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EUROPEAN LINGERIE GROUP AB

ANNUAL REPORT 2019

**European Lingerie Group (ELG)** is a fully vertically integrated intimate apparel and lingerie group, supplying lingerie materials to all major intimate apparel brands and distributing own ready garment lingerie products through more than 5,000 points of sale in 46 countries worldwide and online. ELG includes three business segments – **Lauma Fabrics, Felina International** and online business **Dessus-Dessous**.

ELG has successfully embarked upon a growth strategy involving international M&A targets and building size, and is today a renowned and strong player in the European intimate apparel industry.

## Key numbers

**1,285**

Employees worldwide

**46**

Countries

**4,500**

Points of sale

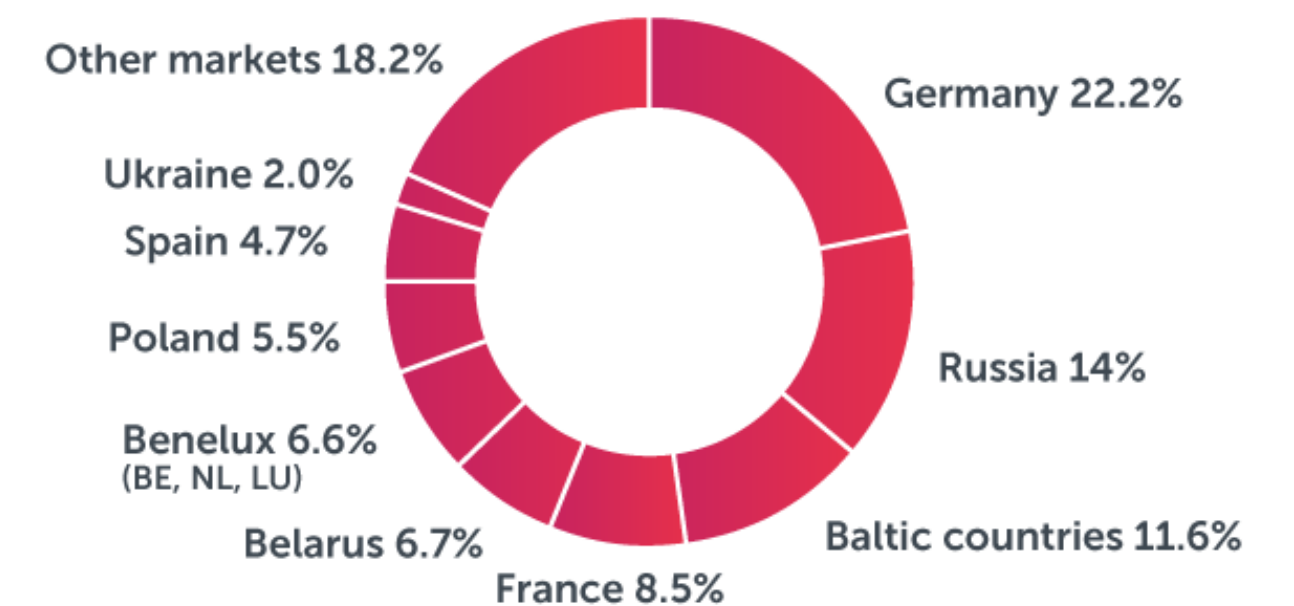
**6 brands**

Lauma Fabrics, Felina, Conturelle, Senselle, Lauma Medical, Dessus-Dessous

**€ 77.6m**

Sales 2019

### Sales by markets 2019



# Company Locations

## Key company locations –

sourcing, design, development

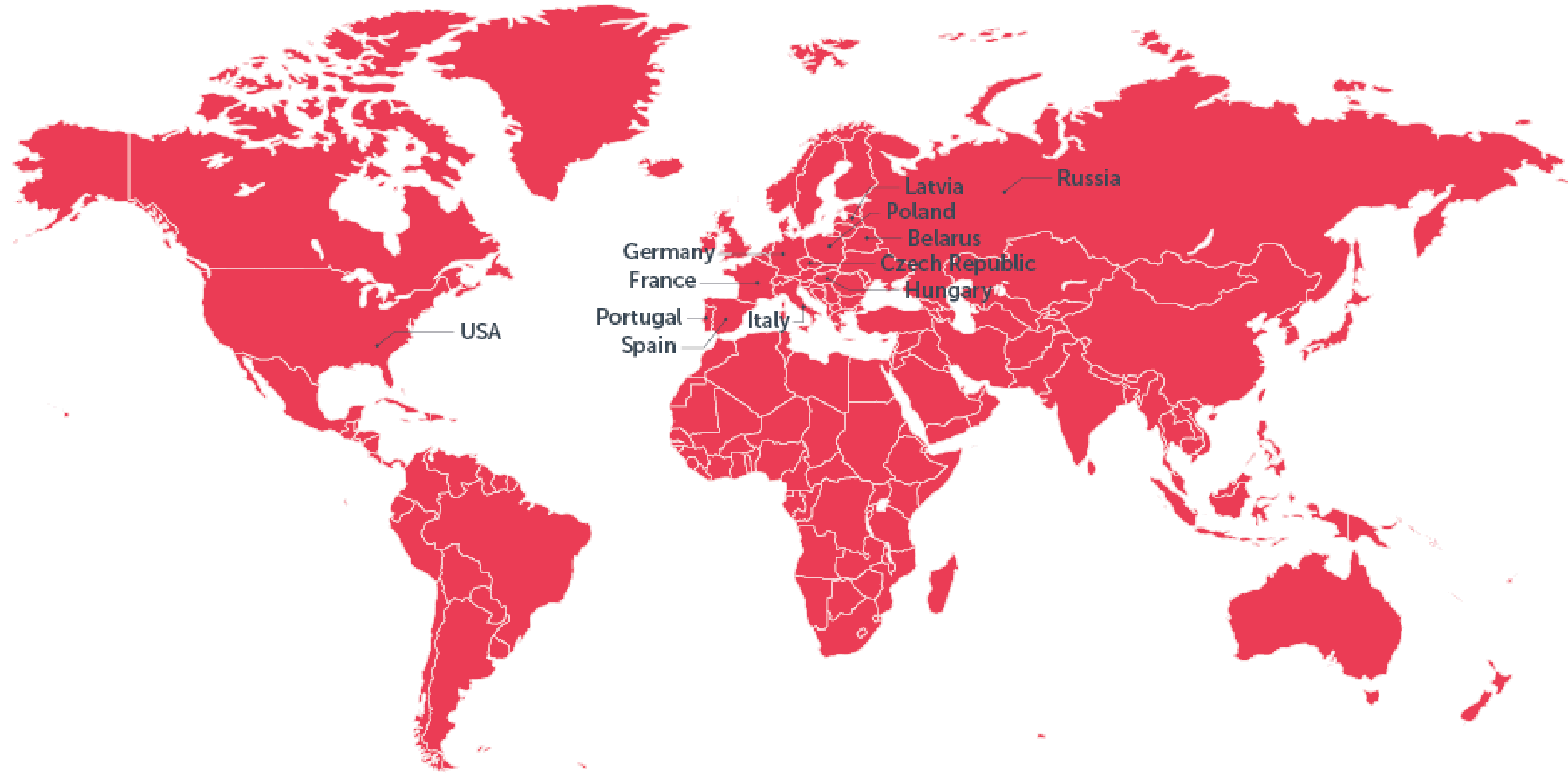
Germany (Mannheim), Latvia (Liepaja)

## Production

Germany, Latvia, Hungary, Belarus

## Trading

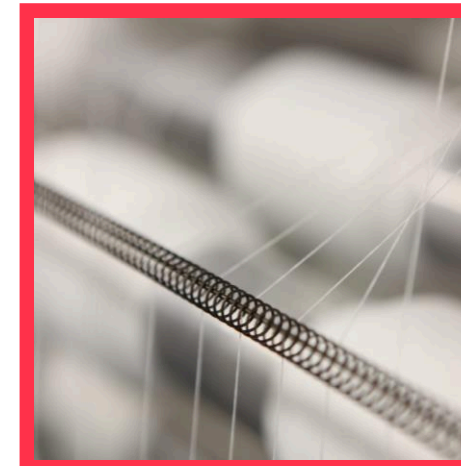
Germany, Latvia, Hungary, Poland, France, Italy, USA, Spain, Portugal, Czech Republic, Russia



# Company Products

Lace, embroidery, elastic fabrics, narrows, private label products

Premium branded lingerie under Conturelle and Felina brands



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# Business case

## Unique for lingerie industry

ELG is one of few **fully vertically integrated** companies in the lingerie industry in Europe producing lace and fabrics for international lingerie brands as well as producing and distributing lingerie garments under its own brands.

## Established position in CEE and excellent platform for growth

The Group has historically demonstrated **stable performance**. The leadership team have identified **further growth opportunities** in private label business expansion, geographical expansion, product portfolio expansion and new distribution channels, especially online; also – licencing projects by large global brands.

ELG's strong market position, brand awareness and network in CEE support **integration of new business segments** and **geographical expansion**.

## Highly experienced Management team

The Group has a **capable and highly experienced leadership team**, who are supported by a well-established 2nd tier management team responsible for the daily operations of the Group and its subsidiaries.

## Manufacturing arm with blue-chip customer base

ELG is **one-stop-shop manufacturer** with diversified blue-chip customer base.

The Group supplies all major European manufacturers of intimate apparel.

Innovative **European design and quality** for relatively **low cost**.

## High brand awareness and customer proximity

Its established brands, Felina and Conturelle, have **high brand awareness**.

Close customer proximity through department stores and other retailers. Wide distribution network exceeding **4,500 points of sale** throughout Western Europe.

## Several profitability initiatives available

**Optimisation** of manufacturing and organisation, and **development of online sales**.

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# Value creation through vertical integration

Deep integration of the supply chain (from fabrics to retail).

Efficient supply chain management.

Integration as a response to new demands for speed to market of 6 – 10 weeks (previously up to 9 months) for all types of products (classic, flash, seasonal) and quick reaction to market demands.

Efficient inventory management across the whole supply chain.

High asset/capital turnover and realization of full gross margin in-house.

Reduction of risk through controlling key elements of the industry value chain.

Diversification of the group sales and markets.

ELG has a track record of successfully expanding into new geographies through acquisitions. Acquired companies include Elastic (fine fabrics, a client) and Felina (premium lingerie, a client), facilitating the geographical expansion and vertical integration.

Raw material (yarns) > Fashion trends > Fabric design > Fabric production > Product design > Lingerie production > Branding / marketing > Wholesale > Retail

Lauma Fabrics

Felina



# *felina*

CONTURELLE  
— *felina* —

  
**senselle**  
by *felina*

*Felina SS19*



# Felina

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## Premium quality lingerie since 1885

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Well-established player in an intimate wear niche focused on **premium** bras, slips and other intimate wear products.

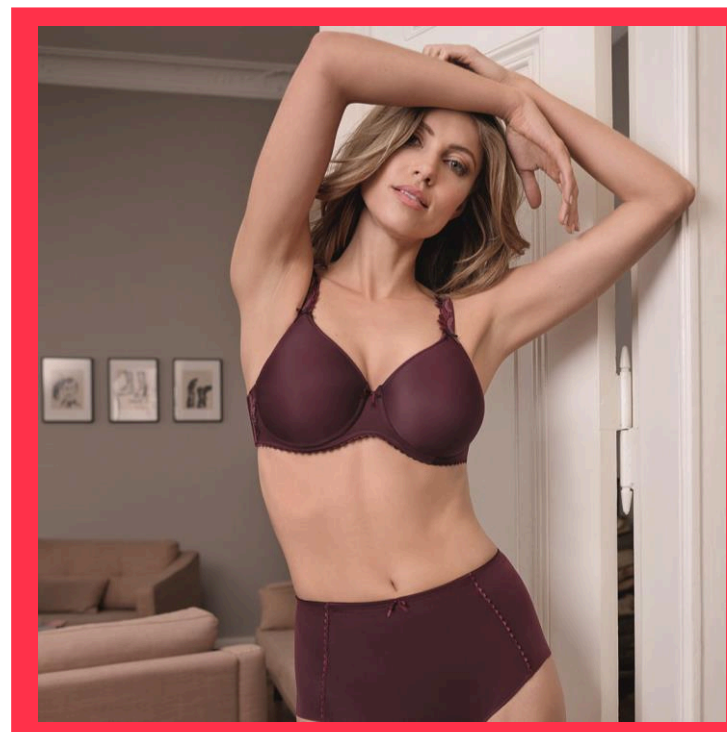
Over **100 years** of brand heritage and excellent product fit with loyal end customers obtaining a low degree of price sensitivity.

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Two distinct and complimentary premium brands – **Felina** and **Conturelle**. Newest addition **Senselle** is a fusion collection

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Recently launched a new *Move by Conturelle* **activity line** in its collection. For summer '19 Felina also reintroduced a **swimwear** line.

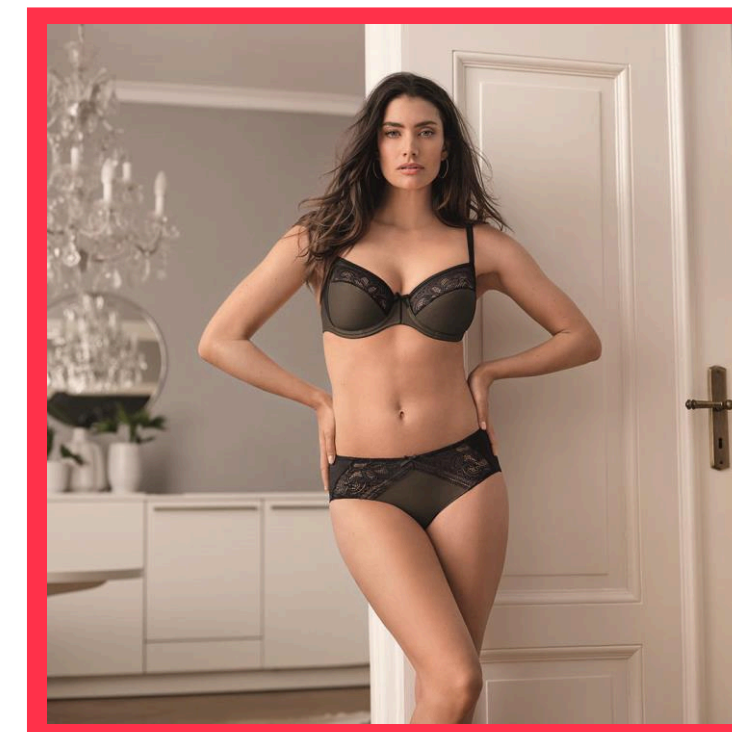


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**Vertical integration.** The combination of in-house large-scale fabrics and lace production by Lauma and strong end-product and distribution experience by Felina.

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**Close customer proximity** through regional sales subsidiaries focusing on department stores as well as fashion and lingerie retailers.

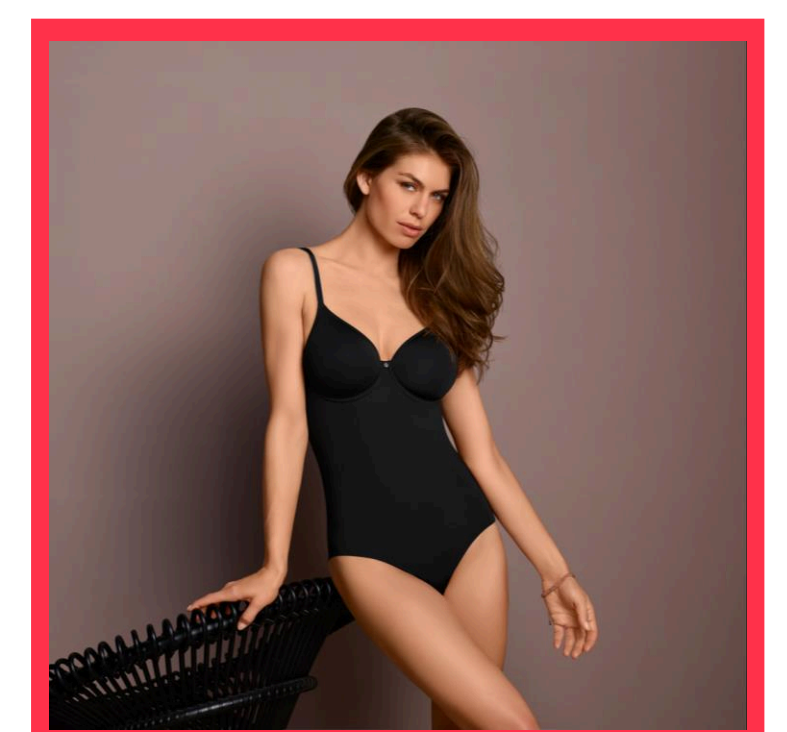


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**Low risk, asset-light business model**, due to growing core business with high share of NOS (never-out-of-stock) products.

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**High internal value-add** from product design and collection management to two own production sites in Hungary that secures highest quality standards and short lead times.



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# Own Brands sales and distribution

Felina has long-standing international customer relationship and a well-developed lingerie distribution network covering most of the European countries and serving over 4,500 wholesale customers worldwide. Wholesale business is mainly in the CIS region. Felina realizes approximately 75% of sales through specialized shops, fashion boutiques and department stores.

Felina mainly sells lingerie to the European market, which is the world's largest women's lingerie market. Germany, is the core market for Felina.

## Core Markets

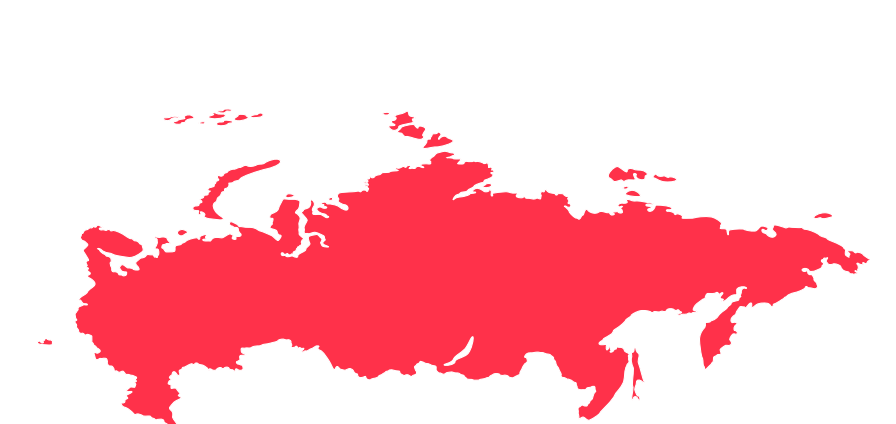
**Germany**



**Western Europe**



**Russia**



Felina has a strong international presence, generating more than 60% of sales outside Germany (22% Western Europe, 14% Southern Europe, 24% Eastern Europe, 3% Northern America and Asia). In 2018, a new back-up brand *Senselle by Felina* was launched to grow the market share in Eastern Europe as well as CIS countries and target the medium price segment.

In the near future the Group sees good potential in expanding further into Scandinavia, Spain and the UK. Such an expansion can be facilitated either through greenfield expansion or via strategic acquisitions.

Product development, sales and logistics of Felina are located in Mannheim, Germany and manufacturing in 2 plants in South-East Hungary. Felina employs 680 people.





*Embroidery by Lauma Fabrics*



LAUMA  
F A B R I C S

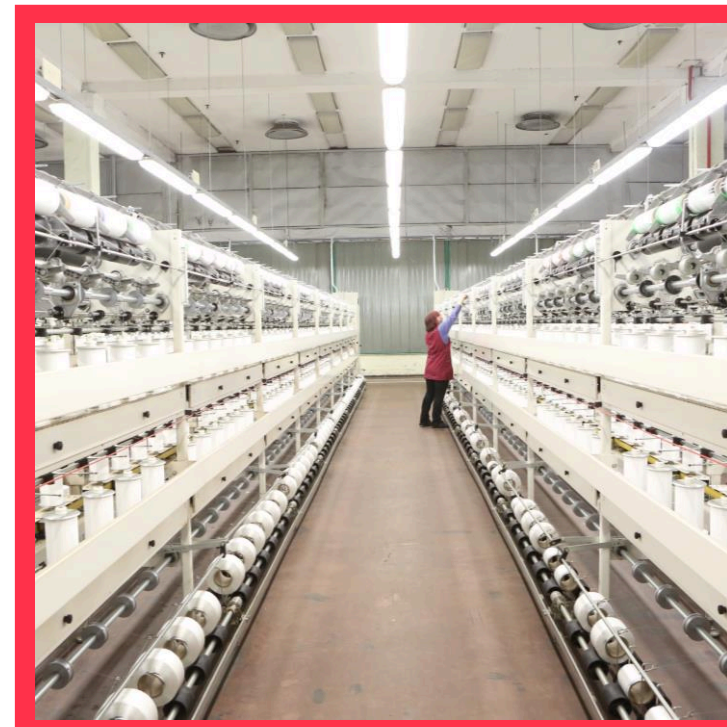
## Business strengths

The company, situated in Liepaja, Latvia **supplies all major manufacturers** of intimate apparel throughout Europe.

Lauma Fabrics balances **European design and quality** for a relatively low cost in comparison with old European producers.

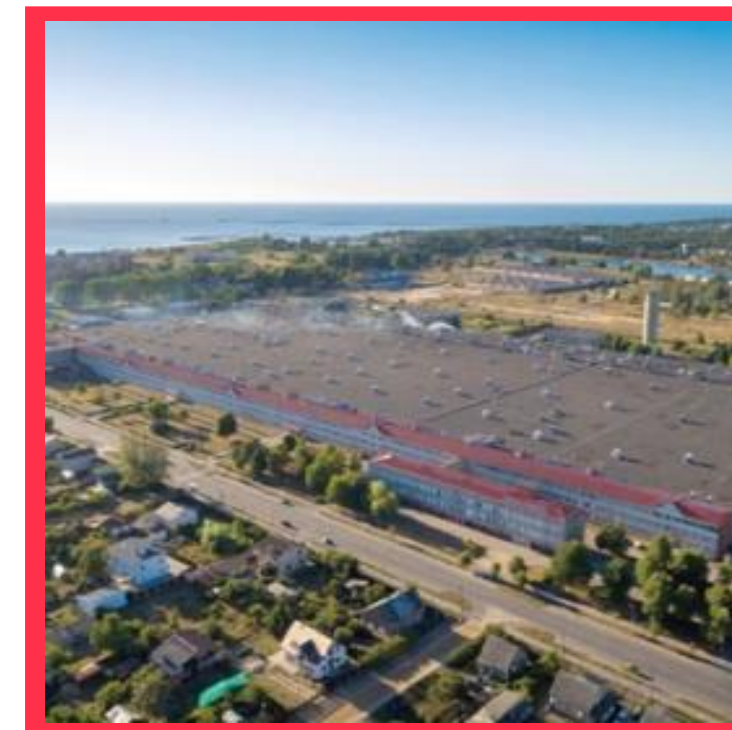
**Financially sound** and strong cash flow generative business.

Lauma Fabrics historical success has been built on '**one-stop-shop**' strategy whereas a full set of materials for ladies underwear (warp knitted fabrics, laces, narrows, embroideries, moulded cups) is offered to the customer.



Lauma Fabrics has a **full production process under one roof** (warping, knitting, dyeing and finishing), very rare for a European producer.

The company has a **modern dye-house**, which enables beam and jet dyeing as well as includes water scouring equipment and stenters.



**Convenient location** for European production and historically loyal employee base.

**Balanced geographical sales** to CIS / Russia and Central and Western Europe with **market leaders** as the **key customers**.



# Lauma Fabrics products

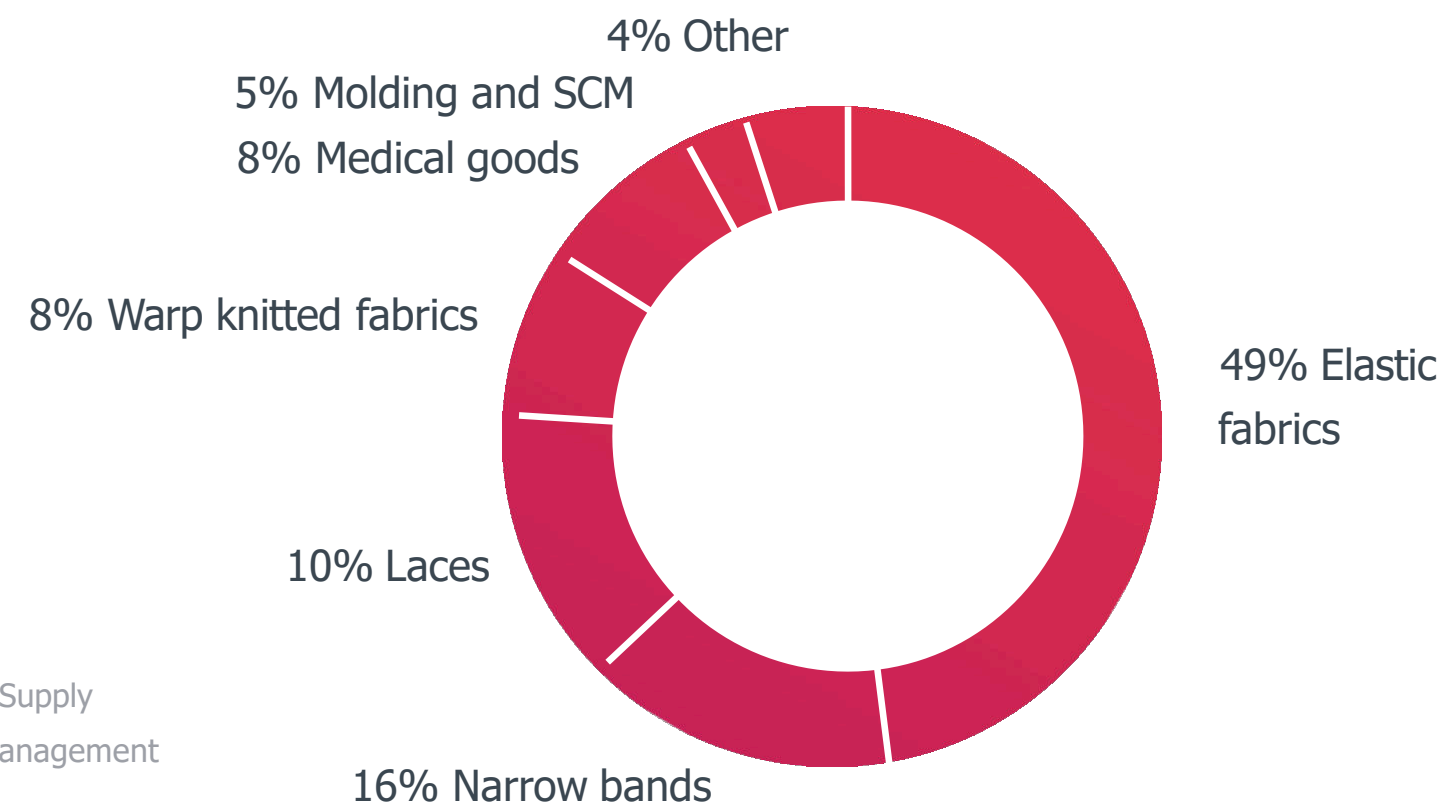
## Fabrics product portfolio

Product portfolio includes elastic knitted fabrics, rigid knitted fabrics, elastic laces, narrows and embroideries.

Lauma Fabrics also offers SCM\* services where ready garments are produced under customer brands.

In addition to its core products, Lauma produces medical textile – compression bands and back supports. These products are sold under the brand Lauma Medical.

## Sales by product groups 2019



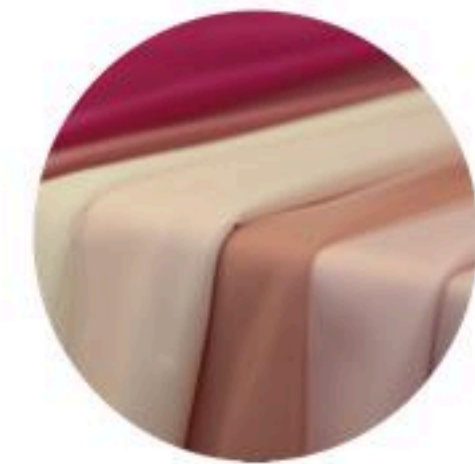
\*SCM - Supply chain management



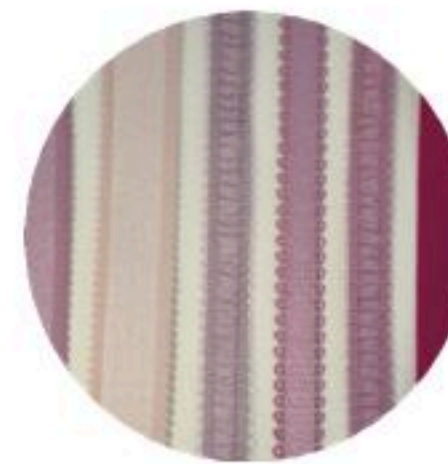
Lace



Embroidery



Elastic fabric



Narrows



Medical goods

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# Lauma Fabrics – Factories and manufacturing



All **production** including warping, knitting, dyeing and finishing **under one roof** with no outsourcing involved.

The building of the main production site in Liepaja ranked as the **8th largest factory** in the World in 2016 (**100k sqm**), after Volkswagen, Hyundai, Tesla, Boeing, Belvidere, Mitsubishi and Jean-Luc Lagardère Plant.

The company made an **investment of €6.4 million** in 2014-2015 and 2019 in dye-house modernization in Latvia, which enables beam and jet dyeing; includes water scouring machine and stenters.

The Group has **own machinery** needed for the full production cycle:

- In Latvia & Germany: 10 yarn weaving machines, 249 fabrics/narrows knitting and weaving machines, 4 drying machines, 27 dyeing machines as well as other supplementary equipment.

Fabrics and laces are mainly produced in the Latvian factory in Liepaja in the north of Latvia (471 employees):

- **Built in** the early **1970s** to provide textile products throughout the Soviet Union. Consequently, the business was established with both **knitting and dyeing & finishing facilities**
- **Dye-house** recently **modernized**
- The entire production process takes place in the same factory, enabling Lauma to **fully control all stages** of the process
- Provides ample **space for expansion**
- The knitting **machinery** is **well maintained** and generally is adequate for current needs

There are **two** smaller operating elastic fabrics units in **Neukirchen, Germany** (knitting) and **Wuppertal, Germany** (dyeing and finishing) with 65 employees.

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# Lauma Fabrics sales

## Lauma Fabrics blue-chip customer base:

Lauma Fabrics has a **strong reputation** and **loyal customer base** built by using high quality materials, manufacturing all products in-house and reasonable product pricing.

Lauma Fabrics's client base is diversified in terms of size and geography – the Company serves all main lingerie brands in Europe and has around **200 client accounts**.

Lauma Fabrics currently produces a wide range of lace plus a variety of basic broad elastic fabrics. The majority of its production is used in intimate apparel garments, with principal markets being the CIS countries and Russia.

Sales to Western European countries are also growing steadily. More than 85% of fabrics, laces and other materials exported to more than **20 countries all over the world**.

Fabrics and laces are sold and marketed by dedicated distribution teams aiming to develop a close link between materials manufactured by Lauma Fabrics and the clothing where these products are used. In combination, the Latvian and German production facilities provide **wide geographic coverage**.

Lauma Fabrics carries a **wide range of fabrics** covering all product types. These are presented to customers either at trade fairs, customer conventions or directly at the customers' premises.



Dessus  
Dessous  
LINGERIE  
FRENCH LUXURY LINGERIE SHOP

[www.dessus-dessous.com](http://www.dessus-dessous.com)

Customer : +33 (0)4 67 71 58 60

EN | EUR

Connect

My Cart

Dessus  
Dessous  
LINGERIE  
FRENCH LUXURY LINGERIE SHOP

Search: New! Look for brand, product, size

BRANDS | LINGERIE | NEW | MEN | DISCOUNT

Plus Size Lingerie | The Invisibles | Swimwear | Outlet

NEW! Free delivery in Europe relay points. > More information

The banner features two models. The left model is wearing a black lace bra and matching underwear, with a pink circle indicating a -40% discount. The right model is wearing a leopard print bra and matching underwear, with a pink circle indicating a -50% discount. In the center, a dark box contains the text: 'All our Good Deals of your lingerie brands', followed by brand names: 'LISE CHARMEL', 'PRIMA DONNA', 'SP SIMONE PÉRELE PARIS', and 'Chantal Thomass PARIS'. A 'Shop now' button is at the bottom of the central box. The 'Aubade' logo is in the bottom left corner. At the bottom of the banner, there are three icons: a circular arrow for 'Recently Viewed Products', a heart for 'My wishlist', and a circular arrow for 'Recently Viewed Products'.

**Dessus-Dessous.** headquartered in Lunel, France. is the French leader in online sales of lingerie. The Company specializes in online sales of luxury lingerie brands including Lise Charmel, Van De Velde, Simone Pérèle, Felina, Conturelle and others.

Dessus-Dessous has been leading the French online lingerie market since 2000 and enjoys extraordinary rates of customer satisfaction and loyalty, thanks to superb customer service, reliable delivery and a constantly up-to-date selection of over 150 thousand articles from over 50 brands.

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## Key numbers

**€ 6.6m**

Sales 2019

**Nr 1**

in French online lingerie market

**50+ brands**

Represented on website

**150 thousand**

Articles in selection

**214 thousand**

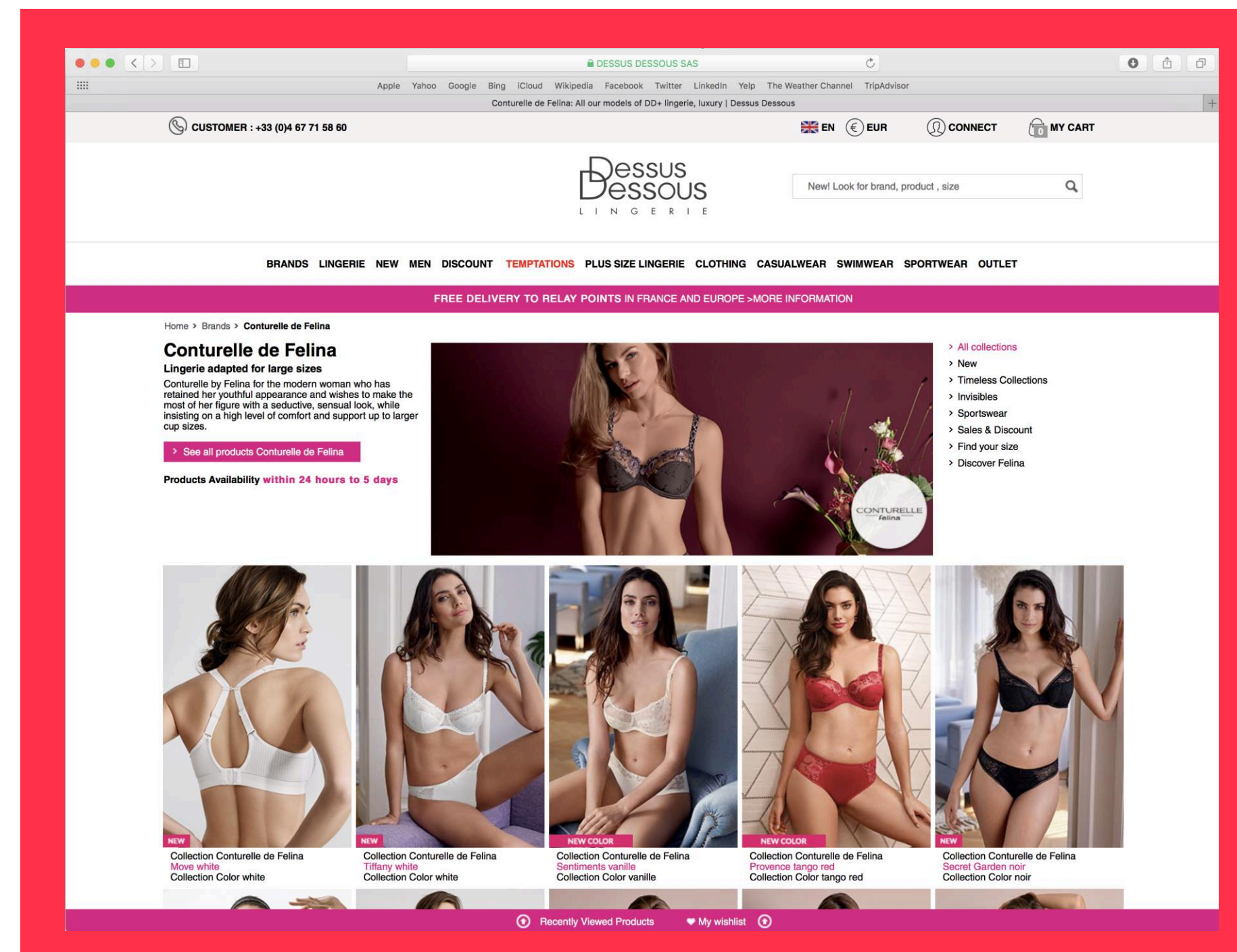
Customers in database



# Business Strengths

The acquisition of Dessus-Dessous, completed in June 2018, and marks ELG’s expansion to the online retail segment of the lingerie market, reinforcing the Group’s strategic commitment to building a truly vertically integrated business.

Sales of consumer goods are increasingly moving online, as is the modern lingerie business. The acquisition of Dessus-Dessous is the response of ELG towards the persistent market trends.



ELG believes the acquisition of Dessus-Dessous is of great long-term strategic value for the Group.





## Business

# Strengths & Opportunities

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**Magento 2** project implementation is in the completion stage and expected launch is planned for H2'2020. The project will improve performance through increased conversion, a better and more user-friendly admin interface even for non-technical users and will be a mobile friendly platform.

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Numerous initiatives are in the pipeline to facilitate the **conversion rate** as well as **average basket** increase.

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Dessus & Dessous has been successful with Google campaigns in France while international campaigns have not been prioritised in the past. Target for 2020 is to **grow international reach**, specifically English speaking countries and Russia.

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**E-mail channel** has been substantially re-enforced in 2020 after GDPR implementation. Conversion of customer data base into opt-ins was completed in Q1 2020. E-mail is highest conversion channel for the Company and the Company will continue to aim to strengthen this channel.

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Further **connection to the brands' warehouse** databases is planned to facilitate the product availability and decrease stock requirement.

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For 2021, **translation of the web page** into one language annually is planned for countries where local language is preferred for a better shopping experience.

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# Highlights of 2019

## **Acquisition of Yustina OOO**

In January 2019, the Group acquired Yustina OOO (later renamed to Senselle OOO), a lingerie ready garment producer in Belarus. This acquisition is part of European Lingerie Group strategy to expand its operations and add capacity for private label and Senselle by Felina brand production.

## **Listing of bonds**

The bonds issued by the Parent were approved for listing on Nasdaq Stockholm Corporate Bond list in December 2018 and are traded since 2 January 2019.

## **Omni-channel strategy implementation**

In January 2019, European Lingerie Group AB established a new subsidiary Brafetch GmbH and in March 2019 Brafetch GmbH established a new subsidiary SistersOf Production SIA. The companies are involved in the implementation of the omni-channel strategy of the Group. On 14 June 2019, European Lingerie Group AB sold Brafetch GmbH, a wholly owned subsidiary, with the objective to search for separate financing of the project.

## **Separation of medical business**

In May 2019, LSEZ Lauma Fabrics SIA established a new subsidiary SIA Lauma Medical in order to separate its medical business into it. The separation was done for allowing the business to develop and be led independently as it focuses on a different market, product development process, etc.

## **Investments into production**

During 2019, the Group invested into property plant and equipment and intangible assets EUR 2 921 thousand. The main investments during this period related to the remaining payment for the spacer molding equipment, the purchase of 2 new knitting machines, lace and racheltronic technology, the remaining payment for the stenter acquired by LSEZ Lauma Fabrics SIA and first instalments for Magento and Open ERP platform migration project in Dessus-Dessous SAS. The Group continues investing in its new sewing plant in Belarus, whereby it increases the number of sewing machines there and develops a new material cutting facility, which is necessary for sewing operations.

## **Changes in the management team**

In October 2019, the major shareholder of European Lingerie Group Mr. Indrek Rahumaa stepped in as an active CEO of the Group to lead the transformation required in order to improve profitability and grow the business. Mr Peter Partma has decided to step down as CEO of the Group and Member of the Board of Directors.

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# Highlights of 2019

## **Breach of bond covenant and actions taken**

The Group reported in the report for nine months and third quarter 2019 and for twelve months and fourth quarter 2019 that the Group's Net Interest Bearing Debt to EBITDA ratio exceeded the maximum 4.25 allowed under the maintenance test of the Original Bond Terms and Conditions issued on 22 February 2018. On 16 January 2020, the Parent completed a written procedure under the Terms and Conditions to waive the maintenance text default for the reference period ending on 30 September 2019 and to adjust the maintenance test for the reference period ending on 31 December 2019. However, it was a condition for the amendments to the Terms and Conditions to come into effect that a capital contribution by way of equity and/or subordinated loans is provided to the Group.

Due to COVID-19 pandemic, the Group has not been able to raise the required amount of equity in full. Therefore, the amendments to the Terms and Conditions as approved in the written procedure, including the adjustments to the maintenance test for the reference period ending on 31 December 2019, have not come into effect, which has resulted in the continuing breach of the maintenance test.

In April 2020, the Group initiated discussions with the bondholders and other investors to find solutions for the Group with regard to the terms and conditions. On 29 July 2020 it reached an agreement on the standstill with the Bondholder Committee (representing approximately 60 per cent of the total nominal amount of the bonds) regarding the Group's defaults under the Terms and Conditions as well as a cooperation between the Group and the Bondholder Committee to explore and execute a potential restructuring of the Group and the Bonds. The long stop date for the standstill is 30 November 2020, however the Standstill Period may be extended or, if certain conditions of the standstill agreement are not met, lapse at any time prior to such date.

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# Highlights of 2019

## **Provision of additional information and security to the bondholders**

In order to fulfil the conditions precedent of the Amended Bond Terms and Conditions, the Group has provided to Intertrust (Sweden) AB a market valuation dated 30 January 2020 of the Group's facility and real estate property in Liepaja, Latvia, as well as granted additional security over the trademarks Felina and Conturelle and over E|L|B GmbH and Felina Hungaria Kft shares.

## **Outbreak of COVID-19**

In December 2019, an outbreak of coronavirus appeared in Wuhan, China. In the first quarter of 2020, the virus spread to other countries and has affected practically the whole world. With the rapid rise in the number of cases, most countries have declared a state of emergency, during which time a series of restrictive measures have been taken to limit the spread of the virus.

Although the restrictions were temporary and mainly were in place during March-June 2020, these events had a negative impact on the Group's financial position and results of operations in 2020. In order to minimize the extent of the negative impact, the Group has taken various response measures and implemented those in its subsidiaries.

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# Key findings of 2019

The Group has had difficult last 2 years after the acquisition of Felina group and Dessus-Dessous S.A.S. and fluctuations in the various core markets and distribution channels of the lingerie industry in general. It continues realising its strategy of the vertical integration, which takes time and bears costs during the transformation phase of the previous processes. In 2019, the Group's new product lines, i.e. the backup brand Senselle by Felina and Felina swimwear, started bringing volumes and the contribution of the new collections to total sales will continue throughout the whole year.

On the production side, the Group continued investing in its manufacturing base in order to improve the quality of its products as well as to be able to offer better and new materials to its customers. The result of these investments is gradually converting into the cost savings and profit margin improvement.

Due to the dropped profitability, the Group has prepared an action plan with specific measures aimed at recovery of the initial profitability and has a sustainable business model for the medium and long-term. The measures were approved by the bondholders in January 2020 with several amendments made to the Bond Terms and Conditions and preparatory work for their implementation has started already.

While the Group was preparing for execution of the action plan in order to recover its initial profitability, it was hit by the outbreak of Covid-19. As the management looks forward, and the Group adapts itself and its operations to various restrictions imposed by local governments to contain the further spread of Covid-19, the Group appreciates the patience and cooperation of its customers, suppliers, employees and financiers. All implemented measures, as well as the general approach by the Group and its companies, are targeted at a long-term sustainability of the business as well as its positioning for the period of revived demand. The Group's business model is based on providing high-quality products in relatively short lead times, sourced locally. This is the fundament that is stable as many short-term disruptions come and go. The Group has been taking a number of practical actions designed to reduce the risk of Covid-19 having a material long-term impact on the Group's operations, and we will continue to do so.

# Financial highlights of 2019

Financial performance of the Group was analysed on the basis of the consolidated financial statements of European Lingerie Group AB for the year 2019 and pro forma financial information for the year 2018 (adjusted to include the impact of IFRS 16).

The Group's sales amounted to EUR 77,554 thousand in 2019 (2018: EUR 77,447 thousand), representing a 0.1% increase as compared to sales of 2018.

In 2019, the increase in sales was mainly a result of the increase in lingerie segment due to growing revenue of new Senselle by Felina brand. Additional positive revenue effect was achieved by renegotiating the stock consignment agreement with the largest customer in Spain, whereby part of the goods, which were previously delivered under the consignment arrangement would be delivered as standard purchases in the future and the goods still held by the customer under the previous arrangement would be bought out by it upon conclusion of the new agreement.

<i>In thousands of EUR</i>	2019 (Actual)	2018 (Pro forma)	Change
Revenue	77,554	77,447	0.1%
Normalised operating profit <sup>1</sup>	4,698	6,322	-25.7%
Normalised EBITDA <sup>2</sup>	8,829	10,487	-15.8%
Normalised net profit <sup>3</sup>	873	152	474.4%
Operating cash flow for the period	1,890	693	172.7%

# Financial highlights of 2019

Profitability margins excluding net profit margin in 2019 were below previous year which is explained by a change in accounting estimate for write downs of finished goods in Q3 2018, which boosted the performance in 2018 at the expense of other quarters (one-off EBITDA increase of EUR 1,103 thousand), resulting in a weaker 2019 in comparison.

**Normalised EBITDA** amounted to EUR 8,829 thousand in 2019 and decreased by 15.8% compared to 2018.

**Normalised EBITDA margin** was 11.4% in 2019 (2018: 13.5%) .

**Normalised net profit** amounted to EUR 873 thousand in 2019 (2018: EUR 152 thousand). Improvement was due to recognition of the deferred tax income (EUR 288 thousand) on Liepaja Special Economic Zone tax incentives to be utilized by LSEZ Lauma Fabrics SIA in future periods equal to 35% of the amount of qualifying investments into property, plant and equipment made in 2019. In addition, Felina GmbH had smaller taxable profit to be offset with carried forward tax losses from previous periods.

**Normalised net profit margin** was 1.1% in 2019 (2018: 0.2%).

Marginal analysis, %	2019 (Actual)	2018 (Pro forma)	Change
Normalised operating profit margin	6.1%	8.2%	-2.1 pp
Normalised EBITDA margin	11.4%	13.5%	-2.1 pp
Normalised net profit margin	1.1%	0.2%	0.9 pp

# Sales of 2019

Core operating markets are Germany, Spain, France, Poland, Benelux countries, Baltic countries, Russia, Belarus and Ukraine. Sales in core markets were 81.8% of total sales in 2019 (2018: 83.7%). Decrease in core markets is temporary and is explained by the general macroeconomic and retail situation in each particular country.

The largest growth in sales in 2019 was in Russia, Spain and Belarus. Sales in **Russia** in 2018 were very limited due to postponement of orders by two largest Felina and Conturelle distributors in Russia, while 2019 did not have extraordinary circumstances.

Sales in **Belarus** grew in the textile segment of the Group as a result of the growth of medium lingerie sewing companies in the country.

Sales increase in **Spain** was a result of the renegotiated consignment arrangement agreement with the largest customer in Spain.

**Poland's** slight decrease is explained by price competition in the market.

Sales in **Germany, France** and **Benelux** decreased in 2019 due to the slowdown of the European macroeconomy and blocked potential growth. In addition, due to the merger of the two largest German department store chains Galeria Kaufhof and Karstadt, their purchasing in 2019 was significantly slowed down during the transaction process.

Sales in the **Baltic countries** reduced in 2019 as most of the textile segment Baltic customers suffered from changes in the importing rules into Russia and did not have quick enough capital turn to continue ordering raw materials.

Sales in **Ukraine** decrease was caused by one textile segment customer changing its product strategy and moving purchases to Asia.

## Sales by markets – 2019

<i>In thousands of EUR</i>	2019 (Actual)	2018 (Pro forma)	Change, %	2019, % of sales	2018, % of sales
Germany	17,230	18,365	-6.2%	22.2%	23.7%
Russia	10,888	8,625	26.2%	14.0%	11.1%
Baltic countries <sup>12</sup>	9,023	10,732	-15.9%	11.6%	13.9%
France	6,590	7,477	-11.9%	8.5%	9.7%
Belarus	5,171	4,679	10.5%	6.7%	6.0%
Benelux countries <sup>13</sup>	5,094	5,704	-10.7%	6.6%	7.4%
Poland	4,245	4,326	-1.9%	5.5%	5.6%
Spain	3,619	3,205	12.9%	4.7%	4.1%
Ukraine	1,545	1,747	-11.6%	2.0%	2.3%
Other markets	14,149	12,587	12.4%	18.2%	16.2%
<b>Total</b>	<b>77,554</b>	<b>77,447</b>	<b>0.1%</b>	<b>100.0%</b>	<b>100.0%</b>



# Sales of 2019

The Group has the following two strategic divisions, which are its reportable segments. These divisions offer different products and are managed separately because they require different technology and marketing strategies.

Reportable segments	Operations
<b>Textiles</b>	Manufacturing, processing and wholesale of textiles
<b>Lingerie</b>	Manufacturing, processing, wholesale and retail (including online) of lingerie products

During 2019, both textiles and lingerie segment performed slightly better than in 2018. Lingerie segment increased as a result of new Senselle by Felina brand sales and additional revenue recognised in Spain out from the amended consignment arrangement agreement. Textile segment also increased as a result of revenue from materials used in production of Senselle by Felina lingerie ready garments.

## Sales by business segments

<i>In thousands of EUR</i>	2019 (Actual)	2018 (Pro forma)	Change, %	2019, % of sales	2018, % of sales
Textiles	34,172	34,107	0.2%	42.5%	42.7%
Lingerie	44,559	44,363	0.4%	57.5%	57.3%
Intercom- pany elimi- nations	(1,177)	(1,023)			
<b>Total</b>	<b>77,554</b>	<b>77,447</b>	<b>0.1%</b>	<b>100.0%</b>	<b>100.0%</b>



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