



**KERING BEAUTÉ ACQUIRES CREED,
THE HIGH-END LUXURY HERITAGE FRAGRANCE HOUSE**
JUNE 26, 2023



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CRE
176



AVENTUS
COLOGNE

DE PÈRE EN FILS DE
FOURNISSEUR
DE NAPOLEON III, DE LA REINE VICTORIA
DE GEORGE IV, DE LA REINE VICTORIA
NICOLAS II D'RUSSIE, DE LA REINE
D'ESPAGNE, DE L'EMPERATRICE
ET DE L'IMPERATRICE
50 ml

KERING BEAUTÉ ACQUIRES CREED, THE HIGH-END LUXURY HERITAGE FRAGRANCE HOUSE



**ICONIC HERITAGE FRAGRANCE HOUSE IN
FASTEST-GROWING HIGH-END LUXURY
FRAGRANCE SEGMENT**



**LARGEST INDEPENDENT GLOBAL LUXURY
FRAGRANCE PLAYER
WITH REVENUE ABOVE €250M
AND VERY HIGH EBITDA MARGIN**



**A MAJOR STEP FOR KERING BEAUTÉ
A STRATEGIC CATEGORY
FOR KERING**



**ACQUISITION OF 100% OF CREED
ALL-CASH TRANSACTION
CLOSING EXPECTED IN H2 2023**



LARGEST INDEPENDENT GLOBAL LUXURY FRAGRANCE HOUSE



ICONIC PORTFOLIO OF LUXURY FRAGRANCES, HOME TO THE WORLD-RENOWNED *AVENTUS*

TRACK RECORD OF CRAFTING TIMELESS SCENTS, MAKING USE OF EXQUISITE NATURAL INGREDIENTS

RECOGNIZED FOR MANUFACTURING ARTISANAL AND ORIGINAL ESSENCES OF UNRIVALLED QUALITY

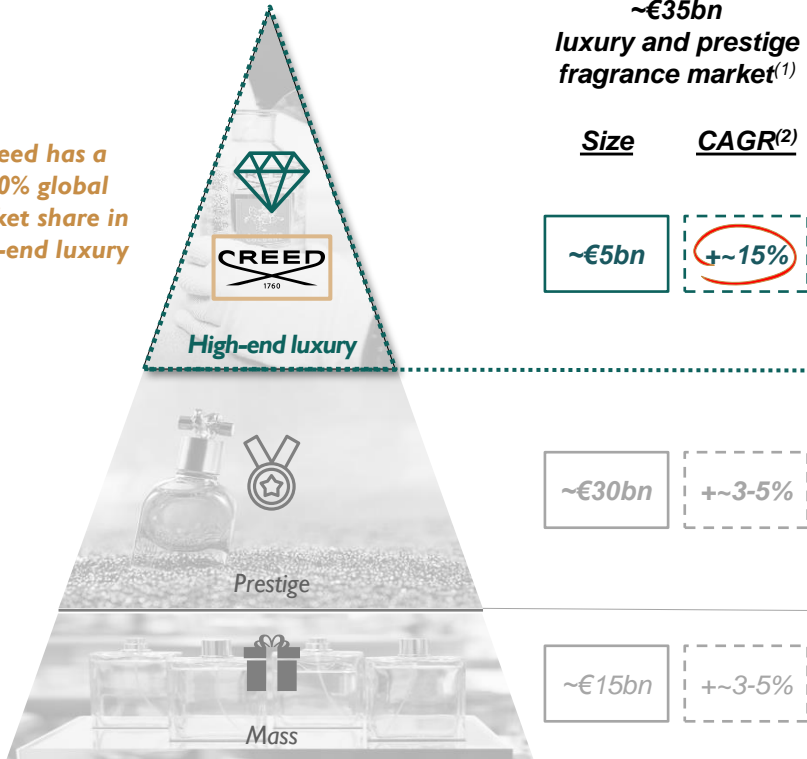
HIGH CUSTOMER LOYALTY, PROVEN ABILITY TO ATTRACT AND RETAIN NEW CLIENTS

YOUNGER, MORE AFFLUENT AND CONNOISSEUR CUSTOMERS, WHO PERCEIVE THE BRAND AS PRESTIGIOUS, ELEGANT AND BOLD



HIGHLY ATTRACTIVE, FAST-GROWING HIGH-END LUXURY FRAGRANCE MARKET

Creed has a
~10% global
market share in
high-end luxury



- **STRONG TAILWINDS FUELING DOUBLE-DIGIT GROWTH, WITH CONSUMERS INCREASINGLY SHIFTING FROM PRESTIGE TO LUXURY**
- **UNDERPENETRATED RELATIVE TO OTHER DISCRETIONARY LUXURY PRODUCTS AND BROADER BEAUTY**
- **HIGH REVENUE RECURRENCE FROM SUPERIOR CUSTOMER LOYALTY AND LOW PRICE SENSITIVITY DRIVING LONG-TERM RESILIENCE**
- **TOP-OF-RANGE, HIGH DOUBLE-DIGIT PROFITABILITY**

Source: Bain analysis.

Notes: (1) Retail sales values for 2021. (2) 2022-26 CAGR.



HERITAGE FRAGRANCE HOUSE WITH LONG HISTORY



- **ESTABLISHED IN 1760** BY JAMES HENRY CREED AS A TAILORING HOUSE **SERVING EUROPE'S ROYAL FAMILIES**
- FROM A TAILORING HOUSE CREED HAS BECOME A **HIGH-STANDING FRAGRANCE HOUSE**
- **OLIVIER CREED**, ACCOMPANIED BY **HIS SON ERWIN**, PERPETUATE THE TRADITION AFTER SEVEN GENERATIONS
- **THESE PRESTIGIOUS FAMILY HERITAGE AND LEGACY** TESTIFY TO A TRULY **UNIQUE CREATIVE SPIRIT**
- WITH ITS ROOTS IN **FONTAINEBLEAU**, CREED PRODUCES **MADE-IN-FRANCE, TIME-TESTED QUALITY FRAGRANCES**



ENVIABLE PORTFOLIO OF CELEBRATED FRANCHISES MAINLY GEARED TOWARDS MEN'S FRAGRANCE

FRAGRANCE FOR HIM



~65%



Aventus
€295 - 100ml

*Best selling
signature
fragrance*



Millesime Imperial
€265 - 100ml

FRAGRANCE FOR HER



~15%



Wind Flowers
€250 - 75ml

*Successful
recent launch*



Aventus for her
€250 - 75ml

FRAGRANCE UNISEX



~15%



Silver Mountain Water
€265 - 100ml



Original Vetiver
€265 - 100ml

OTHERS



~5%



Birmanie Oud Candle
€90



Body Lotion Aventus
€70 - 200ml



GLOBAL FOOTPRINT WITH STRONGHOLDS IN THE US AND THE UK

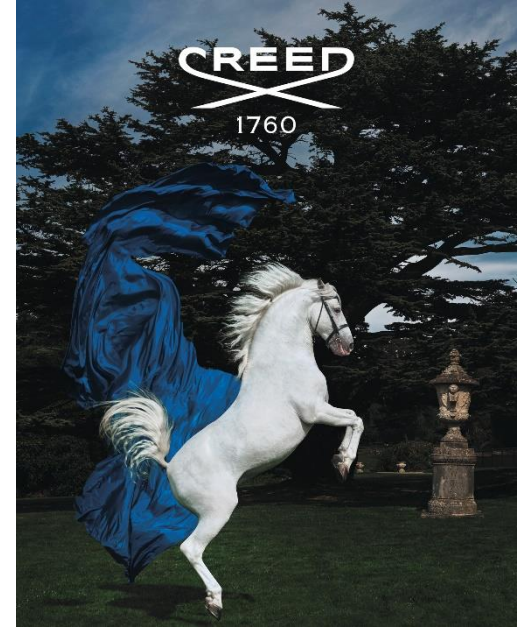
36
BRANDED STORES



~1.4K
POINTS OF SALES



~700
EMPLOYEES



Sources: Company information.

Notes: Number of stores, points of sales as at Mar 31, 2023. Number of employees as at Dec 22.



UNLOCKING CREED'S VAST UNTAPPED GROWTH POTENTIAL ACROSS GEOGRAPHIES, CHANNELS, AND CATEGORIES

CHINA AND APAC



**TREMENDOUS
OPPORTUNITY IN
CHINA AND BROADER
APAC**
WHERE HIGH-END
LUXURY FRAGRANCE
OUTGROWS GLOBAL
MARKET

TRAVEL RETAIL



**UNDER-INDEXED
TRAVEL RETAIL
TO BE ROLLED OUT
GLOBALLY**

E-COMMERCE



**E-COMMERCE SALES
SET TO ACCELERATE
WITH CREED TODAY
UNDERPENETRATED**

FURTHER LEVERS



**MULTIPLE GROWTH
LEVERS
BEYOND MEN & UNISEX
FRAGRANCE ACROSS
OTHER CATEGORIES
(WOMEN, BODY, HOME)**



A MAJOR STEP FOR KERING BEAUTÉ A STRATEGIC CATEGORY FOR KERING



**PERFECT FIT WITH KERING
AND HIGHLY CONSISTENT WITH
GROUP STRATEGY OF
EXPANDING IN BEAUTY**

FIT



**GAIN MEANINGFUL SCALE
THROUGH THE ACQUISITION OF
THE LARGEST INDEPENDENT
HIGH-END LUXURY FRAGRANCE
HOUSE**

SCALE



**BUILD A SCALABLE PLATFORM
LEVERAGING CREED'S GO-TO-
MARKET AND DISTRIBUTION
NETWORK**

PLATFORM



KEY TRANSACTION TERMS AND PARAMETERS



- **KERING BEAUTÉ TO ACQUIRE 100% OF CREED**
- **ALL-CASH TRANSACTION**
- **CURRENT MANAGEMENT TEAM WILL CONTINUE TO LEAD THE BUSINESS**
- **CLOSING EXPECTED IN H2 2023, SUBJECT TO CLEARANCE BY COMPETITION AUTHORITIES**





Q&A

K E R I N G



Gucci • Saint Laurent • Bottega Veneta • Balenciaga • Alexander McQueen • Brioni

Boucheron • Pomellato • Dodo • Qeelin

Kering Eyewear • Kering Beauté

Empowering Imagination