



L'Occitane International S.A.

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(Incorporated under the laws of Luxembourg with limited liability)

L'Occitane Announces FY2022 Interim Results

Record interim operating profit of €78.9 million

Net profit surges by 262.6% to €60.6 million, hitting another all-time record

Operating and net profit margins reach a thriving 11.3% and 8.7%

1. The Group delivered a strong set of results in FY2022 H1, despite the lingering impact of COVID-19. Record profitability was driven by restructuring efforts, prudence in capital expenditures and targeted investments in key channels and countries.
2. Reported net sales grew 12.9% to €696.4 million and like-for-like sales grew 18.6%*.
3. Operating profit reached €78.9 million, or 11.3% of net sales.
4. Net profit was €60.6 million, or 8.7% of net sales.
5. On 15 November 2021, the Group announced the acquisition of a majority stake in Sol de Janeiro, an innovative leader in the global premium body care market. This acquisition is in line with the Group's ongoing strategy to build a leading and geographically-balanced group of premium beauty brands.

*At constant exchange rates and assuming L'Occitane, Inc. remained part of the Group.

FINANCIAL HIGHLIGHTS

(million €, unless otherwise stated)	FY2022 H1 reported	FY2021 H1 restated*	Change
Net sales	696.4	616.6	+12.9%
Gross profit	554.9	506.2	+9.6%
<i>Gross profit margin</i>	79.7%	82.1%	-2.4 pp
Operating profit	78.9	32.3	+143.8%
<i>Operating profit margin</i>	11.3%	5.2%	+6.1 pp
Profit for the period	60.6	16.7	+262.6%
<i>Net profit margin</i>	8.7%	2.7%	+6.0 pp
Basic EPS (€)	0.041	0.010	+310.0%
Return on capital employed (%)	3.6%	1.5%	+2.1 pp
Return on equity (%)	4.9%	1.5%	+3.4 pp
Gearing ratio (%)	28.0%	37.9%	-9.9 pp
Net debt	(556.0)	(698.7)	-20.4%

* The accounting treatment of MyGlamm was corrected from financial investment at fair value through other comprehensive income to associates accounted for under the equity method during the period. Thus, the share of profit from associates accounted for using the equity method for the 6 months ended 30 September 2020 was restated to include the loss incurred by MyGlamm amounting to €550,000.

(29 November 2021, Hong Kong) L'Occitane International S.A. ("L'Occitane" or the "Group"; SEHK stock code: 973), an international group that manufactures and retails beauty and well-being products that are rich in natural and organic ingredients, today announces its interim results for the six months ended 30 September 2021 ("FY2022 H1").

Despite the continued impact of COVID-19, the Group delivered a strong set of results in the first half of FY2022, with sales growth accelerating to 7.0% above pre-pandemic levels in the second quarter of FY2022. Importantly, the Group again expanded profitability, with its operating profit and net profit reaching a record.

In FY2022 H1, the Group's reported net sales were €696.4 million, representing an increase of 12.9% as compared to the same period in FY2021. Excluding the accounting effect of the deconsolidation of L'Occitane, Inc., the Group's net sales were €725.1 million, representing an increase of 18.6% at constant rates. The encouraging growth was mainly due to the loosening of COVID-19 restrictive measures and the normalisation of retail footfall in some markets. Retail, travel retail, and wholesale channels all rebounded strongly.

Most impressively, the Group's operating profit hit an all-time record, rising 143.8% to €78.9 million. The operating margin increased by 6.1 points to 11.3%, supported by the leverage of the Group's higher sales on fixed costs and distribution costs, one-off gains from the deconsolidation and reconsolidation of L'Occitane, Inc., and efficiency gains from previous store closures as well as restructuring measures. Excluding the gain from the deconsolidation and reconsolidation of L'Occitane, Inc., the operating profit margin was still strong at 10.3%.

The above factors cumulated in the Group delivering a record net profit of €60.6 million, up 262.6% and representing 8.7% of net sales.

Despite the reopening of retail stores, consumers' two years' experience of living with the pandemic has led to some behavioural shifts becoming permanent. Online channels still grew a robust 11.6% in the second quarter of FY2022, on top of an outstanding 64.6% growth in the same quarter of the previous year – a testament to the ongoing success and effectiveness of the Group's omni-channel strategy. Notably, even as the Group's overall sales exceeded pre-pandemic levels, its online sales mix remained at a relatively high level of roughly a third of total sales.

The Group's core brand, L'OCCITANE en Provence, was the largest growth contributor in FY2022 H1. Improved results were observed globally, with balanced profit contributions from Asia, North America and Europe. During the period, the Group invested significantly in China, the largest market for the core brand. As a result, L'OCCITANE en Provence outperformed the market in terms of online and offline growth and remained one of the top brands in the premium body care and hair care categories. In addition to its staple categories, L'OCCITANE en Provence created excitement through new launches in other product categories, such as its recent Osmanthus fragrance launch, which saw tremendous success in China, and accounted for 10% of the brand's sales during the launch period.

Led by a digital-first global expansion strategy, ELEMIS accelerated its sales growth in the FY2022 H1. It continued to rapidly expand in Asia and other markets, opening flagship stores in China, Singapore, Malaysia, the UAE and Russia, as well as making initial inroads into pivotal Asian markets such as Japan, boosting its brand image ahead of the key holiday season. ELEMIS also showed strong performance in its heritage markets. In the US, ELEMIS displayed sustained growth momentum with the return of its cruise ship business, as well as in the UK following the end of lockdown measures, alongside the stable performance in its online and home shopping channels. After significantly reducing its cost base during the

pandemic, ELEMIS maintained its lean and agile structure while sensibly stepping up its investments in marketing and in new geographies. Still, it continued to deliver a healthy operating profit margin of 17.3%, making it another key contributor to the Group's expanding operating margins.

On 15 November 2021, the Group announced its acquisition of a majority stake in Sol de Janeiro, an innovative leader in the global premium body care market. The acquisition is in line with the Group's strategy of building a leading and geographically-balanced portfolio of premium beauty brands. It is a perfect strategic fit in terms of brand recognition and identity, product quality, management capability, as well as growth, profitability and cash generation prospects.

Mr. André Hoffmann, Vice-Chairman and Chief Executive Officer of L'Occitane, said, "We are very pleased with the strong results achieved against the still uncertain macroeconomic backdrop. This period of record profit coincided with the completion of major restructuring actions, and the evolution of the management team. This is a testament to the Group's renewed sense of focus and discipline on a balanced approach to the top and bottom-line. Recently, we have accelerated our transformation into a multi-brand and geographically-balanced group that is supported by highly cash-generative businesses and growing earnings. We are now well-positioned for the longer-term to reach new markets and more age groups with innovative and exciting products and brands – all of which will continue to reflect our values and premium beauty image."

"That said, the recent return of COVID-19 restrictions in parts of the world proves that the pandemic is nowhere near over. This may cause some headwinds in the near-term. But given our proven agility and adaptability, and the inherent strengths of our brands, epitomised in the continued strength of our online channels, we look forward with optimism to deliver a strong holiday season and long-term value for our shareholders."

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About L'Occitane International S.A.

L'Occitane International S.A. is an international group that manufactures and retails beauty and well-being products that are rich in natural and organic ingredients. A global leader in the premium beauty market, the Group has more than 3,000 retail outlets, including approximately 1,500 owned stores, and is present in 90 countries. Through its six brands – L'OCCITANE en Provence, Melvita, Erborian, L'OCCITANE au Brésil, LimeLife by Alcone and ELEMIS – the Group offers new and extraordinary beauty experiences, using high quality products that respect nature, the environment and the people who surround it.

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