

[For Immediate Release]



L'Occitane International S.A.

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(Incorporated under the laws of Luxembourg with limited liability)

L'Occitane Announces Unaudited Quarterly Update for the Period Ended 30 September 2022

**First half sales growth accelerated to 16.1% and to 5.9% like-for-like,
proving ongoing resilience in the face of global headwinds
All regions delivered growth, powered by 59.8% rise in the Americas
Sol de Janeiro continues strong momentum with 65.0% growth**

(25 October 2022, 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 unaudited quarterly update for the period ended 30 September 2022.

Despite ongoing headwinds in certain key markets, the Group continued to build on the positive momentum achieved in FY2023 Q1. In the six months ended 30 September 2022 ("FY2023 H1"), net sales amounted to €900.5 million, representing an accelerated growth of 24.2% at reported rates and 16.1% at constant rates. On a like-for-like basis, i.e. excluding the recently acquired brands Sol de Janeiro and Grown Alchemist, the Russia market due to the Group's divestiture, and the deconsolidation of the US subsidiary, sales growth was 5.9%, another acceleration from 5.1% in FY2023 Q1.

Further, despite strong 15.8% growth in FY2023 Q1, sales growth in the three months ended 30 September 2022 ("FY2023 Q2") accelerated to 24.9% at reported rates or 16.2% at constant rates, thanks to the Group's dynamic new brands, rebound in travel retail and distribution and foreign currency exchange tailwinds. The situation in China, the Group's largest market in APAC that accounted for 13.0% of overall sales in FY2023 H1, also improved in FY2023 Q2. Like-for-like growth in FY2023 Q2 was 6.7%.

Performance by brand:

€ million	Q2		% Growth	% Growth ⁽¹⁾
	FY2023	FY2022		
L'OCCITANE en Provence	319.8	297.8	7.4	1.3
ELEMIS	64.8	52.6	23.2	15.1
Sol de Janeiro	53.9	-	N/A	N/A
Others ⁽²⁾	46.0	37.5	22.6	14.3
Total	484.5	387.9	24.9	16.2

€ million	H1		% Growth	% Growth ⁽¹⁾
	FY2023	FY2022		
L'OCCITANE en Provence	610.3	558.0	9.4	3.4
ELEMIS	105.1	86.8	21.1	13.1
Sol de Janeiro	94.6	-	N/A	N/A
Others ⁽²⁾	90.5	80.3	12.7	4.9
Total	900.5	725.1	24.2	16.1

⁽¹⁾ Excludes foreign currency translation effects.

⁽²⁾ Others include LimeLife, Melvita, Erborian, L'OCCITANE au Brésil and Grown Alchemist.

Performance by region:

€ million	Q2		% Growth	% Growth ⁽¹⁾
	FY2023	FY2022		
APAC	198.4	181.8	9.1	2.5
Americas ⁽³⁾	150.6	78.6	91.5	63.7
EMEA	135.5	127.5	6.3	6.5
Total	484.5	387.9	24.9	16.2

€ million	H1		% Growth	% Growth ⁽¹⁾	% SSS Growth ⁽¹⁾
	FY2023	FY2022			
APAC	370.3	343.6	7.8	1.9	-4.3
Americas ⁽³⁾	281.0	152.3	84.5	59.8	11.2
EMEA	249.2	229.2	8.8	8.2	2.2
Total	900.5	725.1	24.2	16.1	0.7

⁽³⁾ Includes sales of the US subsidiary during the Chapter 11 proceedings in FY2022.

Performance by channel:

€ million	Q2		% Growth	% Growth ⁽¹⁾
	FY2023	FY2022		
Retail	159.3	152.9	4.2	-1.0
Online channels	142.0	122.6	15.8	6.8
Wholesale & others	183.2	112.4	62.9	50.0
Total	484.5	387.9	24.9	16.2

€ million	H1		% Growth	% Growth ⁽¹⁾
	FY2023	FY2022		
Retail	321.7	292.7	9.9	4.4
Online channels	264.7	239.8	10.4	2.2
Wholesale & others	314.2	192.6	63.1	50.9
Total	900.5	725.1	24.2	16.1

All key brands posted growth in FY2023 H1, with major contributions from Sol de Janeiro, ELEMIS and L'OCCITANE en Provence. **L'OCCITANE en Provence** grew 9.4% at reported rates and 3.4% at constant rates. Travel retail rebounded stronger and earlier than planned. Brick-and-mortar channels were dynamic while online channels normalised. In FY2023 Q2, despite the challenging market situation in China and the divestiture of its Russia business, L'OCCITANE en Provence maintained growth of 1.3%. Excluding Russia, the growth was 4.2%. **ELEMIS** also performed well in FY2023 H1 with 21.1% growth at reported rates and 13.1% at constant rates, mainly contributed by strong growth in the US and further international rollouts. The cruise line business continued to rebound while online and offline channels remained dynamic.

Sol de Janeiro ended FY2023 H1 with €94.6 million in sales, with more than 65% growth in local currency as compared to the same period last year. All channels posted encouraging growth, in particular chain wholesale, distribution and marketplace, thanks to well-received summer fragrances and the *Bejia Flor* range, as well as successful international rollouts to APAC and EMEA regions. **Other brands** together posted a growth of 12.7% at reported rates or 4.9% at constant rates in FY2023 H1. Grown Alchemist, Erborian and L'OCCITANE au Brésil remained dynamic while LimeLife and Melvita sales were sluggish.

In terms of regional performance, **APAC** grew 7.8% at reported rates and 1.9% at constant rates in FY2023 H1, with slightly better performance in FY2023 Q2. Most markets posted double-digit growth, led by Hong Kong, Australia and Malaysia. Yet, growth in the region was partly offset by the mid-teens decline at constant rates in China although the decline in Q2 narrowed from that of Q1. Hong Kong posted double-digit growth with dynamic growth in travel retail and distribution in the region, as well as a successful cross-border online business.

Americas grew 84.5% at reported rates or 59.8% at constant rates in FY2023 H1, with accelerated growth in Sol de Janeiro and ELEMIS. L'OCCITANE en Provence also posted decent growth. The US is now the Group's largest market in which it operates 6 brands, accounting for 25.7% of the overall sales in FY2023 H1. **EMEA** saw a rebound in FY2023 H1, growing 8.2% at constant rates, with strong contributions from travel retail and distribution sales in the region. Excluding Russia, the growth was 15.9% at constant rates.

All three key channels saw growth in FY2023 H1. **Wholesale & others** grew 50.9% at constant rates, with dynamic growth in wholesale chains, international distribution and travel retail. **Retail** also saw an increase in footfall and tourist sales and grew 4.4% at constant rates despite trading with 121 fewer stores. The total number of own retail stores was 1,380 as at 30 September 2022, representing 121 net closings year to date, of which 110 closings were in Russia. **Online channels** returned to growth in FY2023 Q2, leading to 2.2% growth at constant rates in FY2023 H1. The Group's online channels mix remained stable at 29.4% of total sales.

Mr. André Hoffmann, Vice-Chairman & Chief Executive Officer of L'Occitane, said, "Despite a worsening of the global macroeconomic environment in FY2023 Q2, including persistent inflation, increasing interest rates and muted consumer sentiment in some markets, it is pleasing to see a further acceleration in top-line growth, both on an actual and like-for-like basis. This has strengthened our optimism about reaching our FY2023 targets."

Mr. Hoffmann concluded, "We have a proven track record of resilience in the face of various headwinds. Our diverse reach, both in terms of brands and geography, will continue to see us through the months ahead, particularly in anticipation of the holiday season."

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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 1,400 owned stores, and is present in 90 countries. Through its eight brands – L'OCCITANE en Provence, Melvita, Erborian, L'OCCITANE au Brésil, LimeLife, ELEMIS, Sol de Janeiro and Grown Alchemist – 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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