

Puig tops pre-pandemic revenues in 2021



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Spanish beauty and fashion group Puig achieved net revenues of €2,585 million (US\$2,836 million) in 2021, representing an upswing of 68% compared to 2020 and 27% compared to 2019.

Like-for-like, had the Charlotte Tilbury division and the Derma division, with Uriage and Apivita, been part of the company throughout 2020, the growth in sales in 2021 would have been 40%.

These results reflect that in 2021 Puig has overcome the temporary impact generated by the pandemic.

The incorporation of the Derma division and Charlotte Tilbury (acquired in 2020) contributed to this growth. The recovery of the markets in EMEA and the growth of the business in the US and Asia also had a positive impact on results.

However, the travel retail suffered major constraints due to year-round travel restrictions, the company said.

Strong growth has boosted business profitability, putting it at pre-pandemic levels. Puig recorded an EBITDA of €425 million (US\$466 million), which represents an increase of 357% over 2020, and 27% over 2019.

Meanwhile, profit before tax grew to €365 million (US\$400 million), compared to a negative result (-€72 million/US\$79 million) in 2020, a jump of 20% over 2019, while the net income rose to €234 million (US\$257 million).

2021 was the first year of operation under the new structure. It was also the first of three years of the 2021-23 strategic plan and the first year of recovery after the impact of 2020.

“The economic impact on the business caused by the Covid-19 pandemic has significantly decreased, allowing for a substantial recovery in the fashion, fragrance and makeup categories,” Puig noted.

Fragrance growth

In the beauty and fragrance category, Puig recorded a 41% increase in sales compared to 2020. These positive results were boosted by the recovery of fragrance in markets such as EMEA, with particularly successful launches for Phantom by Paco Rabanne and Scandal pour Homme by Jean Paul Gaultier.

In the US, the company’s fragrances experienced significant growth, with excellent results from Carolina Herrera’s Good Girl. The niche segment, with Penhaligon’s, L’Artisan Parfumeur and Christian Louboutin, also grew substantially, increasing its importance within Puig.

With regard to makeup, Puig increased sales by 153% compared to 2020. Charlotte Tilbury, with its luxury makeup line and its focus on digital business, is still the main driver of growth in this category, together with Christian Louboutin, thanks to geographical expansion and the opening of new points of sale in the US and China.

In the dermo-cosmetics category, Puig achieved an increase in sales compared to 2020. With Uriage, Apivita and Charlotte Tilbury, the category grew its presence in Europe, while continuing its international expansion in Asia, thus achieving double-digit growth.

By market, in 2021 Puig grew by 104% in net revenues in the US, which has now become the company’s number one market. Furthermore, the presence of Puig in China expanded significantly, with revenues tripling those of 2020, increasing by 212%. The company also lifted sales by 60% in EMEA, thanks to that market’s recovery.

Digital business, a priority for Puig, represented 28% of total net revenues in 2021 and was once again a source of growth for the company.

Plans to triple net revenues

The results for the first months of 2022 indicate that the positive trend experienced at the end of 2021 continues, with strong growth set to outpace the objectives forecast for this year in the strategic plan, Puig said.

The company has reaffirmed its ambition to triple the net revenues of 2020 by 2025.

The three-year plan presented in 2020 pointed to revenues of €3,000 million (US\$3.29 billion) in 2023. Thanks to the growth achieved in 2021, 2022 is on track to exceed this figure, as well as the €500 million (US\$549 million) of EBITDA, a year earlier than planned.

The growth levers leading up to 2025 will be the expansion of the digital business; the growth of the company in Asia, especially in China, thanks to Charlotte Tilbury and the niche brands; as well as increased diversification in the makeup and dermo-cosmetics categories and the gradual recovery of the travel retail channel.

Commitment to ESG

Puig is committed to being one of the most respected companies in the industry on issues related to the environment, society and governance (ESG). In 2021, the company launched its 2030 ESG Agenda which redefines the roadmap. The new Agenda will help limit global warming to 1.5 degrees Centigrade by 2030.

Aware of the challenges that the company faces, Puig has created several governance mechanisms: the ESG committee, which reports to the Board of Directors; the position of Chief Sustainability Officer; and the ESG Team, in charge of the monthly monitoring of strategy and the fulfilment of objectives.

In June, Puig joined the United Nations Global Compact, which addresses human rights, social, anti-corruption and environmental issues, and which are aligned with the Sustainable Development Goals (SDG).

The company is also aligned with other relevant international standards: the Paris Agreement on climate change, the EU Action Plan for the Circular Economy, the United Nations Sustainable Development Goals, the Science Based Targets initiative (SBTi); and the Carbon Disclosure Project (CDP) in which an A-rating has been obtained, placing Puig among the top 6% highest-rated companies out of more than 13,000 worldwide.

In 2021 Puig also submitted its ESG performance for evaluation through EcoVadis, a provider of corporate sustainability qualifications, obtaining a score of 67/100, equivalent to a Gold Medal, which places the company among the exclusive top 5% out of the more than 90,000 companies evaluated.

Meanwhile, the Invisible Beauty Makers social action program, in cooperation with the Puig Foundation, has evolved. For seven years, the program has supported the entrepreneurial excellence of people who are implementing social initiatives focused on fostering gender equality, empowering women and girls, reducing inequalities within and between countries, and developing sustainable and responsible production and consumption systems.

In the seventh edition of the program, the company hopes to maximize its contribution to the 2030 ESG Agenda. New to this edition is the creation of a space in which social entrepreneurship, Puig and its brands can collaborate and co-create to maximize their social impact.