434	343,091	361,834	380,521	398,998	417,104	434,672	451,531	467,513	482,454	496,198	508,603
% of Revenues	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Other current assets	282,698	300,479	318,587	336,908	355,314	373,664	391,808	409,588	426,839	443,394	459,088	473,760	487,257	499,438
% of Revenues	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Deferred tax liabilities	-1,227,637	-1,304,855	-1,383,491	-1,463,050	-1,542,977	-1,622,664	-1,701,458	-1,778,668	-1,853,582	-1,925,475	-1,993,627	-2,057,340	-2,115,951	-2,168,850
% of Revenues	-15%	-15%	-15%	-15%	-15%	-15%	-15%	-15%	-15%	-15%	-15%	-15%	-15%	-15%
Provisions and other liabilities	-1,143,082	-1,214,981	-1,288,201	-1,362,280	-1,436,702	-1,510,901	-1,584,267	-1,656,160	-1,725,914	-1,792,855	-1,856,314	-1,915,638	-1,970,212	-2,019,467
% of Revenues	-14%	-14%	-14%	-14%	-14%	-14%	-14%	-14%	-14%	-14%	-14%	-14%	-14%	-14%
Other current liabilities	-1,150,962	-1,223,357	-1,297,081	-1,371,671	-1,446,606	-1,521,316	-1,595,189	-1,667,577	-1,737,812	-1,805,214	-1,869,110	-1,928,844	-1,983,794	-2,033,389
% of Revenues	-14%	-14%	-14%	-14%	-14%	-14%	-14%	-14%	-14%	-14%	-14%	-14%	-14%	-14%
Financial assets at fair value														
Invested Capital on Non Core Business	**-1,923,762**	**-2,044,765**	**-2,167,992**	**-2,292,664**	**-2,417,913**	**-2,542,786**	**-2,666,259**	**-2,787,252**	**-2,904,645**	**-3,017,304**	**-3,124,102**	**-3,223,943**	**-3,315,789**	**-3,398,684**
Financial Assets														
Net Debt	6,400,449	6,770,273	7,147,221	7,529,978	7,917,167	8,358,235	8,811,928	9,277,920	9,755,983	10,246,037	10,748,193	11,262,806	11,790,526	12,332,353
Net Financial Assets	**6,400,449**	**6,770,273**	**7,147,221**	**7,529,978**	**7,917,167**	**8,358,235**	**8,811,928**	**9,277,920**	**9,755,983**	**10,246,037**	**10,748,193**	**11,262,806**	**11,790,526**	**12,332,353**
Total Equity	1,223,607	1,137,704	1,029,907	898,038	966,547	979,306	973,813	946,439	893,324	810,413	693,493	538,232	340,222	95,018
Equity attributable to the parent company	1,186,899	1,103,573	999,010	871,097	937,551	949,927	944,599	918,046	866,524	786,101	672,688	522,085	330,016	92,167
Equity attributable to non controlling interests	36,708	34,131	30,897	26,941	28,996	29,379	29,214	28,393	26,800	24,312	20,805	16,147	10,207	2,851
Equity + Financial Assets	7,624,055.78	7,907,976.73	8,177,128.27	8,428,016.19	8,883,713.77	9,337,541.34	9,785,741.58	10,224,358.74	10,649,307.25	11,056,450.25	11,441,685.73	11,801,037.61	12,130,748.59	12,427,371.04
Invested Capital	7,624,055.78	7,907,976.73	8,177,128.27	8,428,016.19	8,883,713.77	9,337,541.34	9,785,741.58	10,224,358.74	10,649,307.25	11,056,450.25	11,441,685.73	11,801,037.61	12,130,748.59	12,427,371.04

(in thousands of €)	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
BASE CASE					Historical	Expected	Forecasted					
Core Business												
Fragances and Fashion	1,493,153	1,131,073	1,901,952	2,671,525	3,115,001	3,454,502	3,776,125	4,073,178	4,338,052	4,610,640	4,890,226	5,175,994
Make-up	324,465	245,785	413,298	626,027	773,086	760,428	763,427	785,749	831,621	879,748	929,910	981,882
Skincare	215,845	163,504	274,939	329,132	430,854	540,287	652,425	766,773	882,747	1,010,250	1,149,252	1,299,472
Intersegment eliminations	-4,064	-3,079	-5,177	-7,080	-14,874	-16,433	-17,942	-19,441	-20,916	-22,465	-24,085	-25,771
Total Revenues	2,029,398	1,537,283	2,585,012	3,619,604	4,304,067	4,738,785	5,174,034	5,606,259	6,031,504	6,478,173	6,945,304	7,431,576
Growth in Revenues		*-24%*	*68%*	*40%*	*19%*	*10%*	*9%*	*8%*	*8%*	*7%*	*7%*	*7%*
Cost of Sales	570,136	507,936	699,906	926,969	1,088,904	1,144,523	1,244,343	1,342,546	1,438,199	1,538,067	1,641,857	1,749,194
% of sales	*28%*	*33%*	*27%*	*26%*	*25%*	*24%*	*24%*	*24%*	*24%*	*24%*	*24%*	*24%*
Other operating expenses	1,178,103	1,014,212	1,533,528	2,156,139	2,522,193	2,812,116	3,054,369	3,291,423	3,522,493	3,763,388	4,013,353	4,271,441
% of sales	*58%*	*66%*	*59%*	*60%*	*59%*							
Distribution expenses			138,235	221,663	217,685	233,709	254,111	274,186	293,743	314,164	335,390	357,344
			5%	*6%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*
Advertising and promotion expenses			838,962	1,099,676	1,338,144	1,494,902	1,625,933	1,754,962	1,880,766	2,012,194	2,148,869	2,290,311
			32.45%	*30.38%*	*31.09%*	*32%*	*31%*	*31%*	*31%*	*31%*	*31%*	*31%*
Selling, general & administrative expenses	1,178,103	1,014,212	556,331	834,800	966,364	1,083,505	1,174,325	1,262,275	1,347,984	1,437,030	1,529,094	1,623,786
	58%	*66%*	*22%*	*23%*	*22%*	*23%*	*23%*	*23%*	*22%*	*22%*	*22%*	*22%*
Total Costs	1,748,239	1,522,148	2,233,434	3,083,108	3,611,097	3,956,639	4,298,712	4,633,969	4,960,692	5,301,455	5,655,210	6,020,635
Growth in costs		-13%	47%	38%	17%	10%	9%	8%	7%	7%	7%	6%
Core Result before Taxes	**281,159**	**15,135**	**351,578**	**536,496**	**692,970**	**782,145**	**875,322**	**972,290**	**1,070,812**	**1,176,718**	**1,290,094**	**1,410,941**
Statutory Taxes	-70,290	-3,784	-87,895	-134,124	-173,243	-195,536	-218,831	-243,073	-267,703	-294,180	-322,523	-352,735
%Tax rate	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*
Core Tax Adjustments	3,007	-22,950	-64,954	27,461	18,785	23,123	23,123	23,123	23,123	23,123	23,123	23,123
Core Result	**213,876**	**-11,599**	**198,730**	**429,833**	**538,512**	**609,732**	**679,615**	**752,341**	**826,232**	**905,661**	**990,693**	**1,081,328**
Non Core Business												
Other operational income and expenses	0	0	34,951	-43,528	-13,764	-142,154	-28,646	-28,646	-28,646	-28,646	-28,646	-28,646
Financial Results												
Finance Income	34,784	1,571	5,214	39,243	43,596	45,776	48,065	50,468	52,991	55,641	58,423	61,344
Foreign exchange gains/losses	-7,078	-10,229	2,094	-9,888	-45,727	-27,808	-27,808	-27,808	-27,808	-27,808	-27,808	-27,808
Results from associates and joint ventures and impairment of financial assets	0	0	28,494	55,621	51,347	46,834	45,574	45,574	45,574	45,574	45,574	45,574
Non-Core Result before Taxes	**27,706**	**-8,658**	**70,753**	**41,448**	**35,452**	**-77,352**	**37,185**	**39,588**	**42,112**	**44,761**	**47,543**	**50,464**
Statutory Taxes	-6927	2165	-17688	-10362	-8863	19,338	-9,296	-9,897	-10,528	-11,190	-11,886	-12,616
%Tax rate	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*
Non-Core Tax Adjustments	0	0	-59	-231	-1259	-745	-745	-745	-745	-745	-745	-745
Non-Core Result	**20,780**	**-6,494**	**53,006**	**30,855**	**25,330**	**-58,759**	**27,144**	**28,946**	**30,839**	**32,826**	**34,912**	**37,103**
Financing												
Financing Costs	-5,042	-78,474	-70,426	-64,219	-85,272	-228,020	-247,999	-266,672	-285,707	-305,056	-325,139	-345,912
% Cost of Financing (financing costs over net debt)	*-2.1%*	*14.0%*	*20.4%*	*5.3%*	*6.1%*	*6.1%*	*6.1%*	*6.1%*	*6.1%*	*6.1%*	*6.1%*	*6.1%*
Financial Result before Taxes	**-5,042**	**-78,474**	**-70,426**	**-64,219**	**-85,272**	**-228,020**	**-247,999**	**-266,672**	**-285,707**	**-305,056**	**-325,139**	**-345,912**
Statutory Taxes	1,261	19,619	17,607	16,055	21,318	57,005	62,000	66,668	71,427	76,264	81,285	86,478
%Tax rate	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*
Financial Result	**-3,782**	**-58,856**	**-52,820**	**-48,164**	**-63,954**	**-171,015**	**-185,999**	**-200,004**	**-214,280**	**-228,792**	**-243,854**	**-259,434**
Comprehensive Income	**230,874**	**-76,948**	**198,916**	**412,524**	**499,888**	**379,958**	**520,759**	**581,283**	**642,790**	**709,695**	**781,751**	**858,997**

(in thousands of €)	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
BASE CASE															
Core Business															
Fragances and Fashion	5,467,036	5,762,350	6,060,848	6,361,354	6,662,616	6,963,310	7,262,051	7,557,400	7,847,876	8,131,966	8,408,143	8,674,871	8,930,627	9,173,909	9,403,257
Make-up	1,035,420	1,090,271	1,146,163	1,202,813	1,259,920	1,317,172	1,374,245	1,430,807	1,486,516	1,541,030	1,594,005	1,645,101	1,693,984	1,740,333	1,783,841
Skincare	1,460,343	1,630,991	1,810,216	1,996,478	2,187,903	2,382,294	2,577,159	2,769,754	2,957,134	3,136,223	3,303,889	3,457,035	3,592,685	3,708,085	3,800,787
Intersegment eliminations	-27,518	-29,318	-31,162	-33,040	-34,940	-36,848	-38,751	-40,633	-42,477	-44,266	-45,983	-47,611	-49,132	-50,532	-51,795
Total Revenues	7,935,281	8,454,295	8,986,066	9,527,605	10,075,499	10,625,927	11,174,704	11,717,328	12,249,049	12,764,953	13,260,054	13,729,396	14,168,164	14,571,795	14,936,090
Growth in Revenues	*7%*	*7%*	*6%*	*6%*	*6%*	*5%*	*5%*	*5%*	*5%*	*4%*	*4%*	*4%*	*3%*	*3%*	*2%*
Cost of Sales	1,859,620	1,972,585	2,087,450	2,203,485	2,319,872	2,435,717	2,550,057	2,661,874	2,770,114	2,873,703	2,971,572	3,062,680	3,146,037	3,220,729	3,285,940
% of sales	*23%*	*23%*	*23%*	*23%*	*23%*	*23%*	*23%*	*23%*	*23%*	*23%*	*22%*	*22%*	*22%*	*22%*	*22%*
Other operating expenses	4,536,498	4,807,154	5,081,825	5,358,712	5,635,816	5,918,805	6,198,299	6,471,822	6,736,807	6,990,637	7,230,706	7,454,469	7,659,504	7,843,569	8,004,661
% of sales															
Distribution expenses	379,932	403,044	426,547	450,293	474,116	497,832	521,245	544,146	566,320	587,547	607,609	626,293	643,394	658,727	672,124
	5%	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*
Advertising and promotion expenses	2,435,925	2,584,999	2,736,699	2,890,073	3,044,053	3,197,468	3,349,053	3,497,470	3,641,331	3,779,220	3,909,723	4,031,463	4,143,123	4,243,488	4,331,466
	31%	*31%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*29%*	*29%*	*29%*	*29%*	*29%*
Selling, general & administrative expenses	1,720,640	1,819,111	1,918,579	2,018,346	2,117,647	2,223,505	2,328,001	2,430,206	2,529,156	2,623,870	2,713,374	2,796,714	2,872,986	2,941,354	3,001,071
	22%	*22%*	*21%*	*21%*	*21%*	*21%*	*21%*	*21%*	*21%*	*21%*	*20%*	*20%*	*20%*	*20%*	*20%*
Total Costs	6,396,118	6,779,739	7,169,275	7,562,197	7,955,688	8,354,522	8,748,356	9,133,697	9,506,921	9,864,340	10,202,278	10,517,149	10,805,541	11,064,298	11,290,601
Growth in costs	6%	6%	6%	5%	5%	5%	5%	4%	4%	4%	3%	3%	3%	2%	2%
Core Result before Taxes	**1,539,163**	**1,674,556**	**1,816,790**	**1,965,408**	**2,119,811**	**2,271,405**	**2,426,348**	**2,583,631**	**2,742,129**	**2,900,613**	**3,057,776**	**3,212,247**	**3,362,623**	**3,507,497**	**3,645,489**
Statutory Taxes	-384,791	-418,639	-454,198	-491,352	-529,953	-567,851	-606,587	-645,908	-685,532	-725,153	-764,444	-803,062	-840,656	-876,874	-911,372
%Tax rate	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*
Core Tax Adjustments	23,123	23,123	23,123	23,123	23,123	23,123	23,123	23,123	23,123	23,123	23,123	23,123	23,123	23,123	23,123
Core Result	**1,177,495**	**1,279,040**	**1,385,716**	**1,497,179**	**1,612,981**	**1,726,677**	**1,842,884**	**1,960,846**	**2,079,719**	**2,198,583**	**2,316,455**	**2,432,308**	**2,545,090**	**2,653,745**	**2,757,239**
Non Core Business															
Other operational income and expenses	-28,646	-28,646	-28,646	-28,646	-28,646	-28,646	-28,646	-28,646	-28,646	-28,646	-28,646	-28,646	-28,646	-28,646	-28,646
Financial Results															
Finance Income	64,411	67,632	71,013	74,564	78,292	82,207	86,317	90,633	95,165	99,923	104,919	110,165	115,673	121,457	127,530
Foreign exchange gains/losses	-27,808	-27,808	-27,808	-27,808	-27,808	-27,808	-27,808	-27,808	-27,808	-27,808	-27,808	-27,808	-27,808	-27,808	-27,808
Results from associates and joint ventures and impairment of financial assets	45,574	45,574	45,574	45,574	45,574	45,574	45,574	45,574	45,574	45,574	45,574	45,574	45,574	45,574	45,574
Non-Core Result before Taxes	**53,532**	**56,752**	**60,134**	**63,684**	**67,413**	**71,327**	**75,438**	**79,753**	**84,285**	**89,043**	**94,039**	**99,285**	**104,794**	**110,577**	**116,650**
Statutory Taxes	-13,383	-14,188	-15,033	-15,921	-16,853	-17,832	-18,859	-19,938	-21,071	-22,261	-23,510	-24,821	-26,198	-27,644	-29,163
%Tax rate	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*
Non-Core Tax Adjustments	-745	-745	-745	-745	-745	-745	-745	-745	-745	-745	-745	-745	-745	-745	-745
Non-Core Result	**39,404**	**41,819**	**44,355**	**47,018**	**49,814**	**52,750**	**55,833**	**59,070**	**62,469**	**66,037**	**69,785**	**73,719**	**77,850**	**82,188**	**86,743**
Financing															
Financing Costs	-367,322	-389,309	-411,804	-434,732	-458,013	-481,564	-508,392	-535,988	-564,332	-593,410	-623,218	-653,762	-685,063	-717,162	-750,119
% Cost of Financing (financing costs over net debt)	*6.1%*	*6.1%*	*6.1%*	*6.1%*	*6.1%*	*6.1%*	*6.1%*	*6.1%*	*6.1%*	*6.1%*	*6.1%*	*6.1%*	*6.1%*	*6.1%*	*6.1%*
Financial Result before Taxes	**-367,322**	**-389,309**	**-411,804**	**-434,732**	**-458,013**	**-481,564**	**-508,392**	**-535,988**	**-564,332**	**-593,410**	**-623,218**	**-653,762**	**-685,063**	**-717,162**	**-750,119**
Statutory Taxes	91,831	97,327	102,951	108,683	114,503	120,391	127,098	133,997	141,083	148,353	155,804	163,440	171,266	179,290	187,530
%Tax rate	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*	*-25%*
Financial Result	**-275,492**	**-291,982**	**-308,853**	**-326,049**	**-343,510**	**-361,173**	**-381,294**	**-401,991**	**-423,249**	**-445,058**	**-467,413**	**-490,321**	**-513,797**	**-537,871**	**-562,589**
Comprehensive Income	**941,407**	**1,028,877**	**1,121,218**	**1,218,149**	**1,319,286**	**1,418,254**	**1,517,423**	**1,617,925**	**1,718,939**	**1,819,563**	**1,918,826**	**2,015,706**	**2,109,143**	**2,198,062**	**2,281,393**

NOVA SCHOOL OF BUSINESS & ECONOMICS

Discounted Cash Flows

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Net Revenues	4,738,785	5,174,034	5,606,259	6,031,504	6,478,173	6,945,304	7,431,576	7,935,281	8,454,295	8,986,066	9,527,605
Growth	*10%*	*9%*	*8%*	*8%*	*7%*	*7%*	*7%*	*7%*	*7%*	*6%*	*6%*
Cost of Sales	1,144,523	1,244,343	1,342,546	1,438,199	1,538,067	1,641,857	1,749,194	1,859,620	1,972,585	2,087,450	2,203,485
as % of sales	*24%*	*24%*	*24%*	*24%*	*24%*	*24%*	*24%*	*23%*	*23%*	*23%*	*23%*
Gross Profit	3,594,261	3,929,691	4,263,713	4,593,305	4,940,106	5,303,447	5,682,382	6,075,661	6,481,710	6,898,616	7,324,121
% gross profit margin	*76%*	*76%*	*76%*	*76%*	*76%*	*76%*	*76%*	*77%*	*77%*	*77%*	*77%*
Distribution expenses	233,709	254,111	274,186	293,743	314,164	335,390	357,344	379,932	403,044	426,547	450,293
Advertising and promotion expenses	1,494,902	1,625,933	1,754,962	1,880,766	2,012,194	2,148,869	2,290,311	2,435,925	2,584,999	2,736,699	2,890,073
Selling, general and administrative expenses	1,083,505	1,174,325	1,262,275	1,347,984	1,437,030	1,529,094	1,623,786	1,720,640	1,819,111	1,918,579	2,018,346
as % of sales	*59%*	*59%*	*59%*	*58%*	*58%*	*58%*	*57%*	*57%*	*57%*	*57%*	*56%*
Other operational income and expenses	142,154	28,646	28,646	28,646	28,646	28,646	28,646	28,646	28,646	28,646	28,646
Depreciation & Amortisation	182,980	195,963	208,190	219,524	230,993	242,517	254,004	265,356	276,463	287,212	297,479
EBITDA	822,971	1,042,639	1,151,834	1,261,689	1,379,065	1,503,964	1,636,299	1,775,873	1,922,373	2,075,356	2,234,241
% EBITDA margin	*17%*	*20%*	*21%*	*21%*	*21%*	*22%*	*22%*	*22%*	*23%*	*23%*	*23%*
Other operational income and expenses	142,154	28,646	28,646	28,646	28,646	28,646	28,646	28,646	28,646	28,646	28,646
Adjusted EBITDA	965,125	1,071,285	1,180,480	1,290,335	1,407,711	1,532,610	1,664,945	1,804,519	1,951,019	2,104,002	2,262,887
% Adjusted EBITDA margin	*20.4%*	*20.7%*	*21.1%*	*21.4%*	*21.7%*	*22.1%*	*22.4%*	*22.7%*	*23.1%*	*23.4%*	*23.8%*
Depreciation & Amortisation	182,980	195,963	208,190	219,524	230,993	242,517	254,004	265,356	276,463	287,212	297,479
% Revenues	*4%*	*4%*	*4%*	*4%*	*4%*	*3%*	*3%*	*3%*	*3%*	*3%*	*3%*
Operating profit	782,145	875,322	972,290	1,070,812	1,176,718	1,290,094	1,410,941	1,539,163	1,674,556	1,816,790	1,965,408
Taxes	195,536	218,831	243,073	267,703	294,180	322,523	352,735	384,791	418,639	454,198	491,352
Tax Rate	*25%*	*25%*	*25%*	*25%*	*25%*	*25%*	*25%*	*25%*	*25%*	*25%*	*25%*
Tax adjustments	23,123	23,123	23,123	23,123	23,123	23,123	23,123	23,123	23,123	23,123	23,123
NOPLAT	**609,732**	**679,615**	**752,341**	**826,232**	**905,661**	**990,693**	**1,081,328**	**1,177,495**	**1,279,040**	**1,385,716**	**1,497,179**
Depreciation & Amortisation	182,980	195,963	208,190	219,524	230,993	242,517	254,004	265,356	276,463	287,212	297,479
Change in NWC	420,426	71,160	70,264	68,711	71,910	74,921	77,685	80,140	82,221	83,861	84,993
CAPEX	734,338	570,574	560,997	546,566	561,942	575,031	585,473	592,906	596,976	597,353	593,741
Changes in other core invested capital	-357,619	8,940	8,878	8,734	9,174	9,594	9,988	10,346	10,660	10,922	11,123
Operating unlevered FCF	**-4,433**	**224,904**	**320,391**	**421,745**	**493,628**	**573,664**	**662,187**	**759,460**	**865,646**	**980,791**	**1,104,801**

	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Net Revenues	10,075,499	10,625,927	11,174,704	11,717,328	12,249,049	12,764,953	13,260,054	13,729,396	14,168,164	14,571,795	14,936,090
Growth	*6%*	*5%*	*5%*	*5%*	*5%*	*4%*	*4%*	*4%*	*3%*	*3%*	*2%*
Cost of Sales	2,319,872	2,435,717	2,550,057	2,661,874	2,770,114	2,873,703	2,971,572	3,062,680	3,146,037	3,220,729	3,285,940
as % of sales	*23%*	*23%*	*23%*	*23%*	*23%*	*23%*	*22%*	*22%*	*22%*	*22%*	*22%*
Gross Profit	7,755,627	8,190,210	8,624,647	9,055,454	9,478,935	9,891,251	10,288,482	10,666,716	11,022,126	11,351,066	11,650,150
% gross profit margin	*77%*	*77%*	*77%*	*77%*	*77%*	*77%*	*78%*	*78%*	*78%*	*78%*	*78%*
Distribution expenses	474,116	497,832	521,245	544,146	566,320	587,547	607,609	626,293	643,394	658,727	672,124
Advertising and promotion expenses	3,044,053	3,197,468	3,349,053	3,497,470	3,641,331	3,779,220	3,909,723	4,031,463	4,143,123	4,243,488	4,331,466
Selling, general and administrative expenses	2,117,647	2,223,505	2,328,001	2,430,206	2,529,156	2,623,870	2,713,374	2,796,714	2,872,986	2,941,354	3,001,071
as % of sales	*56%*	*56%*	*55%*	*55%*	*55%*	*55%*	*55%*	*54%*	*54%*	*54%*	*54%*
Other operational income and expenses	28,646	28,646	28,646	28,646	28,646	28,646	28,646	28,646	28,646	28,646	28,646
Depreciation & Amortisation	307,139	323,918	340,647	357,188	373,397	389,124	404,217	418,524	431,899	444,203	455,309
EBITDA	2,398,305	2,566,678	2,738,350	2,912,174	3,086,880	3,261,091	3,433,347	3,602,125	3,765,876	3,923,054	4,072,151
% EBITDA margin	*24%*	*24%*	*25%*	*25%*	*25%*	*26%*	*26%*	*26%*	*27%*	*27%*	*27%*
Other operational income and expenses	28,646	28,646	28,646	28,646	28,646	28,646	28,646	28,646	28,646	28,646	28,646
Adjusted EBITDA	2,426,951	2,595,324	2,766,996	2,940,820	3,115,526	3,289,737	3,461,993	3,630,771	3,794,522	3,951,700	4,100,797
% Adjusted EBITDA margin	*24.1%*	*24.4%*	*24.8%*	*25.1%*	*25.4%*	*25.8%*	*26.1%*	*26.4%*	*26.8%*	*27.1%*	*27.5%*
Depreciation & Amortisation	307,139	323,918	340,647	357,188	373,397	389,124	404,217	418,524	431,899	444,203	455,309
% Revenues	*3%*	*3%*	*3%*	*3%*	*3%*	*3%*	*3%*	*3%*	*3%*	*3%*	*3%*
Operating profit	2,119,811	2,271,405	2,426,348	2,583,631	2,742,129	2,900,613	3,057,776	3,212,247	3,362,623	3,507,497	3,645,489
Taxes	529,953	567,851	606,587	645,908	685,532	725,153	764,444	803,062	840,656	876,874	911,372
Tax Rate	*25%*	*25%*	*25%*	*25%*	*25%*	*25%*	*25%*	*25%*	*25%*	*25%*	*25%*
Tax adjustments	23,123	23,123	23,123	23,123	23,123	23,123	23,123	23,123	23,123	23,123	23,123
NOPLAT	**1,612,981**	**1,726,677**	**1,842,884**	**1,960,846**	**2,079,719**	**2,198,583**	**2,316,455**	**2,432,308**	**2,545,090**	**2,653,745**	**2,757,239**
Depreciation & Amortisation	307,139	323,918	340,647	357,188	373,397	389,124	404,217	418,524	431,899	444,203	455,309
Change in NWC	85,553	85,479	84,720	83,232	80,981	77,951	74,138	69,556	64,237	58,229	51,598
CAPEX	585,894	808,080	823,356	834,485	841,104	842,918	839,712	831,361	817,843	799,241	775,746
Changes in other core invested capital	11,253	11,305	11,271	11,145	10,921	10,596	10,169	9,640	9,012	8,290	7,482
Operating unlevered FCF	**1,237,421**	**1,145,730**	**1,264,183**	**1,389,173**	**1,520,110**	**1,656,241**	**1,796,652**	**1,940,274**	**2,085,897**	**2,232,189**	**2,377,722**

Cash Flow Map

CONSOLIDATED REFORMULATED CASH FLOW STATEMENT	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
(in thousands of euros)												
BASE CASE												
Cash flows from operating activities												
NOPLAT	198,730	429,832	538,512	609,732	679,615	752,341	826,232	905,661	990,693	1,081,328	1,177,495	1,279,040
Non-cash expenses:												
Depreciation and Amortization	106,524	144,953	169,704	182,980	195,963	208,190	219,524	230,993	242,517	254,004	265,356	276,463
Gross cash flow	**305,254**	**574,785**	**708,216**	**792,712**	**875,577**	**960,530**	**1,045,755**	**1,136,654**	**1,233,210**	**1,335,332**	**1,442,851**	**1,555,503**
Changes in working capital	-57,349	172,438	205,739	420,426	71,160	70,264	68,711	71,910	74,921	77,685	80,140	82,221
Change in other core invested capital	289,232	43,215	59,802	-357,619	8,940	8,878	8,734	9,174	9,594	9,988	10,346	10,660
Unlevered operating cash flow	**73,370**	**359,132**	**442,675**	**729,905**	**795,478**	**881,388**	**968,310**	**1,055,570**	**1,148,694**	**1,247,660**	**1,352,365**	**1,462,622**
Cash flows from investing activities												
Capex	535,774	1,657,815	324,990	734,338	570,574	560,997	546,566	561,942	575,031	585,473	592,906	596,976
Unlevered FCF (core)	**-462,404**	**-1,298,683**	**117,685**	**-4,433**	**224,904**	**320,391**	**421,745**	**493,628**	**573,664**	**662,187**	**759,460**	**865,646**
Non-core cash flows	70,753	41,448	35,452	-77,352	37,185	39,588	42,112	44,761	47,543	50,464	53,532	56,752
Taxes (attributable to non-core items)	-17,688	-10,362	-8,863	19,338	-9,296	-9,897	-10,528	-11,190	-11,886	-12,616	-13,383	-14,188
Other tax adjustments	-59	-231	-1259	-745	-745	-745	-745	-745	-745	-745	-745	-745
Changes in other asset/liabilities	-1,140,992	-950,208	-231,049	2,123,442	-99,040	-98,352	-96,764	-101,639	-106,295	-110,650	-114,617	-118,101
Unlevered FCF (non-core)	**1,193,998**	**981,063**	**256,379**	**-2,182,201**	**126,184**	**127,298**	**127,602**	**134,465**	**141,207**	**147,754**	**154,021**	**159,920**
Cash flows from financing activities												
Net Changes in equity	-463,418	-509,410	-492,276	10,802	-493,556	-554,689	-648,006	-717,412	-801,196	-892,026	-989,983	-1,095,054
Change in net debt (change in financial debt debt minus change in excess cash)	-215,357	875,193	182,166	2,346,846	328,468	307,004	312,940	318,111	330,180	341,520	351,994	361,470
Repayment of interests	-70,426	-64,219	-85,272	-228,020	-247,999	-266,672	-285,707	-305,056	-325,139	-345,912	-367,322	-389,309
Taxes shield on debt	17,607	16,055	21,318	57,005	62,000	66,668	71,427	76,264	81,285	86,478	91,831	97,327
Unlevered FCF from investors	**-731,594**	**317,619**	**-374,064**	**2,186,634**	**-351,088**	**-447,689**	**-549,347**	**-628,093**	**-714,871**	**-809,941**	**-913,481**	**-1,025,566**

CONSOLIDATED REFORMULATED CASH FLOW STATEMENT	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
NOPLAT	1,385,716	1,497,179	1,612,981	1,726,677	1,842,884	1,960,846	2,079,719	2,198,583	2,316,455	2,432,308	2,545,090	2,653,745	2,757,239
Depreciation and Amortization	287,212	297,479	307,139	323,918	340,647	357,188	373,397	389,124	404,217	418,524	431,899	444,203	455,309
Gross cash flow	**1,672,927**	**1,794,658**	**1,920,121**	**2,050,595**	**2,183,531**	**2,318,035**	**2,453,117**	**2,587,707**	**2,720,671**	**2,850,832**	**2,976,989**	**3,097,949**	**3,212,548**
Changes in working capital	83,861	84,993	85,553	85,479	84,720	83,232	80,981	77,951	74,138	69,556	64,237	58,229	51,598
Change in other core invested capital	10,922	11,123	11,253	11,305	11,271	11,145	10,921	10,596	10,169	9,640	9,012	8,290	7,482
Unlevered operating cash flow	**1,578,144**	**1,698,542**	**1,823,315**	**1,953,810**	**2,087,540**	**2,223,658**	**2,361,214**	**2,499,159**	**2,636,364**	**2,771,636**	**2,903,740**	**3,031,430**	**3,153,468**
Capex	597,353	593,741	585,894	808,080	823,356	834,485	841,104	842,918	839,712	831,361	817,843	799,241	775,746
Unlevered FCF (core)	**980,791**	**1,104,801**	**1,237,421**	**1,145,730**	**1,264,183**	**1,389,173**	**1,520,110**	**1,656,241**	**1,796,652**	**1,940,274**	**2,085,897**	**2,232,189**	**2,377,722**
Non-core cash flows	60,134	63,684	67,413	71,327	75,438	79,753	84,285	89,043	94,039	99,285	104,794	110,577	116,650
Taxes (attributable to non-core items)	-15,033	-15,921	-16,853	-17,832	-18,859	-19,938	-21,071	-22,261	-23,510	-24,821	-26,198	-27,644	-29,163
Other tax adjustments	-745	-745	-745	-745	-745	-745	-745	-745	-745	-745	-745	-745	-745
Changes in other asset/liabilities	-121,004	-123,226	-124,672	-125,249	-124,873	-123,473	-120,992	-117,393	-112,659	-106,798	-99,841	-91,846	-82,895
Unlevered FCF (non-core)	**165,359**	**170,245**	**174,487**	**178,000**	**180,706**	**182,543**	**183,461**	**183,431**	**182,444**	**180,517**	**177,691**	**174,034**	**169,637**
Net Changes in equity	-1,207,121	-1,325,945	-1,451,155	-1,349,745	-1,504,664	-1,623,418	-1,746,313	-1,872,678	-2,001,737	-2,132,626	-2,264,404	-2,396,071	-2,526,597
Change in net debt (change in financial debt debt minus change in excess cash)	369,824	376,948	382,756	387,189	441,068	453,693	465,992	478,064	490,054	502,156	514,613	527,720	541,827
Repayment of interests	-411,804	-434,732	-458,013	-481,564	-508,392	-535,988	-564,332	-593,410	-623,218	-653,762	-685,063	-717,162	-750,119
Taxes shield on debt	102,951	108,683	114,503	120,391	127,098	133,997	141,083	148,353	155,804	163,440	171,266	179,290	187,530
Unlevered FCF from investors	**-1,146,150**	**-1,275,046**	**-1,411,908**	**-1,323,730**	**-1,444,890**	**-1,571,716**	**-1,703,571**	**-1,839,672**	**-1,979,096**	**-2,120,791**	**-2,263,588**	**-2,406,222**	**-2,547,359**

Comparable listed peers

COMPANIES	Mkt Cap (EUR millions)	EV (EUR millions)	EPS	P/E	EV/EBITDA	EV/Revenues
Natura & Co Holding SA	3,060	3,760	2.16	13.74x	24.72x	0.86x
Coty Inc	6396	6,280	0.18	43.06x	11.26x	1.74x
Shiseido Co Ltd	6,830	8,080	4.92	25.58x	14.14x	1.33x
Inter Parfums Inc	4,177	4,120	4.67	29.42x	15.86x	3.12x
Estee Lauder Companies Inc	27,030	34,330	0.56	48.04x	20.64x	2.34x
l'Oreal - Lancome	186,150	189,822	12.09	28.42x	18.24x	4.44x
Proya Cosmetics Co Ltd	4,780	4,430	3.62	19.57x	18.86x	3.18x
e.l.f Beauty Inc	7,467	7,666	1.86	32.05x	45.42x	6.63x

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