

*Groupe*  
**L' OCCITANE**  
L'OCCITANE INTERNATIONAL S.A.

**FY2022**

**Annual Results**

For the year ended 31 March 2022

# Highlights



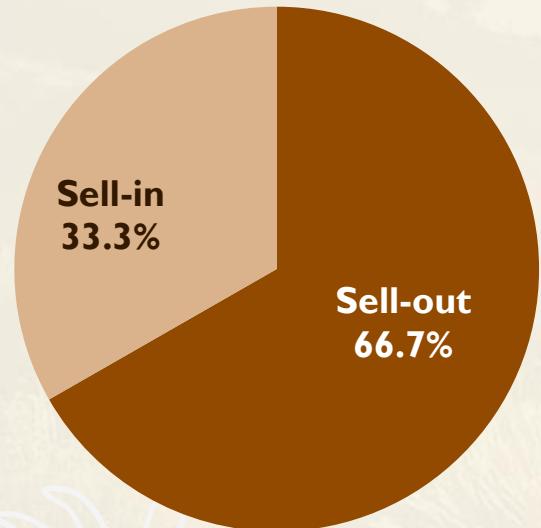
	FY2021 Restated	FY2022 Reported	Change
<b>Reported net sales (million €)</b>	1,537.8	1,781.4	+15.8%
<b>Gross profit margin</b>	83.0%	82.2%	-0.8 pp
<b>Reported operating profit</b>	216.8	310.7	+43.3%
<b>Reported operating profit margin</b>	14.1%	17.4%	+3.3 pp
<b>Profit for the year</b>	153.6	241.9	+57.5%
<b>Net profit margin</b>	10.0%	13.6%	+3.6 pp
<b>Earnings per share (€ per share)</b>	0.103	0.165	+60.2%
<b>Dividend per share (€ per share)<sup>(1)</sup></b>	0.03687	0.06585	+78.6%
<b>Dividend payout ratio</b>	35.0%	40.0%	+5.0 pp
<b>Net debt (million €)</b>	(395.6)	(660.8)	+67.0%

<sup>(1)</sup> Proposed dividend of FY2022 is subject to shareholders' approval at the AGM in September 2022.

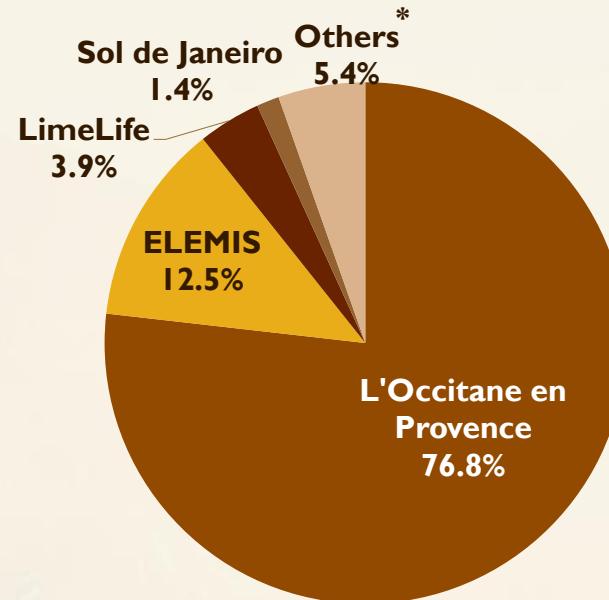


# FY2022 net sales breakdown

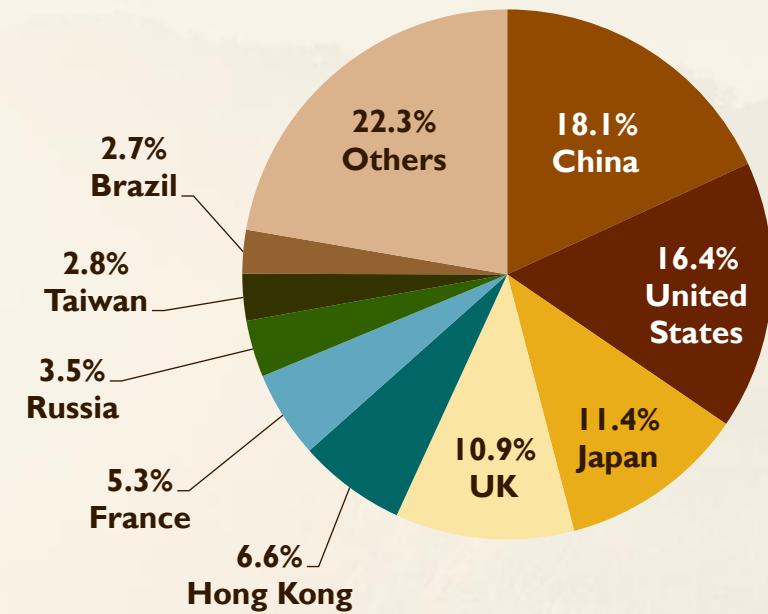
**By Segment**



**By Brand**



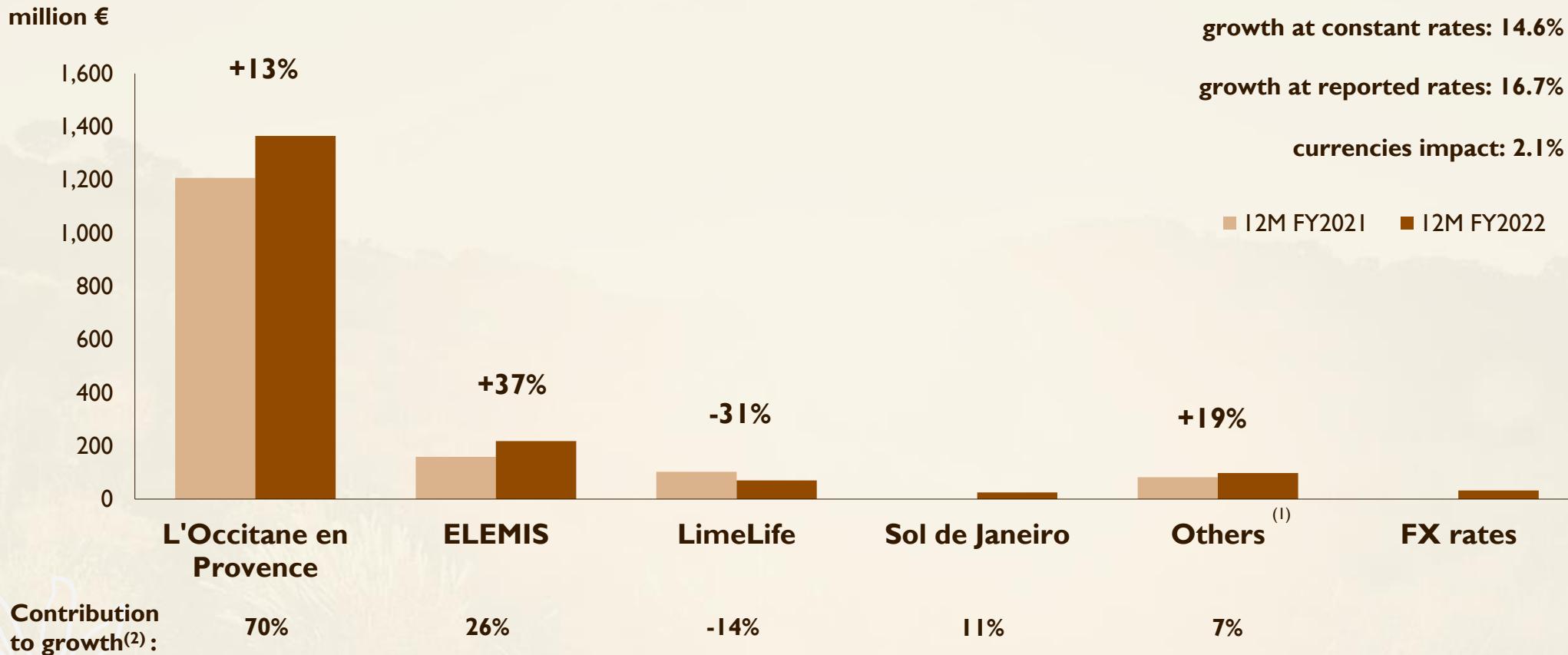
**By Geography**



\* Others include Melvita, Erborian and L'Occitane au Brésil.



# FY2022 net sales by brand



(1) Others include Melvita, Erborian and L'Occitane au Brésil.

(2) Excluding the impact of foreign currency translation effects.

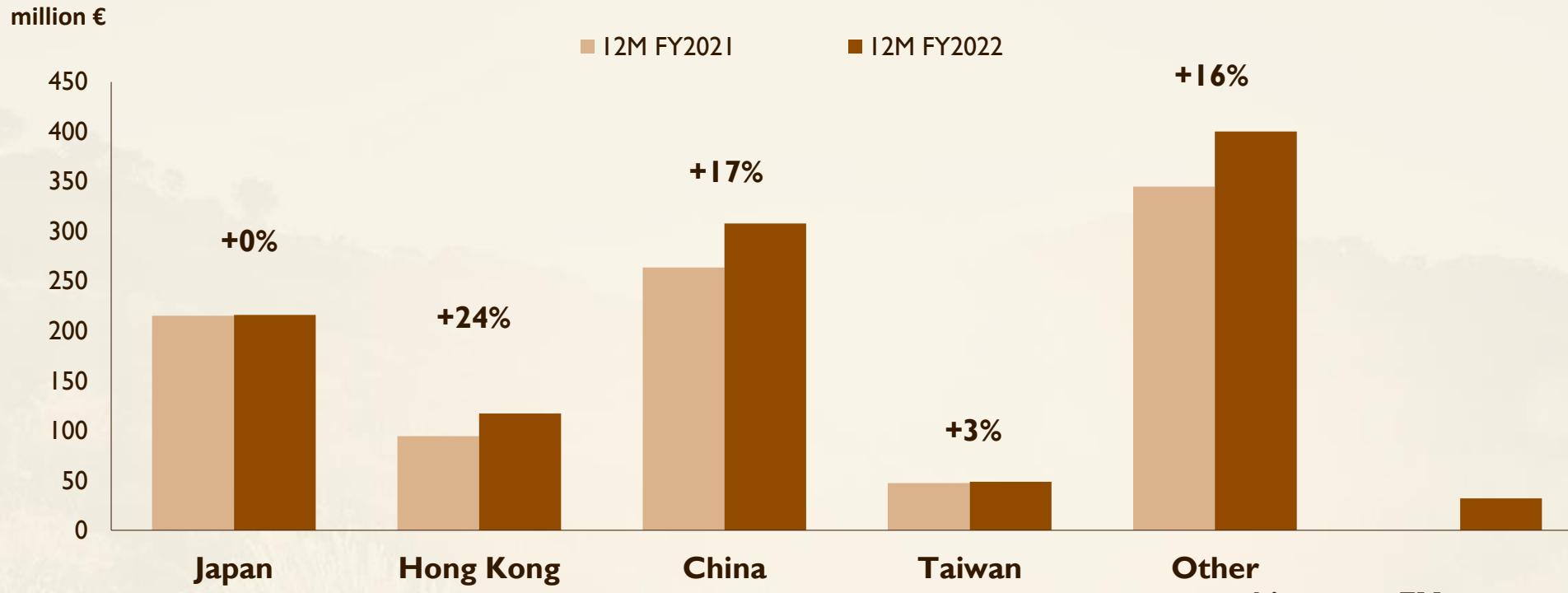
# Sales growth by geography – Americas and Europe (at constant rates)



(1) Excluding foreign currency translation effects.



# Sales growth by geography – Asia and others (at constant rates)



Contribution  
to growth<sup>(I)</sup>:

0%

10%

19%

1%

24%

(I) Excluding foreign currency translation effects.

# Profitability analysis



	% of net sales		
	FY2021	FY2022	Change
<b>Gross profit margin</b>	83.0	82.2	(0.8)
Distribution expenses	(43.3)	(39.2)	4.1
Marketing expenses	(13.9)	(15.8)	(1.9)
Research & development expenses	(1.1)	(1.1)	0.0
General & administrative expenses	(9.6)	(9.7)	(0.1)
Others	(1.0)	1.0	2.0
<b>Reported operating profit margin</b>	14.1	17.4	3.3

# Management OP (as % of net sales)



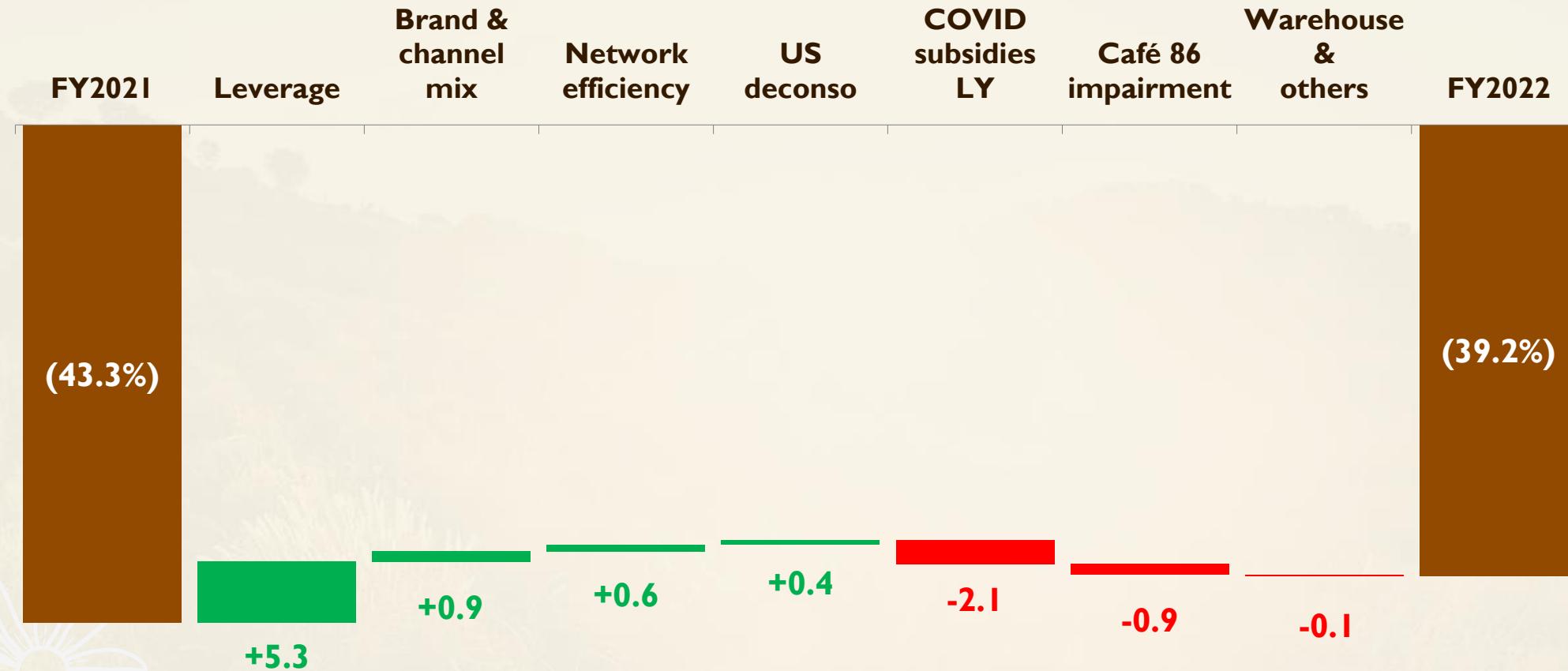
	FY2022		FY2021
<b>Reported Net sales</b>	<b>1,781.4</b>		<b>1,537.8</b>
<b>Management Net Sales</b>	<b>1,810.0</b>		<b>1,550.9</b>
<b>Gross profit</b>	<b>1,498.4</b>	<b>82.8%</b>	<b>1,289.3</b>
<b>Distribution, Marketing, R&amp;D and G&amp;A expenses</b>	<b>(1,190.8)</b>	<b>-65.8%</b>	<b>(1,060.3)</b>
<b>Other operating income / loss + share of JV results</b>	<b>0.3</b>	<b>0.0%</b>	<b>(0.5)</b>
<b>Management operating profit</b>	<b>307.8</b>	<b>17.0%</b>	<b>228.5</b>
<b>Chapter II: net effects of deconso / reconso</b>	<b>3.3</b>		<b>8.6</b>
<b>Restructuring expenses</b>	<b>-</b>		<b>(16.9)</b>
<b>Good Glamm Group's valuation and share of losses</b>	<b>15.1</b>	<b>+2.9</b>	<b>(3.4)</b>
<b>Impairment 86 Champs</b>	<b>(15.5)</b>		<b>-</b>
<b>Reported operating profit</b>	<b>310.7</b>	<b>17.4%</b>	<b>216.8</b>
			<b>14.1%</b>



## Gross margin (as % of net sales)

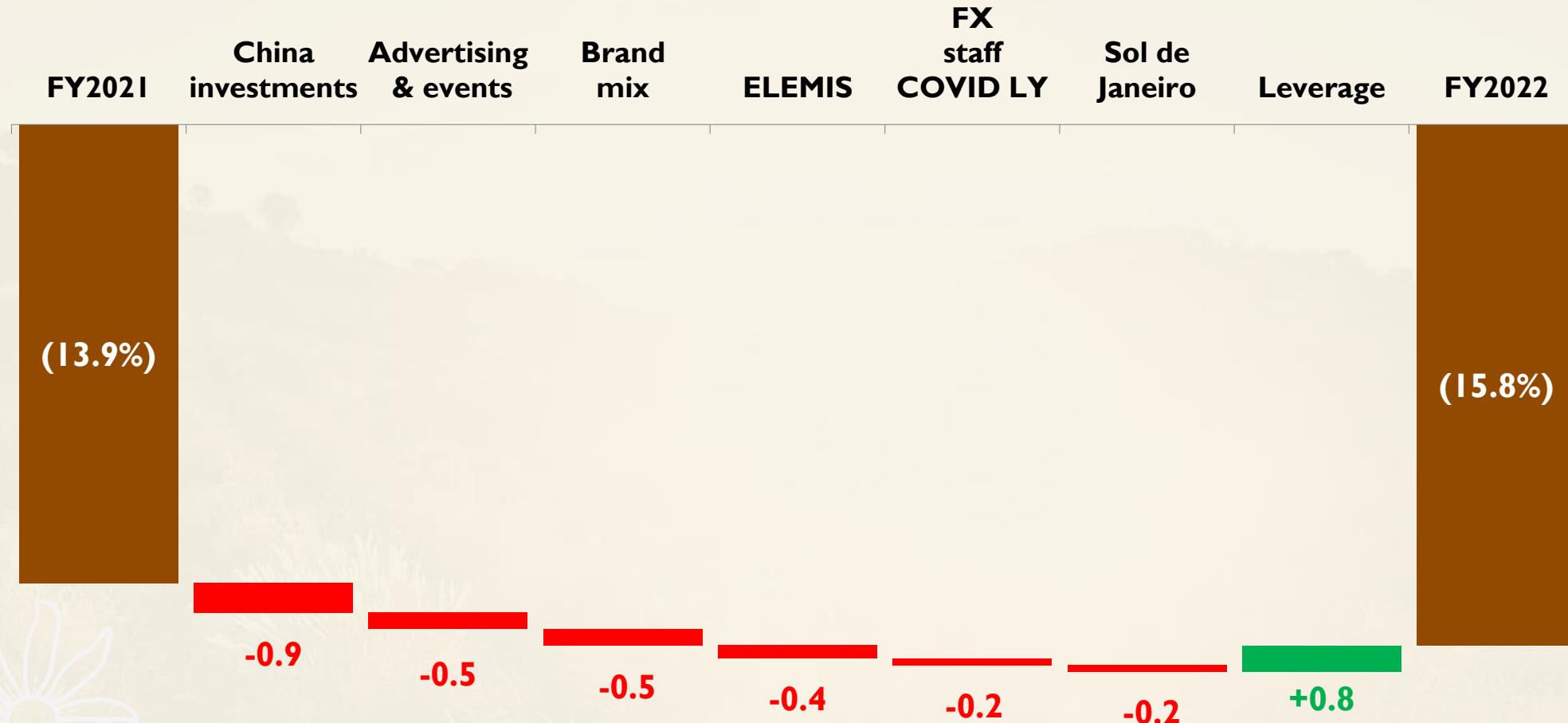


# Distribution expenses (as % of net sales)

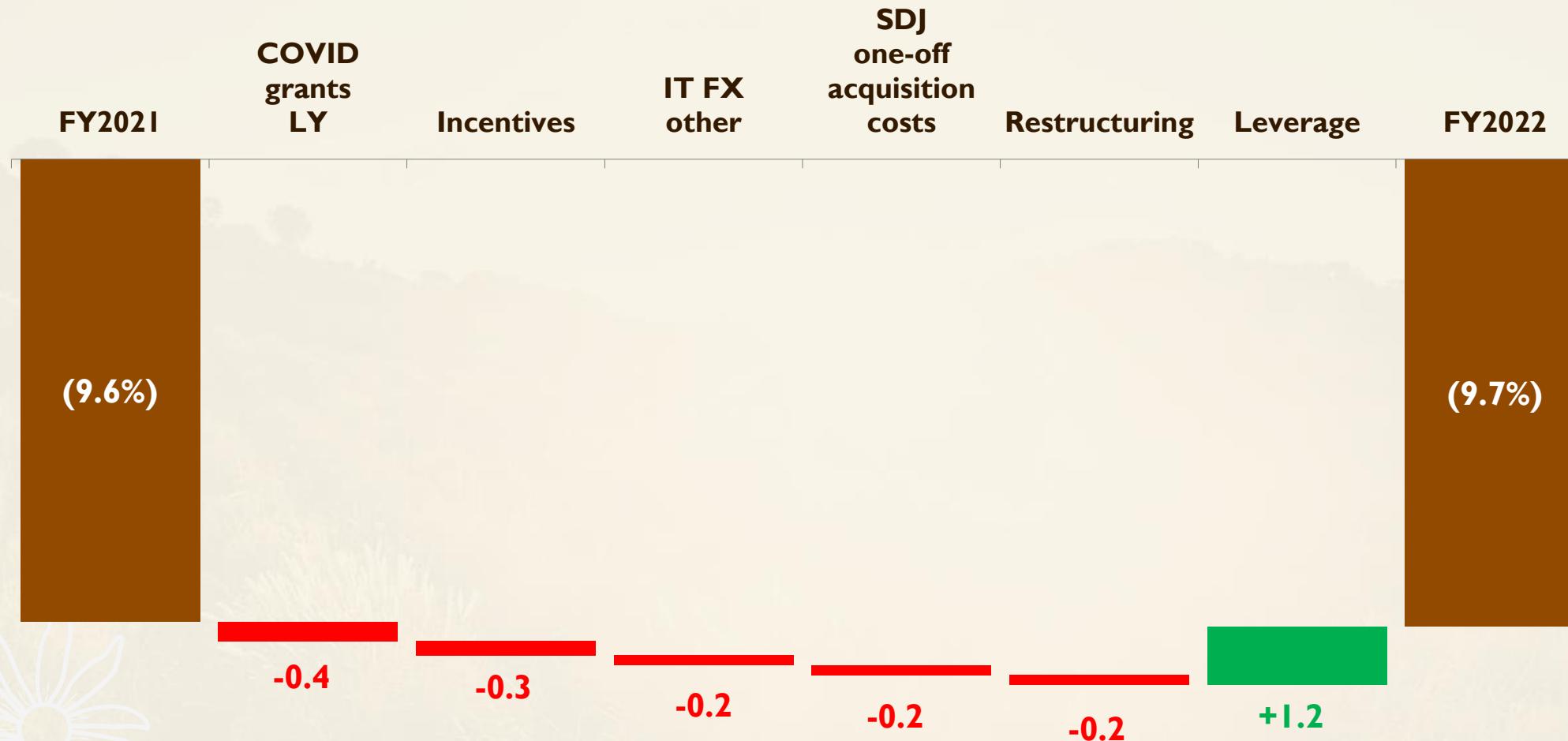




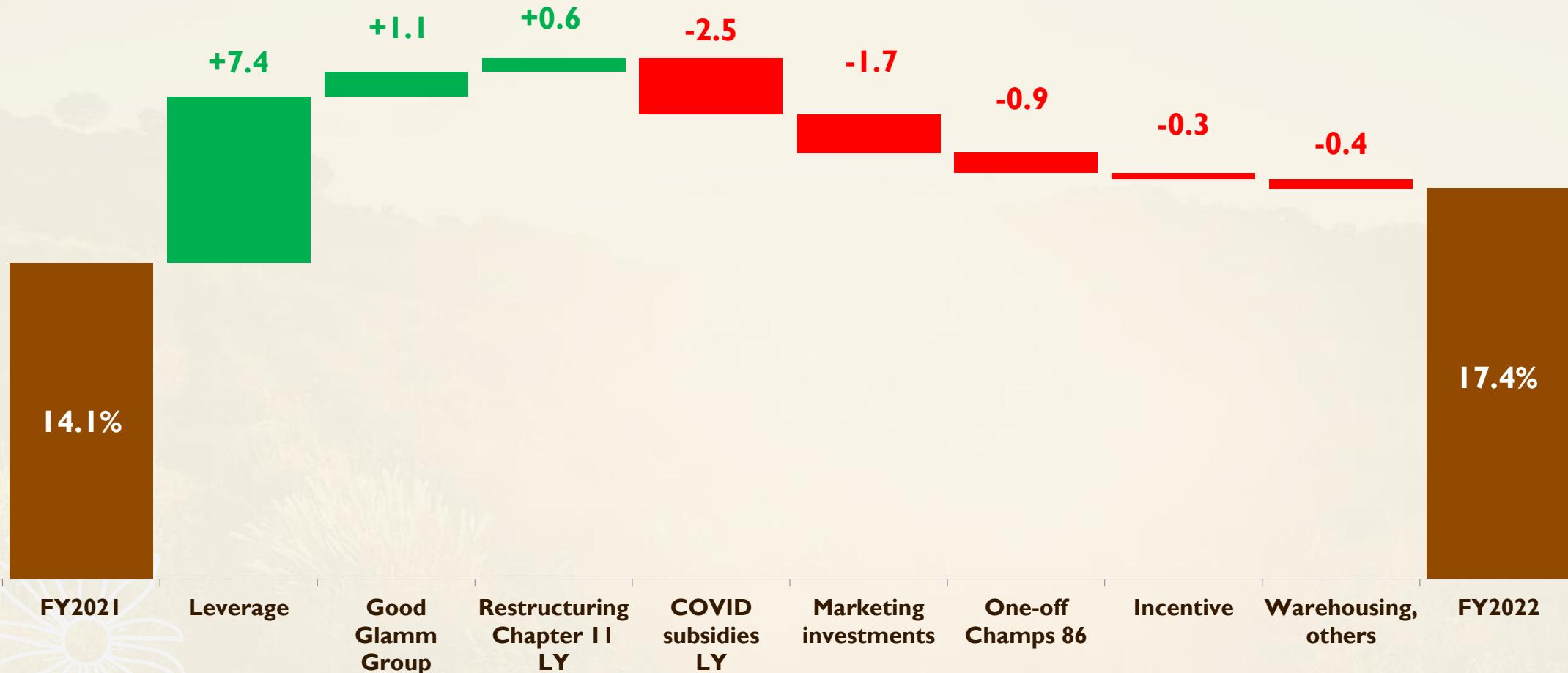
# Marketing expenses (as % of net sales)



# General and administrative expenses (as % of net sales)

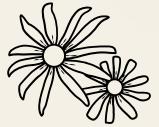


# Reported operating profit margin (as % of net sales)



# Reported operating profit by brand

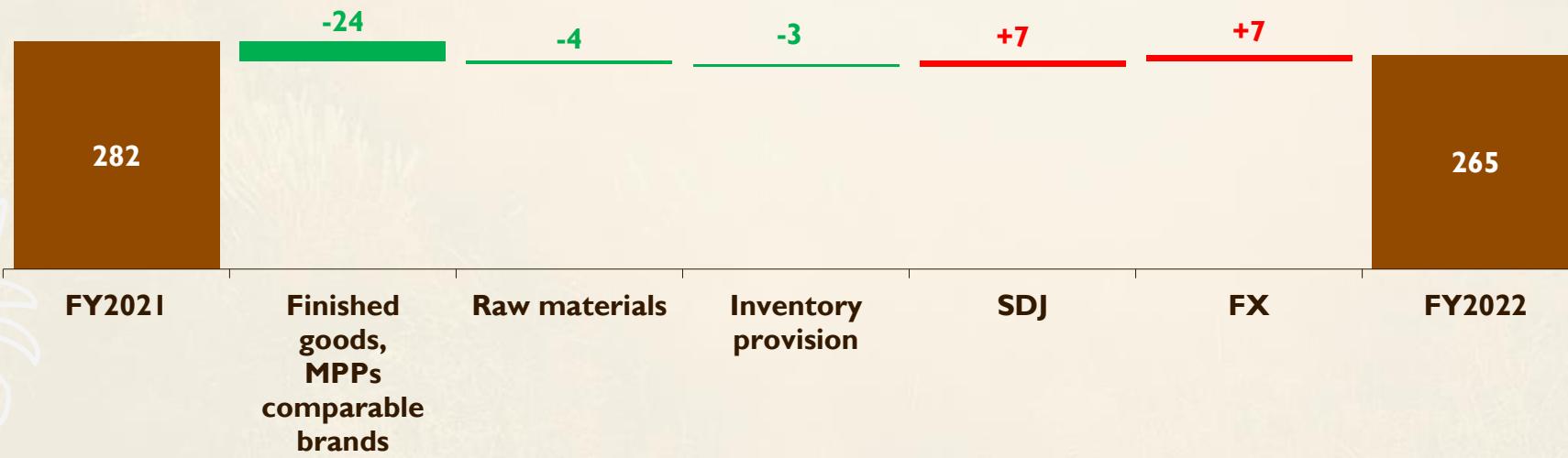




# Working capital ratios

	FY2021	FY2022	Change
Inventory turnover days (based on cost of sales)	282	265	-17
Trade receivables turnover days (based on net sales)	32	34	+2
Trade payables turnover days (based on cost of sales)	215	213	-2
Cash Cycle (days of net sales)	43	44	1

## Inventory turnover days



# Cash flow

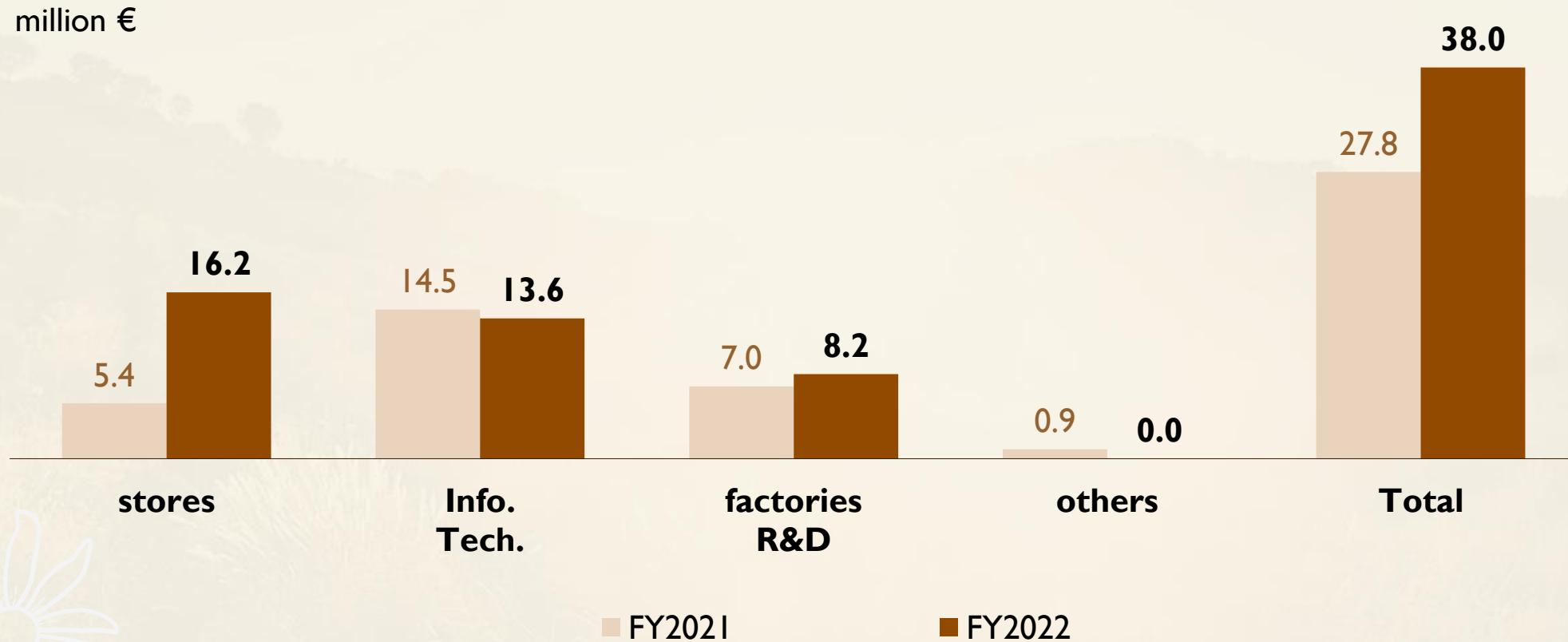


(million €)	FY2021	FY2022	Change
Profit before tax, adj. for non-cash items	421.2	475.4	54.2
Changes in working capital	36.3	(98.8)	(135.1)
Income tax paid	(28.0)	(50.5)	(22.5)
<b>Net cash flow from operations</b>	<b>429.5</b>	<b>326.0</b>	(103.5)
Cash outflow from CAPEX	(27.8)	(38.0)	(10.2)
<b>Free cash flow</b>	<b>401.7</b>	<b>288.0</b>	(113.7)
Invest in new ventures and fin. assets	(50.6)	(327.8)	(277.2)
Cash flow from financing	(97.2)	(17.3)	79.9
Effect of the exchange rate changes	1.0	(3.2)	(4.2)
<b>Net change in cash and cash equivalents</b>	<b>254.9</b>	<b>(60.3)</b>	(315.2)



# Capital expenditures

- excl. acquisitions of subsidiaries and financial investments



# Balance sheet ratios



	Restated FY2021	FY2022
<b>Profitability</b>		
Return on Capital Employed (ROCE) <sup>(1)</sup>	10.1%	12.8%
Return on equity (ROE) <sup>(2)</sup>	12.7%	19.1%
<b>Liquidity</b>		
Current ratio (times) <sup>(3)</sup>	0.9	1.1
Quick ratio (times) <sup>(4)</sup>	0.7	0.8
<b>Capital adequacy</b>		
Gearing ratio <sup>(5)</sup>	32.8%	34.0%
Debt to equity ratio <sup>(6)</sup>	31.1%	50.3%

(1) Net Operating Profit After Tax # / Capital Employed

(2) Net profit attributable to equity owners / shareholders' equity excluding minority interest

(3) Current assets / current liabilities

(4) Current assets - stocks / current liabilities

(5) Total debt / total assets

(6) Net debt / (total assets - total liabilities) \* 100%

# NOPAT = (Operating Profit + foreign currency net gains or losses) x (1 - effective tax rate)

Capital Employed = Non-current assets - (deferred tax liabilities + other financial liabilities + other non-current liabilities) + working capital



# Strategic Review



- Core brand accelerated growth and expanded profitability
- Broad-based improvement in results, with growth in all regions and all product categories
- Delivered world-class operating margin of 19.8%



- Omni-channel strategy drove simultaneous online and offline sales growth
- Online sales mix expected to remain high, as digitally-centric or digitally-native brands, including ELEMIS, LimeLife and Sol de Janeiro grow



- ELEMIS gained traction with continued global rollout
- Digital-first strategy allowed for rapid and efficient expansion
- Achieved impressive operating margin of 22.8%



- Recent acquisitions of Sol de Janeiro and Grown Alchemist in line with strategy to build a leading portfolio of geographically-balanced premium beauty brands
- Erborian led the growth of other brands and remained profitable



- Achieved record levels of profitability
- Organisation well-poised for future growth with completion of management transition



- Sustainability progress added as a metric to incentivise employees globally
- Eco-pop-up store in Seoul, South Korea awarded for its environmentally-conscious design

# Outlook



**Omni-channel Strategy**

- Through a harmonised promotion strategy between all channels, continued online developments will further support the Group's **omni-channel** strategy
- Focused on executing ongoing strategy despite near-term macroeconomic headwinds



**Reach €2 bn Sales Milestone**

- With the management transition and restructuring actions completed, the Group expects continued sales growth and healthy profitability
- The Group is on track to pass the **€2 billion sales mark** in FY2023



**Multi-brand Group**

- Continue to harness and invest in the inherent strength of its expanding number of brands
- Accelerate transformation to become a **multi-brand group**, staying open to accretive M&A opportunities

**The Group remains confident that its resilience, backed by the inherent strength of its brands, targeted investments and focused management, will sustain healthy growth and profitability**

# Disclaimer



This document is for information purposes only without any binding effect; in case of any inaccuracies, incompleteness or inconsistency with other documents, only the Company's latest issued annual or interim report for detailed financials shall prevail and shall be deemed to be the only official document.

The financial information and certain other information presented in a number of tables have been rounded to the nearest whole number or the nearest decimal. Therefore, the sum of the numbers in a column may not conform exactly to the total figure given for that column. In addition, certain percentages presented in the tables reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.





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THANK YOU

