LUXURY DAILY

The News and Intelligence You Need on Luxury

COMMERCE

Puig aims to go public with local IPO

April 9, 2024

Puig has maintained its status as a family-owned company for more than a century. Image credit: Puig

By LUXURY DAILY NEWS SERVICE

Spanish fashion and fragrance business Puig is looking to align itself with major players in the space with its latest move.

Announced Monday, the group is seeking to become publicly traded on the Barcelona, Madrid, Bilbao and Valencia stock exchanges. In this pursuit, the company is planning to raise upwards of 2.5 billion euros, or $2.71 billion at current exchange.

"Today's announcement is a decisive step in Puig's 110-year history," said Marc Puig, chairman and CEO of Puig, in a statement.

"Thanks to our strategy of building up a portfolio of owned brands, focusing on prestige products and expanding our leadership in niche fragrances, makeup and dermo-cosmetics, Puig has consistently delivered strong profitable growth," Mr. Puig said. "We believe that the balance of being a family-owned company that is also subject to market accountability will allow us to better compete in the international beauty market during the next phase of the Company's development.

"Additionally, we believe that becoming a publicly listed company will align our corporate structure with those of best-in-class, family-owned companies in the premium beauty sector globally, help us to attract and retain talent, and support the growth strategy of our brands and portfolio."

Tectonic shift

Founded in 1914, Puig has remained a family-owned business for the entirety of its more than 100 years of operation, a factor that will soon change.

According to a term sheet seen by *Reuters*, the group will sell approximately 1.25 billion euros or $1.36 billion in new shares through the IPO, with the remainder of its sought total coming from existing shares. Despite this, the Puig family will remain majority owners and maintain a majority of board votes after public trading begins.

Global investment banking and securities firm Goldman Sachs has been granted an option to purchase up to 15 percent of over-allotment shares. Image credit: Puig

Once completed, the IPO will be the largest in Spain in nearly a decade, as stock markets around the globe have seen few new names go public due to financial uncertainty, especially since the beginning of the COVID-19 pandemic.

Puig is expected to garner the interest of investors, as the company saw its revenue jump nearly 20 percent year-over-year in 2023, continuing an upward trend in its financial disclosures (see story).

The capital gained from public investment will go towards furthering corporate goals, such as furthering strategic investments and extending its reach in the APAC region, per the company.