

[For Immediate Release]



L'Occitane International S.A.

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L'Occitane Announces Unaudited Quarterly Update for the Period Ended 31 March 2023

Sales exceed €2 billion milestone
Q4 sales grew 20.6% with like-for-like sales up 8.4%
Core brand sales and APAC sales return to growth

(4 May 2023, 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 31 March 2023.

The Group's net sales reached €2,134.7 million in the twelve months ended 31 March 2023 ("FY2023 12M"), representing 17.9% growth at reported rates or 13.4% growth at constant rates.

The Group's sales performance in the three months ended 31 March 2023 ("FY2023 Q4") improved from that of the three months ended 31 December 2022 ("FY2023 Q3"), growing 20.6% at constant rates. On a like-for-like basis, i.e. excluding Russia due to the Group's divestiture in June 2022, the newly consolidated brands Sol de Janeiro and Grown Alchemist, the deconsolidation of the US subsidiary last year and at constant rates, sales growth was 8.4% in FY2023 Q4, a significant improvement from -1.7% in FY2023 Q3.

Performance by brand:

€ million	Q4		% Growth	% Growth ⁽¹⁾
	FY2023	FY2022		
L'OCCITANE en Provence	304.6	306.3	-0.6	0.8
ELEMIS	74.4	63.2	17.8	18.1
Sol de Janeiro ⁽²⁾	100.2	26.1	284.0	267.5
Others ⁽³⁾	45.4	39.4	15.2	14.3
Total	524.5	434.9	20.6	20.6

€ million	12M		% Growth	% Growth ⁽¹⁾
	FY2023	FY2022		
L'OCCITANE en Provence	1,421.2	1,389.2	2.3	-0.5
ELEMIS	255.9	226.3	13.1	8.9
Sol de Janeiro ⁽²⁾	267.0	26.1	N/A	N/A
Others ⁽³⁾	190.5	168.4	13.1	7.3
Total	2,134.7	1,810.0	17.9	13.4

⁽¹⁾ Excludes foreign currency translation effects.

⁽²⁾ Sol de Janeiro's quarterly sales in FY2023 are restated as follows: Q1 €42.6 million (+€1.8 million), Q2 €56.0 million (+€2.1 million), Q3 €68.3 million (+€4.1 million), due to a reclassification of sales in the marketplace channel to properly record the sell-out sales value.

⁽³⁾ Others include LimeLife, Melvita, Erborian, L'OCCITANE au Brésil and Grown Alchemist.

Performance by region:

€ million	Q4		% Growth	% Growth ⁽¹⁾
	FY2023	FY2022		
APAC	208.4	205.3	1.5	4.3
Americas ⁽⁴⁾	196.3	106.0	85.3	77.5
EMEA	119.8	123.7	-3.1	-1.3
Total	524.5	434.9	20.6	20.6

€ million	12M		% Growth	% Growth ⁽¹⁾	% SSS Growth ⁽¹⁾
	FY2023	FY2022			
APAC	896.2	875.4	2.4	0.5	-4.3
Americas ⁽⁴⁾	695.0	385.3	80.4	62.8	8.1
EMEA	543.4	549.3	-1.1	-0.7	1.0
Total	2,134.7	1,810.0	17.9	13.4	-0.5

⁽⁴⁾ Includes sales of the US subsidiary during the Chapter 11 proceedings in FY2022.

Performance by channel:

€ million	Q4		% Growth	% Growth ⁽¹⁾
	FY2023	FY2022		
Retail	170.4	178.5	-4.5	-2.4
Online channels	148.9	139.3	6.9	7.0
Wholesale & others	205.2	117.1	75.3	71.7
Total	524.5	434.9	20.6	20.6

€ million	12M		% Growth	% Growth ⁽¹⁾
	FY2023	FY2022		
Retail	761.5	760.2	0.2	-2.0
Online channels	657.6	601.5	9.3	4.8
Wholesale & others	715.6	448.3	59.6	50.9
Total	2,134.7	1,810.0	17.9	13.4

In FY2023 Q4, the sales performance of all key brands improved from that of FY2023 Q3. **L'OCCITANE en Provence** returned to growth of 0.8% in FY2023 Q4, thanks to the brand's dynamic travel retail channel and an improvement in sales momentum in China following the lifting of COVID-19 restrictions. For FY2023 12M, however, the brand recorded a slight sales decline of 0.5% at constant rates, mainly due to the difficult conditions in China for most of the year and the divestiture of Russia. Excluding the China and Russia markets, the brand posted sales growth of 6.8% and 9.9% in FY2023 12M and in FY2023 Q4, respectively. **ELEMIS** returned to strong growth of 18.1% in FY2023 Q4 and ended FY2023 12M with 8.9% growth at constant rates. This was contributed by strong growth of 34.0% in the US in FY2023 12M, mainly driven by its outstanding e-commerce and cruise ship businesses, as well as 29.2% growth in APAC attributed to the brand's development in the region. This was partly offset by a sales decline in the UK, in line with its strategic decision to reduce sales to certain wholesale partners to enhance brand equity.

Sol de Janeiro accelerated its stellar sales momentum to become the Group's second largest brand with €267.0 million in sales in FY2023 12M. Its growth of 267.5% in FY2023 Q4 and 135.2% growth in FY2023 12M was fueled by the highly anticipated launches of the *Bum Bum Firmeza* body oil, in tandem with its bestselling *Brazilian Bum Bum Cream*, and the *Rio Radiance* fragrance mist. **Other brands** together also showed an improvement, posting 7.3% growth at constant rates for FY2023 12M. Erborian and L'OCCITANE au Brésil performed particularly well with 33.4% and 41.2% growth respectively at constant rates in FY2023 12M.

In terms of regional performance, the **Americas** led the growth with 80.4% at reported rates or 62.8% at constant rates in FY2023 12M. The growth was mainly driven by the accelerated growth

of Sol de Janeiro and the solid performance of ELEMIS in the US. L'OCCITANE en Provence showed a low single-digit percentage growth in the Americas. **APAC** returned to growth, increasing 2.4% at reported rates or 0.5% at constant rates in FY2023 12M, with a strong contribution from travel retail sales in the region and improved conditions in China. The sales decline in China narrowed to a high-single-digit percentage in FY2023 Q4. Excluding China, APAC grew by 8.0% at constant rates and same-store sales growth was 1.4% in FY2023 12M. **EMEA** saw a slight 0.7% sales decrease at constant rates in FY2023 12M, mainly due to the divestiture of Russia. Excluding Russia, EMEA grew 10.2% at constant rates.

In terms of channel performance, **Wholesale & others** led with 50.9% growth at constant rates in FY2023 12M, with dynamic growth in wholesale chains, international distribution and travel retail. **Online channels** posted growth of 4.8% at constant rates in FY2023 12M, mainly driven by the strong performance of Sol de Janeiro. Excluding Sol de Janeiro, online channels declined as expected due to the return of traffic to brick-and-mortar channels and the sluggish performance of LimeLife. **Retail** sales saw a decrease of 2.0%, mainly affected by the divestiture of Russia, the store closures in China due to COVID-19 outbreaks, and the closure of some own stores (1,362 as at 31 March 2023 as compared to 1,490 as at 31 March 2022). Excluding the Russia and China markets, retail sales grew by 7.2% at constant rates in FY2023 12M.

Mr. André Hoffmann, Vice-Chairman & Chief Executive Officer of L'Occitane, said, "We saw a solid broad-based improvement in FY2023 Q4, boosting our sales to exceed the €2 billion mark in FY2023. We are well-positioned to sustain growth in the coming year as we introduce our newer brands into new markets and channels. The ongoing success of our multi-brand strategy is becoming more apparent with Sol de Janeiro now our second-largest brand, less than 18 months since its acquisition."

Mr. Hoffmann concluded, "We also continued to make solid progress in the ESG space having recently announced a roadmap for achieving a science-based net-zero target across all of our brands, with a focus on reaching 100% renewable electricity by 2025, reducing our greenhouse gas emissions by 2031 and achieving net-zero emissions by 2050."

For more information on the Group's recently announced net-zero roadmap, please refer to this [press release](#). More information on the Group's Climate Strategy is available [here](#).

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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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