

Investor Insights

BIC Investor Relations Newsletter



Skin Creative: Four questions for Tyler Handley, CEO and co-founder of Inkbox

In January 2022, BIC announced the acquisition of Inkbox, the leading Brand of High-Quality Semi-permanent Tattoos, an opportunity to accelerate the execution of our Horizon Strategic Plan and lead the emerging fast-growing Skin Creative Market.

A landmark acquisition for our Human Expression Division, Inkbox adds to BIC's growing portfolio of Consumer-Centric brands and reinforces our Direct-To-Consumer e-commerce capabilities.

In this issue of BIC's Investor Insights Newsletter, we've asked Tyler Handley, co-founder and CEO of Inkbox to share with us his vision of the Skin Creative industry, and his ambitions for Inkbox. We also illustrate how Skin Creative fits into our Horizon Strategy, and contributes to the execution of the plan.

In this issue:

Learn more about Tyler Handley's vision (2), the Skin Creative Consumer Map (4), BIC's ambition into Skin Creative (5), and what this market will look like in 2030 (6)

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Four questions for Tyler Handley

1

What is your vision of the Skin Creative industry, and why is it a promising and value-creating business?

Our vision is that the pursuit of identity should never be stressful - it should be fun and playful. We believe consumers are going to desire products and experiences that provide them with joyful self-expression, far removed from the volatile world around them. Young consumers are living in a world burdened by choice, where they can be whomever they want to be, and buy whatever they want to buy, whenever they want to buy it. But with choice comes paradox. We see a future in which the ability to easily float between identities is the pinnacle of desire - between work YOU, metaverse YOU, and In Real Life YOU. Skin Creative will capitalize on these desires with products and branded experiences that give consumers the ability to express their individuality in the most ephemeral and ultimately sustainable forms.

2

What are Inkbox's competitive advantages in the Semi-permanent tattoo market?

Inkbox is the only brand that treats tattoos as fashion and beauty. For a generation that's discovering new parts of themselves all the time, Inkbox's impermanence is a superpower. From day one, we have offered temporary tattoos above and beyond the juvenile skin stickers you grew up with. Our natural and skin safe core technology For Now Ink™ brings authenticity to temporary tattoos, giving customers the look and feel of a permanent tattoo without the lifelong commitment.

3

What could be Inkbox's future innovations?

We're continuously building a brand, product, and services pipeline that enables consumers to treat their entire body as an expressive canvas. This isn't just relegated to skin. We believe that skin, hair, nails, and even teeth are areas through which consumers are interested in expressing themselves, and not just in the real world.

As we scale up, we will embrace a diversified go-to-market model that ignites broader hunger for our brand, and drive organic reach. In a couple of weeks, we will launch Inkbox's subscription offer. Empowered by an AI-based personalization model, it will bring a recurring source of additional revenues. Other consumer-centric initiatives such as collaborations with retailers, colored tattoos, or the use of Augmented Reality APP are planned in the coming months and years.

4

Imagine an airport, a pop concert, a football game, or an amusement park in 2025, who is tattooed, with what type of tattoos?

For anyone under 30, I see many more people wearing Inkbox tattoos than permanent tattoos. In terms of the designs, I see a mix of everything, as style becomes increasingly personalized.

I also see children and football fans with high-quality decals, parents enjoying their vacations with a beach design semi-permanent tattoo, and grandparents realizing their dream of being tattooed, like their grandchildren...but not for a lifetime commitment. Beyond 2025, I dream about broader tech usages, such as medical tagging, or digital art.



Why choose tattoos?

ALLOW ME TO EXPRESS MYSELF



MAKE ME FEEL UNIQUE



TATTOOS ARE FUN



The Temporary Skin Creative Consumer Map

Addressing Megatrends and Consumer desires to express themselves on their body





BEAUTY









CELEBRATION






AFFIRMATION

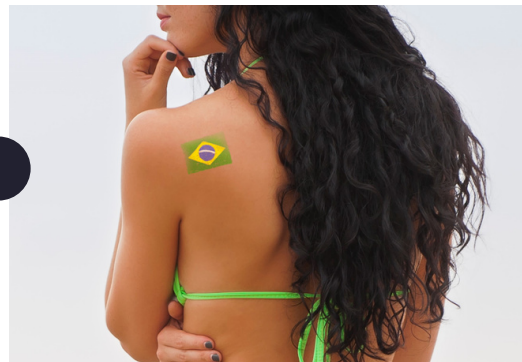


AFFILIATION









FUN




LEGEND




Adults and Teens Children

4

Skin Creative within BIC's Horizon Strategic Plan

Consolidate a consumer-centric fast-growing adjacent industry to accelerate long-term growth

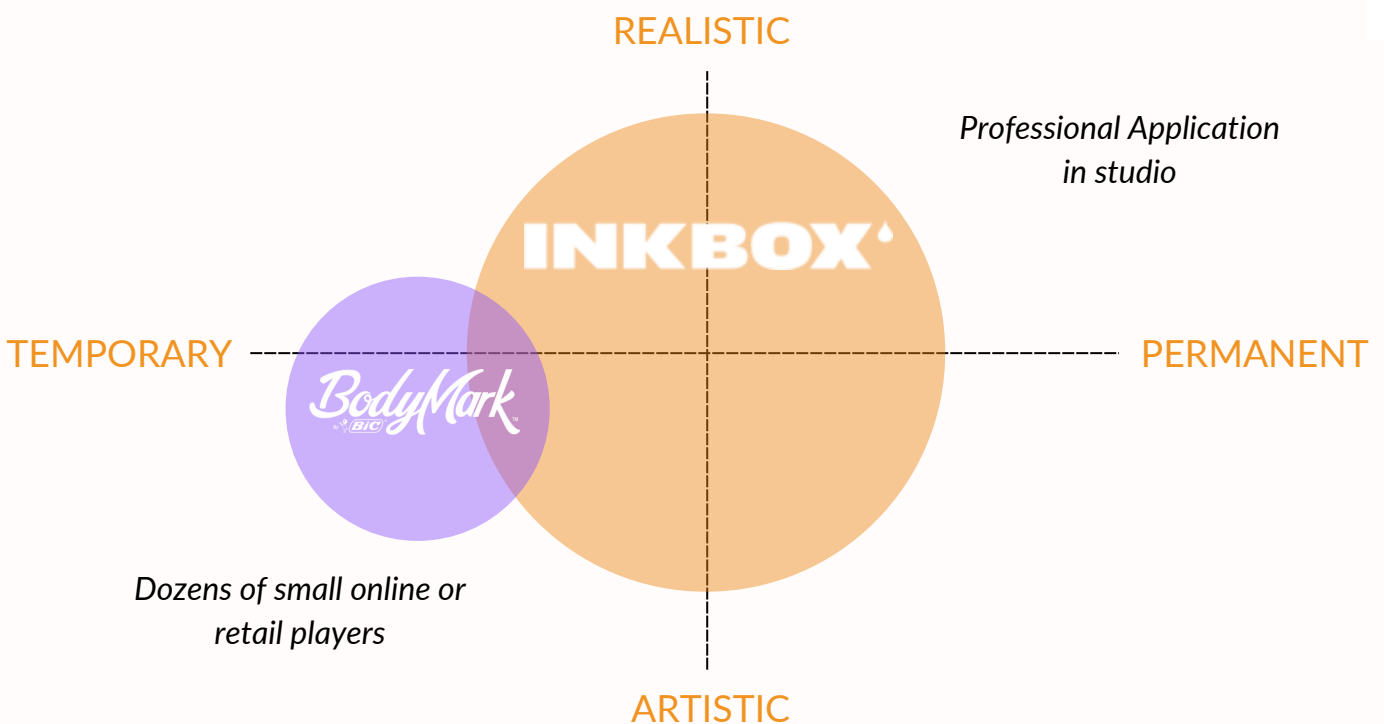
Launched in November 2020, BIC's Horizon Plan is focused on a set of initiatives, amplifying the core capabilities that have propelled BIC for the last 75 years and going beyond them into adjacent segments and markets to accelerate long-term growth, profitability, and return to shareholders. To succeed, we have reframed our three historical categories to expand our Total Addressable Markets in fast-moving added-value segments and doubled down on Consumer-Centric Product and Innovation, building on new lifestyles to grow a comprehensive portfolio of consumer-led brands.

BIC's Stationery Category expanded to Human Expression, which includes Writing Instruments (17.3 billion euros market in 2021), Digital Expression (6.0 billion euros market in 2021), Arts & Craft (10.6 billion euros market in 2021), and Skin Creative (5.5 billion euros market in 2021).

Elevating BIC's Human Expression Division to a leadership position in a fast-growing market, the acquisition of Inkbox is the first step of our journey in the fast-growing Do-It-Yourself Skin Creative industry.

Less painful, more accessible, and non-permanent, the Semi-Permanent Do-It-Yourself Skin Creative is powered by the desires of young consumers to be more fluid with their appearance and express themselves by using their bodies as a changeable canvas. It remains highly fragmented, with only one player above 5% market share, offering many internal and external growth opportunities.

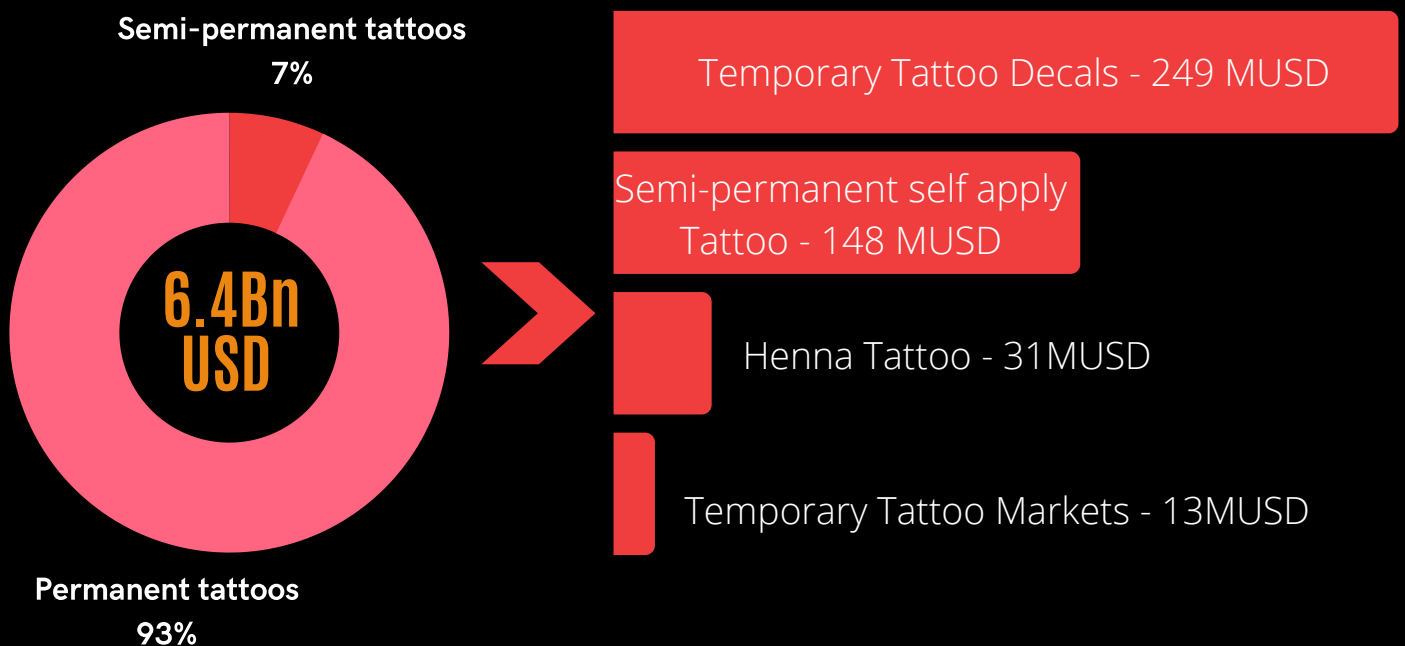
BIC BodyMark Temporary Tattoos and Inkbox Semi-Permanent Tattoos are the first building blocks of BIC's successful journey into Skin Creative. They offer unique Brand positioning that will evolve over time.



Skin Creative

A fast-growing, highly fragmented industry driven by increased awareness and innovation

The Skin Creative Industry is a 6.4 billion USD market, which comprises both Permanent and Semi-Permanent Tattoos (or “Do-It-Yourself” Skin Creative). Fueled by the increasing frequency of purchase and product innovation, the Semi-Permanent Skin Creative category (> 400 M USD in 2021) is expected to grow at 13%+ CAGR between 2021 and 2030, of which +14% for Temporary Self-apply Tattoos (Inkbox) and +25% for Temporary Markers (BIC BodyMark). It should reach 1.3 billion USD in 2030.



A highly fragmented market, with opportunities for further consolidation

