L'Occitane International S.A.
Société anonyme
Siège social: 49, Boulevard du Prince Henri, L-1724 Luxembourg,
Grand-Duché de Luxembourg
R.C.S. Luxembourg B80.359

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STATUTS COORDONNES à la date du 28 septembre 2022

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1. Interpretation.

1. The marginal notes to these articles of association shall not affect the interpretation hereof. In these articles of association, unless the subject or the content otherwise provides:

"Articles" shall mean the present articles of association of the Company and all supplementary, amended or substituted articles for the time being in force;

"Associate", in relation to any Director, has the meaning ascribed to it in the Listing Rules;

"Board" shall mean the board of Directors;

"Business Day" means any day on which commercial and financial markets are opened for trading in Luxembourg, France or Hong Kong;

"Calendar Day" means all twenty-four (24) hours day in a year, for every month, including weekends and holidays;

"Chairman" shall mean the chairman presiding from time to time at any meeting of the members or of the Board;

"Companies Ordinance" shall mean the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) and Companies Ordinance (Cap. 622 of the Laws of Hong Kong), as amended from time to time and to the extent applicable to the Company;

"Company" shall mean L'Occitane International S.A., a société anonyme governed by the laws of the Grand Duchy of Luxembourg registered with the Luxembourg trade and companies register under registration number B80359;

"Director" shall mean any member of the board of directors of the Company from time to time;

"Exchange" shall mean The Stock Exchange of Hong Kong Limited;

"Extraordinary General Meeting" shall mean any general meeting of shareholders held in front of a notary in Luxembourg in accordance with the quorum and majority requirements as set out in these Articles, resolving on an amendment of the articles of association or any other item requiring resolutions of the general meeting to be adopted in front of a Luxembourg notary in accordance with the Luxembourg Companies Law;

"Hong Kong" shall mean the Hong Kong Special Administrative Region of the People's Republic of China;

"Hong Kong Takeovers Code" shall mean the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong as amended from time to time;

"Listing Rules" shall mean the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited as amended from time to time;

"Luxembourg" shall mean the Grand-Duchy of Luxembourg;

"Luxembourg Companies Law" shall mean the Luxembourg law of 10 August 1915 on commercial companies, as amended from time to time;

"Managing Director" shall mean any Director entrusted by the Board with the daily management of the Company;

"Month" shall mean a calendar month;

"Register" shall mean the Company's principal Share register maintained in Luxembourg, branch Share register maintained in Hong Kong and any other branch registers which may be established collectively, unless otherwise indicated;

"Secretary" shall mean the person or persons, as the case may be, appointed as company secretary or joint company secretaries of the Company from time to time;

"Share" shall mean a share in the capital of the Company;

"Shareholder(s)" or "member(s)" shall mean the person(s) who are duly registered as the holders from time to time of Shares in the Register including persons who are jointly so registered;

"Special Matter" shall mean any matter subject to approval by Shareholders in general meeting and in respect of which pursuant to the Listing Rules certain Shareholders are required to abstain from voting or are restricted to voting only for or only against;

"Special Resolution" shall mean (i) a resolution passed by no less than three-quarters of the votes cast by such members as are present or represented and entitled to vote in person or by proxy at a general meeting, of which no less than 21 Calendar Days' notice has been given in case of an annual general meeting and (ii) no less than 15 Calendar Days' notice has been given in case of any other general meeting. The "votes cast" shall not include votes attaching to Shares in respect of which the Shareholder has not taken part in the vote or has abstained or has returned a blank or invalid vote.

1.2. These Articles shall be read and interpreted in light of any regulatory requirements that may apply to the Company from time to time.

2. Corporate name — Registered office — Duration.

2.1 There is hereby formed a Luxembourg company in the form of a joint stock company (a société anonyme) to exist under the corporate name "**L'Occitane International S.A.**"

2.2 The registered office of the Company shall be located in Luxembourg-City, Grand-Duchy of Luxembourg. Branches or offices both within Luxembourg and abroad may be set up by simple decision of the Board.

2.3 Whenever the Board deems that extraordinary political, economic or social events of such a nature as to interfere with normal activity at the registered office or with easy communication between that registered office and abroad shall occur or shall be imminent, the registered office may be provisionally transferred abroad until the complete cessation of such abnormal circumstances; such decision shall however have no effect on the nationality of the Company which, such provisional transfer notwithstanding, shall remain a Luxembourg company.

2.4 The Company is incorporated for an unlimited period of time.

3. Corporate purpose.

3.1 The corporate purpose of the Company is the holding of participations, in any form whatsoever, in Luxembourg and foreign companies and any other form of investment, the acquisition by purchase, subscription or in any other manner as well as the transfer by sale, exchange or otherwise of securities of any kind and the administration, control and development of its portfolio.

3.2 It may in particular acquire by way of contribution, subscription, option, purchase or otherwise all and any transferable securities of any kind and realise the same by way of sale, transfer, exchange or otherwise.

3.3 The Company may likewise acquire, hold and assign, as well as license and sub-license all kinds of intellectual property rights, including without limitation, trademarks, patents, copyrights and licenses of all kinds. The Company may act as licensor or licensee and it may carry out all operations which may be useful or necessary to manage, develop and profit from its portfolio of intellectual property rights.

3.4 The Company may grant loans to, as well as guarantees or security for the benefit of third parties to secure its obligations and obligations of other companies in which it holds a direct or indirect participation or right of any kind or which form part of the same group of companies as the Company, or otherwise assist such companies.

3.5 The Company may raise funds through borrowing in any form or by issuing any kind of notes, securities or debt instruments, bonds and debentures and generally issue securities of any type.

3.6 The Company may also carry out all and any commercial distribution operations of products, outside of manufacturing, both in Luxembourg and abroad. The Company may thus carry out all the below mentioned activities as well as all services related thereto:

(a) the sale and distribution, whether through wholesale, retail, or otherwise, of beauty products, cosmetics, perfumes, soaps and all and any body hygiene products, household scents and products, regional-themed products and specialties, dietetic products, jewellery and food products;

(b) the installation and fitting of store and shop furniture, display counters and other shop fittings, the logistical assistance in view of the creation, setting up and fitting of, amongst other things, shops, beauty parlours, spas, restaurants and cafes;

(c) the performance of all and any services, the supply of all and any products and accessories relating to the household sector; and

(d) the provision of services such as beauty and cosmetic treatments, spa related services and treatments, restauration and food and beverage services.

3.7 The Company may moreover carry out all and any commercial, industrial and financial operations, both movable and immovable, which may directly or indirectly relate to its own corporate purpose or likely to promote its development or fulfilment.

3.8 One of the purposes of the Company is to create a material positive social and environmental impact, taken as a whole, in the course of conducting its business activities.

4. Share capital.

4.1 The subscribed share capital of the Company is set at forty-four million three hundred eight thousand nine hundred forty-six Euro and seventy-three cents (EUR44,308,946.73) represented by one billion four hundred seventy-six million nine hundred sixty-four thousand eight hundred ninety-one (1,476,964,891) Shares with a par value of three euro cent (EUR0.03) each, since 2 June 2010.

4.2 The authorised share capital of the Company is set, in addition to the subscribed share capital, at one billion five hundred million euro (EUR1,500,000,000.00) represented by fifty billion (50,000,000,000) Shares with a par value of three euro cent (EUR0.03) each. Subject always to compliance with applicable provisions of the Listing Rules, during the period of five years from the date of the publication of the creation or amendment of the authorised share capital by general meeting, the Board is authorised to issue Shares, to grant options to subscribe for Shares and to issue any other securities or instruments convertible into Shares, to such persons and on such terms as it shall see fit and specifically to proceed to such issue without reserving for the existing Shareholders a preferential right to subscribe for the issued Shares.

4.3 Subject to the provisions of these Articles and to any direction that may be given by the Company in a general meeting and without prejudice to any special rights conferred on the holders of any existing Shares or attaching to any class of Shares and upon the passing of a resolution at an Extraordinary General Meeting, any Share may be issued with or have attached thereto such preferred, deferred, qualified or other special rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise, and to such persons at such times and for such consideration as the Board may propose to the Extraordinary General Meeting for approval. Subject to the Luxembourg Companies Law and to any special rights conferred on any Shareholders or attaching to any class of Shares, any Share may, with the sanction of a Special Resolution, be issued on terms (which will be specified upon and as a condition of its issue) that it is or at the option of the Company is or at the option of the holder thereof is (as the case may be as will be specified upon and as a condition of its issue), liable to be redeemed. As of the date on which these Articles were last amended, the Company does not have any redeemable shares in issue.

4.4 Subject to the Listing Rules, the Board may within the limits of the authorised share capital issue warrants to subscribe for any class of Shares or other securities of the Company on such terms as it may from time to time determine. No warrants shall be issued to bearer for so long as a recognised clearing house (in its capacity as such) is a member of the Company. Where warrants are issued to bearer, no new warrant shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original has been destroyed and the Company has received an indemnity in such form as the Board shall think fit with regard to the issue of any such new warrant.

4.5 If at any time the share capital of the Company is divided into different classes of Shares, all or any of the rights attaching to any class of Shares for the time being issued (unless otherwise provided for in the terms of issue of the Shares of that class) may be varied or abrogated with the consent in writing by holders of not less than three-quarters in nominal value of the issued Shares of that class present or represented and being entitled to vote in person or by proxy at an Extraordinary General Meeting, in addition to the approval of such variation and/or abrogation by Special Resolution passed by Shareholders at that Extraordinary General Meeting. The quorum for the purposes of any such Extraordinary General Meeting shall be a person or persons together holding (or representing by proxy or duly authorised representative) at the date of the relevant meeting not less than half of the nominal value of the issued Shares of that class and half of the nominal value of all issued Shares.

4.6 The special rights conferred upon the holders of such Shares of any class shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such Shares, be deemed to be varied by the creation or issue of further Shares ranking pari passu therewith.

4.7 Both the subscribed and the authorised share capital of the Company may be increased or decreased by Special Resolution passed by Shareholders in an Extraordinary General Meeting.

4.8 The Board may delegate, within the limits of the authorised share capital, to any duly authorised person the powers necessary to accept subscriptions and receive payment thereon for the corporate Shares representing in whole or in part such share capital increases.

4.9 Following each modification of the subscribed share capital legally carried out by the Board within the limits of the authorised share capital, Articles 4.1 and 4.2 hereof shall be accordingly adapted.

5. Financial assistance. The Company will comply with applicable provisions in relation to the prohibition of giving financial assistance under the Companies Ordinance and the Luxembourg Companies Law, whichever is more stringent from time to time.

6. Acquisition of own Shares by the Company. Subject to the Luxembourg Companies Law, or any other law or so far as not prohibited by any law and subject to any rights conferred on the holders of any class of Shares, the Company shall have the power to purchase or otherwise acquire all or any of its own Shares provided that the manner of purchase has first been authorised by a resolution of the Shareholders, and to purchase or otherwise acquire warrants for the subscription or purchase of its own Shares, and subject to the provisions of article 430-23 of the Luxembourg Companies Law on cross participations, shares and warrants for the subscription or purchase of any shares in any company which is its holding company, and may make payment therefore in any manner authorised or not prohibited by law, including out of capital, or to give, directly or indirectly, by means of a loan, a guarantee, a gift, an indemnity, the provision of security or otherwise howsoever, financial assistance for the purpose of or in connection with a purchase or other acquisition made or to be made by any person of any shares or warrants in any company which is a subsidiary of the Company and should the Company purchase or otherwise acquire its own Shares or warrants, neither the general meeting of the Company nor the Board shall be required to select the Shares or warrants to be purchased or otherwise acquired rateably or in any other manner as between the holders of Shares or warrants of the same class or as between them and the holders of Shares or warrants of any other class or in accordance with the rights as to dividends or capital conferred by any class of Shares, provided always that any such purchase or other acquisition or financial assistance shall only be made in accordance with the Luxembourg Companies Law as well as any relevant code, rules or regulations issued by the Exchange or the Securities and Futures Commission of Hong Kong from time to time in force.

7. Redeemable Shares. Subject to the provision of the Luxembourg Companies Law and these Articles, and to any special rights conferred on the holders of any Shares or attaching to any class of Shares, Shares may be issued on the terms that they may be, or at the option of the Company or the holders are, liable to be redeemed on such terms and in such manner as the Board may deem fit.

The redemption of redeemable shares is not subject to section 6 of the Articles, no authorization by Shareholders' resolution being required.

7.1 Shares of the Company may be redeemable Shares in accordance with the provisions of article 430-22 of the Luxembourg Companies Law, as amended. Redeemable Shares, if any, bear the same rights to receive dividends and have the same voting rights as non-redeemable Shares. Only fully paid-in redeemable Shares shall be redeemable. The redemption of the redeemable Shares can only be made by using sums available for distribution in accordance with article 462-1 of the Luxembourg Companies Law and the present Articles or the proceeds of a new issue made with the purpose of such redemption subject always to the provisions of these Articles. Redeemable Shares which have been redeemed by the Company bear no voting rights, and have no rights to receive dividends or the liquidation proceeds. Redeemed redeemable shares may be cancelled upon request of the Board, by a Special Resolution passed at an Extraordinary General Meeting.

7.2 Where the Company purchases for redemption a redeemable Share, purchases not made through the market or by tender shall be limited to a maximum price, and if purchases are by tender, tenders shall be available to all Shareholders alike.

7.3 Special Reserve. An amount equal to the nominal value, or, in the absence thereof, the accounting par value, of all the Shares redeemed must be included in a reserve which cannot be distributed to the Shareholders except in the event of a capital reduction of the subscribed Share capital; the reserve may only be used to increase the subscribed share capital by capitalisation of reserves.

7.4 Premium on Redemption. Subject to this Article 7.4, any premium payable on the redemption of redeemable Shares shall be paid out of the distributable profits of the Company.

If the redeemable Shares were issued at a premium, any premium payable on their redemption may be paid out in addition to the distributable profits, of the proceeds of a fresh issue of Shares made for the purpose of the redemption, up to an amount equal to:

(a) the aggregate of the premiums received by the Company on the issue of the Shares redeemed; or

(b) the current amount of the company's Share premium account (including any sum transferred to that account in respect of premiums on the new Shares), whichever is the less and in that case the amount of the Company's Share premium account shall be reduced by a sum corresponding (or by sums in the aggregate corresponding) to the amount of any such premium on redemption so paid out of the proceeds of the issue of new Shares.

Any Share premium paid in by a Shareholder on the Shares subscribed at the time of the issuance shall not be reserved for such specific Shares but shall benefit the entirety of the Company and its Shareholders.

7.5 Redemption Price. Except as provided otherwise in these Articles or by a written agreement which may be entered into between the holders of the relevant redeemable Shares and the Company, the redemption price of the redeemable Shares shall be calculated by the Board, or by such person appointed by the Board, on the basis of the market value of the Shares as represented by the closing price of the Shares as stated in the Exchange's daily quotation sheets on the 17th Business Day (that is, a day on which the Exchange was open for the business of dealing in securities) or such other day as may be specified in the relevant redeemable Shares' terms of issue, prior to the date of redemption, or on the basis of the net asset value of all assets and liabilities of the Company. The value of the Company's Shares determined on the basis of the net asset value of the Company shall be expressed as a per Share figure and shall be determined in respect of any valuation day by dividing the net assets of the Company, being the value of the Company's assets less its liabilities at close of business on that day, by the number of Shares of the Company then outstanding at such close of business, in accordance with the rules the Board shall regard as fair and equitable. In the absence of any bad faith, gross negligence or overt error, any calculation of the redemption price by the Board that is approved by a majority of the Shareholders of the Company shall be conclusive and binding on the Company and on its present, past and future Shareholders.

7.6 Redemption Procedure. Except as otherwise provided in a written agreement which may be entered into between the holders of the relevant redeemable Shares and the Company, at least 15 Business Days prior to the redemption date, written notice shall be made to each registered holder of the redeemable Shares to be redeemed, notifying such holder of the number of Shares so to be redeemed, specifying the redemption date, the redemption price, the procedures necessary to submit the Shares to the Company for redemption. A notice of the redemption of Shares shall be filed with the Luxembourg trade and companies register.

7.7 If the Company is wound up without having redeemed its redeemable Shares, the terms of the redemption may be enforced against the Company, to the extent that the Company has the financial capacity to perform such redemption of redeemable Shares, and when redeemed they will be treated as cancelled, subject to an according vote by the Extraordinary General Meeting.

7.8 The purchase or redemption of any Share shall not be deemed to give rise to the purchase or redemption of any other Share.

7.9 The holder of the Shares being purchased, surrendered or redeemed shall be bound to deliver to the Company at its registered office in Luxembourg or at its office in Hong Kong, or such other place as the Board shall specify the certificate(s) thereof for cancellation and thereupon the Company shall pay to him the purchase or redemption monies in respect thereof.

8. Share Certificates and Register of Members.

8.1 The Shares of the Company shall be in registered form.

8.2 A principal register of Shareholders shall be kept at the registered office of the Company in Luxembourg. Such register shall record the name of each Shareholder, his residence and elected domicile, the number of Shares he holds, the transfers of Shares and the date of those transfers. If the Board considers it necessary or appropriate, the Company may establish and maintain a branch register or registers of members at such location or locations within or outside Luxembourg as the Board thinks fit. The principal register and any branch register(s) shall together be treated as the Register for the purposes of these Articles.

8.3 Except when a register is closed, the principal register and any branch register shall during business hours be kept open to the inspection of any member without charge.

8.4 Any register held in Hong Kong shall during normal business hours (subject to such reasonable restrictions as the Board may impose) be open to inspection by a member without charge and any other person on payment of such fee not exceeding HK$2.50 (or such higher amount as may from time to time be permitted under the Listing Rules) as the Board may determine for each inspection.

Any member may require a copy of the register, or any part thereof, on payment of HK$0.25, or such lesser sum as the Company may prescribe, for every 100 words or fractional part thereof required to be copied. The Company shall cause any copy so required by any person to be sent to that person within a period of 10 Calendar Days commencing on the date next after the day on which the request is received by the Company.

8.5 The reference to business hours in Articles 8.3 and 8.4 is subject to such reasonable restrictions as the Board may impose, but so that not less than two hours in each Business Day is to be allowed for inspections.

8.6 The Register may, on 14 Calendar Days' notice being given by advertisement published in the newspapers, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided, be closed at such times and for such periods as the Board may from time to time determine, either generally or in respect of any class of Shares, provided that the Register shall not be closed for more than 30 Calendar Days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 Calendar Days in any year). The Company shall, on demand, furnish any person seeking to inspect the Register or part thereof which is closed by virtue of these Articles with a certificate under the hand of the Secretary stating the period for which, and by whose authority, it is closed.

8.7 The Board may, in its absolute discretion, at any time record any person as a Shareholder on any Register to reflect any transfer of any Share effected upon any other Register.

8.8 Notwithstanding anything contained in this Article, the Company shall as soon as practicable and on a regular basis record in the principal register all transfers of Shares effected on any branch register and shall at all times maintain the principal register in such manner as to show at all times the members for the time being and the Shares respectively held by them, in all respects in accordance with the Luxembourg Companies Law.

8.9 Every person whose name is entered as a member in the Register shall be entitled upon request to Computershare Hong Kong Investors Services Limited, or any other service provider handling the share register as may be, and without payment, to receive, within the relevant time limit as prescribed in the Luxembourg Companies Law or as the Exchange may from time to time determine, whichever is shorter, after allotment or lodgement of transfer (or within such other period as the conditions of issue shall provide), one certificate for all his Shares of each class or, if he shall so request, in a case where the allotment or transfer is of a number of Shares in excess of the number for the time being forming an Exchange board lot, upon payment, in the case of a transfer, of a sum equal to the relevant maximum amount as the Exchange may from time to time determine for every certificate after the first or such lesser sum as the Board shall from time to time determine, such numbers of certificates for Shares in Exchange board lots or multiples thereof as he shall request and one for the balance (if any) of the Shares in question, provided that in respect of a Share or Shares jointly held by several persons, the Company shall not be bound to issue a certificate or certificates to each such person, and the issue and delivery of a certificate or certificates to one of several joint holders shall be sufficient delivery to all such holders. All certificates for Shares shall be delivered personally or sent through the post addressed to the member entitled thereto at his registered address as appearing in the Register.

8.10 Every certificate for Shares or debentures or representing any other form of security of the Company shall be issued under the seal of the Company, which shall only be affixed with the authority of the Board.

8.11 Every Share certificate shall specify the number and class of Shares in respect of which it is issued and the amount paid thereon or the fact that they are fully paid, as the case may be, and may otherwise be in such form as the Board may from time to time prescribe.

8.12 The Company shall not be bound to register more than four persons as joint holders of any Share. If any Shares shall stand in the names of two or more persons, the person first named in the Register shall be deemed the sole holder thereof as regards service of notices and, subject to the provisions of these Articles, all or any other matters connected with the Company, except the transfer of the Share.

8.13 If a Share certificate is defaced, lost or destroyed, it may be replaced on payment of such fee, if any, not exceeding such amount as may from time to time be permitted under the Listing Rules or such lesser sum as the Board may from time to time require and on such terms and conditions, if any, as to publication of notices, evidence and indemnity, as the Board thinks fit and where it is defaced or worn out, after delivery up of the old certificate to the Company for cancellation.

9. Transfer of Shares.

9.1 The transfer of Shares shall be carried out by way of an instrument of transfer in the usual or common form or in a form prescribed by the Exchange or in any other form approved by the Board and a written declaration of transfer recorded in the Register, such declaration of transfer to be dated and signed (by hand, machine imprinted or otherwise) by both the transferor and the transferee, or by persons holding the necessary representative powers to act in this respect.

9.2 Transfers of Shares may be carried out freely, and fully paid Shares shall be free from all lien. The word "transfer" designates any operation which direct or indirect effect is the assignment to another person, including to a Shareholder of the Company, of a right of enjoyment, of any kind whatsoever on the Shares of the Company. The same shall apply in particular in the case of sale by mutual agreement or by way of adjudication, exchange, sharing, distribution, partial contribution of assets or simple contribution, as applies in all other cases of assignment, even free of charge.

9.3 However, the Board may, in its absolute discretion, and without assigning any reason, refuse to register a transfer of any Share which is not fully paid up. If the Board shall refuse to register a transfer of any Share, it shall, within two months after the date on which the transfer was lodged with the Company, send to each of the transferor and the transferee notice of such refusal.

9.4 The Board may also decline to register any transfer of any Shares unless:

(a) the declaration of transfer is lodged with the Company accompanied by the certificate for the Shares to which it relates (which shall upon registration of the transfer be cancelled) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;

(b) the declaration of transfer is in respect of only one class of Shares;

(c) the declaration of transfer is properly stamped (in circumstances where stamping is required);

(d) in the case of a transfer to joint holders, the number of joint holders to which the Share is to be transferred does not exceed four;

(e) the Shares concerned are free of any lien in favour of the Company; and

(f) a fee of such maximum as the Exchange may from time to time determine to be payable (or such lesser sum as the Board may from time to time require) is paid to the Company in respect thereof.

9.5 The registration of transfers may, on 14 Calendar Days' notice being given by advertisement published in the newspapers, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided, be suspended and the Register closed at such times for such periods as the Board may from time to time determine, provided always that such registration shall not be suspended or the Register closed for more than 30 Calendar Days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 Calendar Days in any year).

10. Administration — Supervision.

10.1 The Company shall be managed by a Board composed of three members at least who need not be Shareholders of the Company. Except as set out in Article 10.2, the Directors shall be elected by the Shareholders at a general meeting, which shall determine their number and term of office. The term of the office of a Director shall be not more than three years, upon the expiry of which each shall be eligible for re-election.

10.2 The Board shall have power from time to time and at any time to appoint any person as a Director to fill a causal vacancy. Any Director so appointed shall hold office only until the next following general meeting (including an annual general meeting) of the Company and shall then be eligible for re-election at that meeting.

10.3 No person shall, unless recommended by the Board, be eligible for election to the office of Director at any general meeting unless during the period, which shall be at least seven Calendar Days, commencing no earlier than the day after the despatch of the notice of the meeting appointed for such election and ending no later than seven Calendar Days prior to the date of such meeting, there has been given to the Secretary notice in writing by a member of the Company (not being the person to be proposed), entitled to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.

10.4 A motion for the appointment of two or more persons as Directors by way of a single resolution shall not be made at a general meeting unless a resolution that it shall be so made has been passed without any vote being cast against it. Thus, several directors can be appointed during one shareholders' meeting, provided that each director is appointed upon an individual decision.

10.5 The Company in general meeting may by ordinary resolution as set out in article 15.5 at any time remove any Director (including a Managing Director or other executive Director) before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director and may by ordinary resolution as set out in article 15.5 elect another person in his stead. Any person so elected shall hold office during such time only as the Director in whose place he is elected would have held the same if he had not been removed. Nothing in this Article should be taken as depriving a Director removed under any provisions of this Article of compensation or damages payable to him in respect of the termination of his appointment as Director or of any other appointment or office as a result of the termination of his appointment as Director or as derogatory from any power to remove a Director which may exist apart from the provision of this Article, subject always to applicable Luxembourg laws.

10.6 In the event that, at the time of a meeting of the Board, there are equal votes in favour and against a resolution, the Chairman of the meeting shall have a casting vote.

10.7 The Board shall have the most extensive powers to carry out all acts necessary to or useful in the fulfilment of the corporate purpose of the Company. All matters not expressly reserved to the general meeting of Shareholders by law or by these Articles shall be within its competence.

10.8 Without prejudice to the general powers conferred by these Articles and Luxembourg Companies Law, it is hereby expressly declared that the Board shall have the following powers:

(a) to make and conclude all and any agreements and deeds necessary in the execution of any undertakings or operations of interest to the Company;

(b) to decide on any financial contributions, transfers, subscriptions, partnerships, associations, participations and interventions relating to the said operations;

(c) to cash in all and any amounts due belonging to the Company and give valid receipt for the same;

(d) carry out and authorise all and any withdrawals, transfers and alienations of funds, annuities, debts receivable, property or securities belonging to the Company;

(e) to lend or borrow in the long or short term, including by means of the issue of bonds, with or without guarantee (such bonds may be convertible bonds, if so approved by the Company in general meeting).

10.9 The Shareholders wish that, in the performance of its duties, the Board takes into account the social, environmental, economic and legal effects of its actions. More precisely, the Board shall take into consideration, in addition to the interests of the Shareholders, the interests of the Company's employees, customers, communities affected by the Company, and the local and global environment, as well as the short-term and long-term interests of the Company. The expanded purpose of the Company as described in article 3.8 and the provision of this article express only the wishes of the Shareholders of the Company and do not constitute a commitment by the Company, or a quasi-contract between the Company and any stakeholder, and do not create any obligation of any kind whatsoever to any third party.

10.10 The Directors may only act within the framework of duly convened meetings of the Board or by way of circular resolutions executed by all the Directors in accordance with these Articles.

10.11 In accordance with article 441-10 of the Luxembourg Companies Law, the daily management of the Company as well as the representation of the Company in relation thereto may be delegated to one or more Directors, officers, managers or other agents, Shareholder or not, acting alone, jointly or in the form of committee(s). Their nomination, revocation and powers as well as special compensations shall be determined by a resolution of the Board.

10.12 The Board may likewise confer all and any special powers to one or more Board committees or proxies of its own choosing, who need not be Directors of the Company.

10.13 The Board shall choose a Chairman among its members and may also elect one or more Vice Chairmen from among its own members. The Board shall meet upon a call to do so from its Chairman or of any two Directors at such place as shall be indicated in the convening notice. It may also choose a Secretary, who need not be a Director, and who shall be responsible for, among other things, keeping the minutes of the meetings of the Board and of the Shareholders.

10.14 The Chairman of the Board shall preside over meetings of the Board but, in his absence, the Board may designate by a majority vote another Director to take the chair of such meeting.

11. Managers.

11.1 The Board may appoint managers or attorneys in fact of the Company, including one or more Managing Directors, one or more secretaries, and possibly deputy general managers, deputy secretaries and other managers and attorney in fact whose functions shall be deemed necessary in order to carry through the business of the Company. Such appointments may be revoked at any time by the Board. The managers and attorneys in fact need not be Directors or Shareholders of the Company. Barring contrary provisions of the Articles, the managers and attorneys in fact shall be vested with such powers and duties as may be conferred upon them by the Board.

12. Proceedings of Directors.

12.1 Notice of any meeting of the Board shall be given in writing (including by letter, cable, telegram, fax or email) to all Directors at least 24 hours before the time set for the meeting, except in the case of emergency, in which case the convening notice shall indicate the nature of and reasons for such emergency. Such convening notice may be waived upon agreement by all the Directors given in writing (including by letter, cable, telegram, telex, fax or email). Such convening notice may likewise be waived if all Directors are present or represented at the meeting and acknowledge the meeting as duly convened. No special convening notice shall be required for meetings to be held at a time and at a place set in a resolution previously adopted by all members of the Board.

12.2 Any Director may have himself represented at any meeting of the Board by appointing another Director as his proxy, in writing (including by letter, cable, telegram, fax, telex or email). A Director may represent one or more of his fellow Directors.

12.3 The Board may validly debate and act only if the majority of its members are present or represented. All decisions of the Board shall be taken at the majority of the votes of the Directors either present or represented at the meeting. A meeting of the Board or any committee thereof may be held by way of a physical meeting. A meeting of the Board or any committee thereof may also be held by means of a telephone or teleconferencing or any other telecommunications facility provided that all participants are thereby able to communicate contemporaneously by voice with all other participants, and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting.

12.4 The Board may, unanimously, pass resolutions by circular means when expressing its approval in writing, by cable, telegram, telex or facsimile, or any other similar means of communication. The entirety will form the minutes giving evidence of the passing of the resolution. The date of such a decision shall be the date of the last signature.

12.5 The minutes of meetings of the Board shall be signed by the Director having chaired the meeting.

12.6 Copies or abstracts of such minutes intended to be used at law or otherwise shall be signed by the Chairman, the Secretary or by any two Directors.

12.7 The Company shall be bound by the joint signatures of any two Directors or by the single signature of any other person to whom signatory powers shall have been specially delegated by the Board, and in particular a Managing Director.

12.8 Save as otherwise provided by the Luxembourg Companies Law, any Director who has, directly or indirectly, a financial interest conflicting with the interest of the Company in connection with a transaction falling within the competence of the Board, must inform the Board of such conflict of interest and must have his declaration recorded in the minutes of the Board meeting. The relevant Director may not take part in the discussions relating to such transaction nor vote on such transaction.

12.9 Any conflict of interest pursuant to article 12.8 must be reported to the next general meeting of Shareholders prior to such meeting taking any resolution on any other item.

12.10 A Director shall not be entitled to vote on (nor shall be counted in the quorum in relation to) any resolution of the Board in respect of any contract or arrangement or any other proposal whatsoever in which he or any of his Associates has any material interest, and if he shall do so his vote shall not be counted (nor is he to be counted in the quorum for the resolution), but this prohibition shall not apply to any proposal concerning any other company in which the Director or any of his Associates is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or any of his Associates is/are beneficially interested in the shares of that company, provided that the Director and any of his Associates is/are not, in aggregate, beneficially interested in 5 per cent, or more of the issued shares of any class of such company (or of any third company through which his interest or that of any of his Associates is derived) or of the voting rights.

12.11 The Company shall not, whether directly or indirectly:

(a) make a loan or quasi-loan to, or enter into a credit transaction with, a Director or any of his or her Associates; or

(b) enter into a guarantee or provide any security in connection with a loan, quasi-loan or credit transaction made or entered into by any person to such a Director or his or her Associates.

12.12 Article 12.11 does not apply to the exceptions set out in the Companies Ordinance which include, but are not limited to, transactions prohibited under Article 12.11 entered into:

(a) with any member of the same group of the Company;

(b) to provide any Director with funds to meet expenditure incurred or to be incurred by him or her for the purposes of the Company or for the purpose of enabling him properly to perform his duties as an officer of the Company, provided that prior approval thereof by the Company in general meeting (at which the purpose of the expenditure incurred or to be incurred by the Director concerned and the amount of the transaction are disclosed) had been obtained; or

(c) in the ordinary course of the business of the Company.

12.13 The Company shall keep indemnified to the extent permitted by law any Director or attorney in fact and their heirs, executors and estate administrators against any reasonable costs and expenses incurred by them by virtue of their involvement in legal proceedings or suits initiated against them by reason of their current or former holding of offices as Directors or attorneys in fact of the Company or at the request of the Company or of any other company of which the Company is a shareholder or a creditor and that owing to such circumstances they ought not be entitled to any indemnification, except where they shall be found guilty of gross negligence or of having breached their duties to the Company; in case of an extra-judiciary compromise settlement the indemnity shall only be granted if the Company is informed by its legal counsel that the Director or attorney in fact to be indemnified has not failed in his duties to the Company. The above right to indemnification is not exclusive of any further rights of the said Director or attorney in fact.

13. Audit.

13.1 The operations of the Company, comprising in particular the keeping of its accounts and the preparation of income tax returns or other declarations provided for by Luxembourg law, shall be supervised by a statutory auditor or independent auditor, who need not be Shareholders of the Company. The statutory auditor or independent auditor shall be appointed by the annual general meeting of Shareholders for a period of office ending on the day of the next following annual general meeting of Shareholders once his successor shall have been elected, or by any further general meeting of shareholders. The statutory auditor or independent auditor shall remain in office until he has been reelected or his successor has been elected.

13.2 The statutory auditor or independent auditor shall be eligible for reelection.

13.3 The statutory auditor in office may be removed at any time, with or without cause, whereas the independent auditor in office may only be removed (i) with cause or (ii) with his approval and the approval of the general meeting of shareholders.

The removal or appointment of a statutory auditor or independent auditor shall be approved by the Shareholders in general meeting, provided that the Company gives its members (i) no less than 21 Calendar Days' notice in case of an annual general meeting or (ii) no less than 15 Calendar Days' notice in case of any other general meeting.

14. Financial year.

14.1 The financial year of the Company shall begin on the First of April of each calendar year and end on the thirty-first of March of the following calendar year.

15. General Meetings.

15.1 The Company shall in each financial year hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notices calling it. The annual general meeting shall be held in Luxembourg at the registered office of the Company, and/or at any other location as may be indicated in the convening notices, on the last Wednesday in the month of September at 10 a.m. (CEST) or, in case such day is not a Business Day, the annual general meeting of shareholders shall be held on the immediately following Business Day. Shareholders may take part at the annual general meeting through video-conference or any other telecommunications facility provided that all participants are thereby able to communicate contemporaneously by video and/or voice with all other participants. The means of communication used must allow all the persons taking part in the meeting to hear one another on a continuous basis and must allow an effective participation of all such persons in the meeting. Participation in a meeting pursuant to this article shall constitute presence in person at such meeting and such persons shall be entitled to vote at such meetings and are deemed to be present for the computation of the quorum and votes.

15.2 The Company in the annual general meeting shall hear the reports of the Directors and of the statutory auditor or independent auditor and discuss the balance sheet. After the balance sheet has been approved, the general meeting shall decide by Special Resolution on the remuneration to be granted to the Directors, the statutory auditor or the independent auditor and on the discharge to be granted to the Directors and statutory auditor.

15.3 For all purposes the quorum for a general meeting shall be two or more members present in person (or, in the case of a corporation, by its corporate representative) or represented by proxy.

15.4 If within 30 minutes from the time appointed for the meeting a quorum as set out in Article 15.3 is not present, the meeting shall be dissolved, and it shall stand adjourned to the same day, time and place in the next week (or otherwise as the Directors may determine) provided that such second general meeting was convened jointly together with the first general meeting in the convening notice of the first general meeting, and if at such adjourned meeting a quorum is not present within 30 minutes from the time appointed for holding the meeting, the member or members present in person (or in the case of a corporation, by its duly authorised representative) or by proxy shall be a quorum and may transact the business for which the meeting was called.

15.5 Each Share is entitled to one vote. Except as otherwise required by law (including the Listing Rules) or these Articles, and subject to Article 15.6, resolutions at a general meeting of Shareholders duly convened will be adopted at a simple majority of the votes cast. The votes cast shall not include votes attaching to Shares in respect of which the Shareholder has not taken part in the vote or has abstained or is otherwise required to abstain by law (including the Listing Rules) or the Articles or has returned a blank or invalid vote. At any general meeting, any resolution put to the vote of the meeting shall be decided by poll.

15.6 Notwithstanding any provision in these Articles, any resolution approving a Special Matter requiring Shareholders' approval by:

(a) a simple majority vote shall be passed by more than half; and

(b) Special Resolution shall be passed by no less than three-quarters of the votes cast in respect of that Special Matter at the relevant general meeting by Shareholders other than those who (i) are required pursuant to the Listing Rules to abstain from voting or (ii) are restricted to voting only for or only against, in addition to a simple majority of the votes cast by all Shareholders present in person (or, in the case of a corporation, by corporate representative) or by proxy at that general meeting.

15.7 For any other general meeting that is not an annual general meeting, Shareholders may take part in such a meeting through video-conference or any other telecommunications facility provided that all participants are thereby able to communicate contemporaneously by video and/or voice with all other participants. The means of communication used must allow all the persons taking part in the meeting to hear one another on a continuous basis and must allow an effective participation of all such persons in the meeting. Participation in a meeting pursuant to this article shall constitute presence in person at such meeting and such persons shall be entitled to vote at such meetings and are deemed to be present for the computation of the quorum and votes.

15.8 The Board may determine any further conditions to be fulfilled by the Shareholders to be able to take part in general meetings.

15.9 Any duly constituted meeting of the Shareholders of the Company represent the entire body of the Shareholders of the Company. It has the most extensive powers to do or ratify all and any acts of interest to the Company.

15.10 The Chairman shall take the chair at every general meeting, or, if there be no such Chairman or the Chairman is unable to attend then the Chairman or the Board may designate any other attendee of the general meeting as chairman of such general meeting.

15.11 The Board may, whenever they think fit, convene a general meeting at such time and place as the Board may determine and as shall be specified in the notice of such meeting in accordance with these Articles. Save for any general meeting convened by the Board pursuant to these Articles, no other general meeting shall be convened except on the written requisition of any one or more members of the Company deposited at the registered office of the Company in Luxembourg or the office of the Company in Hong Kong, specifying the objects of the meeting (including the resolution(s) to be added to the agenda, if any) and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than 10% of the share capital of the Company or the voting rights, on a one vote per share basis, in the share capital of the Company. If the Board does not within 2 Calendar Days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 28 Calendar Days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be deducted from the Directors' fees or remuneration.

15.12 On requisition in writing by members representing, on the date of deposit of the requisition, not less than 10% of the share capital of the Company or voting rights of all members, on a one vote per share basis, who have a right to vote at the meeting to which the requisition relates or not less than 50 members holding Shares in the Company on which there has been paid up an average sum, per member, of not less than HK$2,000, the Company shall, at the expense of the requisitionists:

(a) give to members entitled to receive notice of that annual general meeting notice of any resolution which may be properly moved and is intended to be moved at that meeting; and

(b) circulate to members entitled to have notice of any general meeting sent to them a statement of not more than 1,000 words with respect to the matter referred to in the proposed resolution or the business to be dealt with in the meeting.

15.13 A copy of the requisition must be signed by all the requisitionists (or 2 or more copies between them containing the signatures of all the requisitionists) and deposited at the registered office of the Company in Luxembourg or the office of the Company in Hong Kong (i) not less than 6 weeks before the meeting, in the case of a requisition requiring notice of a resolution and (ii) not less than 1 week before the meeting in the case of any other requisition. A sum sufficient to meet the Company's expenses in giving effect to the requisition should also be deposited together with the requisition.

15.14 An annual general meeting shall be called by not less than 21 Calendar Days' notice in writing and any other general meeting shall be called by not less than 15 Calendar Days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given.

15.15 Convening notices for any general meeting shall take the form of announcements filed with the Luxembourg trade and companies register and published at least 21 Calendar Days before an annual general meeting of the Company and at least 15 Calendar Days before any other general meeting of the Company, on the *Recueil électronique des sociétés et associations* and in a Luxembourg newspaper. Notices by mail shall be sent at least 8 days before the general meeting to the registered shareholders by ordinary mail (*lettre missive*). Alternatively, the convening notices may be exclusively made by registered mail in case the Company has only issued registered shares or if the addressees have individually agreed to receive the convening notices by another means of communication ensuring access to the information, by such means of communication.

15.16 Notice of every general meeting shall specify the following:

(a) the place, day and hour of the meeting;

(b) in the case of special business the general nature of that business and the intention to propose the resolution(s) as a Special Resolution(s);

(c) in the case of an annual general meeting that the meeting will be such;

(d) such information and explanation as are necessary for the Shareholders to make an informed decision on the proposals put before them. Without limiting the generality of the foregoing, where a proposal is made to amalgamate the Company with another, to repurchase the Shares of the Company, to reorganise its share capital, or to restructure the Company in any other way, the terms of the proposed transaction must be provided in detail, and the cause and effect of such proposal must be properly explained;

(e) a disclosure of the nature and extent, if any, of the material interests of any Director in the proposed transaction and the effect which the proposed transaction will have on them in their capacity as Shareholders in so far as it is different from the effect on the interests of Shareholders of the same class;

(f) that a member is entitled to vote and to appoint one or more proxies to attend and vote instead of him; and

(g) if applicable, that a member is entitled to vote (i) through voting forms sent by post or facsimile to the Company's registered office or to the address specified in the convening notice. The members may only use voting forms provided by the Company and which contain at least the place, date and time of the meeting, the agenda of the meeting, the proposal submitted to the decision of the meeting, as well as for each proposal, three boxes allowing the shareholder to vote in favour of, against, or abstain from voting on each proposed resolution by ticking the appropriate box. For the purpose of the calculation of the quorum, only the voting forms which have been received by the Company 2 Business Days before the general meeting shall be taken into account, provided that these voting forms indicate the direction of the vote or the abstention, and/or (ii) by means of video-conference or through other means of communication allowing its identification so that the member is deemed to be present for the computation of the quorums and votes. The means of communication used must allow all the persons taking part in the meeting to hear one another on a continuous basis and must allow an effective participation of all such persons in the meeting.

15.17 If the Board fails to convene a general meeting (including an annual general meeting) in accordance with these Articles or the Luxembourg Companies law, any member may apply to a court of competent jurisdiction in Luxembourg to appoint an ad hoc representative with the mission of convening an annual general meeting.

15.18 Except as otherwise provided in these Articles, any notice or document may be served by the Company on any member either personally or by sending it through the registered mail in a prepaid letter addressed to such member at his registered address as appearing in the Register or, to the extent permitted by the Luxembourg Companies Law, the Listing Rules and all applicable laws and regulations, by electronic means by transmitting it to any electronic number or address or website supplied by the member to the Company or by placing it on the Company's website provided that the Company has obtained the member's prior express positive confirmation in writing to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by such electronic means, or (in the case of notice) by advertisement published in a newspaper. In the case of joint holders of a Share, all notices shall be given to that holder for the time being whose name stands first in the Register and notice so given shall be sufficient notice to all the joint holders.

15.19 Notice of every general meeting shall be given in any manner hereinbefore authorised to:

(a) every person shown as a member in the Register as of the record date for such meeting except that in the case of joint holders the notice shall be sufficient if given to the joint holder first named in the Register;

(b) every person upon whom the ownership of a Share devolves by reason of his being a legal personal representative or a trustee in bankruptcy of a member of record where the member of record but for his death or bankruptcy would be entitled to receive notice of the meeting;

(c) the independent auditor or statutory auditor;

(d) each Director;

(e) the Exchange; and

(f) such other person to whom such notice is required to be given in accordance with the Listing Rules.

No other person shall be entitled to receive notices of general meetings.

15.20 A member shall be entitled to have notice served on him at any address within Hong Kong. Any member who has not given an express positive confirmation in writing to the Company to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by electronic means and whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. A member who has no registered address in Hong Kong shall be deemed to have received any notice which shall have been displayed at the transfer office and shall have remained there for a period of 24 hours and such notice shall be deemed to have been received by such member on the day following that on which it shall have been first so displayed, provided that, without prejudice to the other provisions of these Articles, nothing in this Article shall be construed as prohibiting the Company from sending, or entitling the Company not to send, notices or other documents of the Company to any member whose registered address is outside Hong Kong.

15.21 Any notice or document sent by post shall be deemed to have been served on the day following that on which it is put into a post office situated within Hong Kong and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly prepaid, addressed and put into such post office and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice or document was so addressed and put into such post office shall be conclusive evidence thereof.

15.22 Any notice or other document delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left.

15.23 Any notice served by advertisement shall be deemed to have been served on the day of issue of the official publication and/or website(s) and/or newspaper(s) in which the advertisement is published (or on the last day of issue if the publication and/or newspaper(s) are published on different dates).

15.24 Any notice given by electronic means as provided herein shall be deemed to have been served and delivered on the day following that on which it is successfully transmitted or at such later time as may be prescribed by the Listing Rules or any applicable laws or regulations.

15.25 Any notice or document delivered or sent to any member in pursuance of these Articles shall notwithstanding that such member be then deceased and whether or not the Company has notice of his death be deemed to have been duly served in respect of any registered Shares whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these Articles be deemed a sufficient service of such notice or document on his personal representatives and all persons (if any) jointly interested with him in any such Shares.

15.26 The signature to any notice to be given by the Company may be written or printed by means of facsimile or, where relevant, by any signature affixed in electronic form.

15.27 A copy of either:

(a) the Directors' report, accompanied by the balance sheet (including every document required by Luxembourg law to be annexed thereto) and profit and loss account or income and expenditure account; or

(b) the summary financial report shall, at least 21 Calendar Days before the date of the annual general meeting, be delivered or sent by post to the registered address of every member of the Company at the same time as the notice of the annual general meeting.

15.28 Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (who must be an individual) as his proxy to attend and vote instead of him and a proxy so appointed shall have the same right as the member to speak at the meeting. Votes may be given either personally or by proxy. A proxy need not be a member of the Company. A member may appoint any number of proxies to attend in his stead at any one general meeting (or at any one class meeting).

15.29 The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney authorised in writing, or if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person duly authorised to sign the same. To be valid a form of proxy must be completed, signed and deposited at Computershare Hong Kong Investors Services Limited, or any other service provider handling the share register as may be, together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time for holding the meeting. The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the general meeting if they so wish, provided that the proxy shall in that case be withdrawn and shall not be taken into account for the voting.

15.30 Every instrument of proxy, whether for a specified meeting or otherwise, shall be in common form or such other form as the Board may from time to time approve, provided that it shall enable a member, according to his intention, to instruct his proxy to vote in favour of or against (or in default of instructions or in the event of conflicting instructions, to exercise his discretion in respect of) each resolution to be proposed at the meeting to which the form of proxy relates.

15.31 The instrument appointing a proxy to vote at a general meeting shall: (a) be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit; and (b) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates, provided that the meeting was originally held within 12 months from such date.

15.32 A vote given in accordance with the terms of an instrument of proxy or resolution of a member shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or power of attorney or other authority under which the proxy or resolution of a member was executed or revocation of the relevant resolution or the transfer of the Share in respect of which the proxy was given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at its registered office at least two hours before the commencement of the meeting or adjourned meeting at which the proxy is used.

15.33 Any corporation which is a member of the Company may, by resolution of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of members of any class of Shares of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company and where a corporation is so represented, it shall be treated as being present at any meeting in person.

15.34 If a recognised clearing house (or its nominee(s)) is a member of the Company it may authorise such person or persons as it thinks fit to act as its representative(s) at any general meeting of the Company or at any general meeting of any class of members of the Company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of Shares in respect of which each such person is so authorised. A person so authorised pursuant to this provision shall be entitled to exercise the same rights and powers on behalf of the recognised clearing house (or its nominee(s)) which he represents as that recognised clearing house (or its nominee(s)) could exercise as if such person were an individual member of the Company holding the number and class of Shares specified in such authorisation, notwithstanding any contrary provision contained in these Articles. The Shares may also be held by a holder through a securities settlement system or a professional depositary or any sub-depositary. The holder of Shares held in such fungible securities accounts has the same rights and obligations as if such holder held the Shares directly.

15.35 Subject to these Articles, the requirements regarding the convening of, and the proceedings at, general meetings shall be governed by Luxembourg law.

16. Distribution of Profits.

16.1 Upon recommendation from the Board, the Company in general meeting shall decide on the allocation of the balance of the annual net profit. Such allocation may include the distribution of dividends, the setting up or provisioning of the legal or other reserves, a carry forward, as well as the amortisation of the share capital, without such capital being decreased.

16.2 Any dividends possibly allocated shall be paid at such times and places as the Board may determine. The Company in general meeting may authorise the Board to pay dividends in any other currency than the one used for preparing the balance sheet and to decide in the last instance the conversion rate of the dividend in the currency of actual payment.

16.3 The Board may proceed to pay out interim dividends subject to such conditions and methods as are set forth by law and in these Articles.

16.4 The Company shall not make a distribution except out of profits available for this purpose. The Company's profits available for distribution are its accumulated, realised profits, so far as not previously utilised by distribution or capitalisation, less its accumulated losses, so far as not previously written off in a reduction or reorganisation of capital duly made and sums to be placed to reserve in accordance with Luxembourg law or the Articles.

16.5 The Company shall not apply an unrealised profit in paying up debentures, or any amounts unpaid on its issued Shares.

16.6 The Company may only make a distribution at any time:

(a) if, at that time the amount of its net assets is not less than the aggregate of its called up share capital and distributable reserves; and

(b) if, to the extent that, the distribution does not reduce the amount of those assets to less than that aggregate.

16.7 The Company's undistributable reserves are:

(a) the capital redemption reserve; and

(b) any other reserve which the company is prohibited from distributing by any enactment including the Companies Ordinance or by these Articles.

16.8 The Company shall not include any uncalled share capital as an asset in any accounts relevant for the purposes of Articles 16.6 and 16.7.

16.9 All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the exclusive benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof or be required to account for any money earned thereon. All dividends and bonuses unclaimed for six years after having been declared may be forfeited by the Board and shall revert to the Company and after such forfeiture no member or other person shall have any right to or claim in respect of such dividends or bonuses. Further, the Company may cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise its power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such cheque or warrant is returned undelivered.

17. Untraceable Shareholders.

17.1 The Company shall be entitled to sell any Shares of a member or the Shares to which a person is entitled by virtue of transmission on death or bankruptcy of untraceable Shareholder(s) or operation of law if and provided that:

(a) all cheques or warrants, not being less than three in number, for any sums payable in cash to the holder of such Shares have remained uncashed for a period of 12 years;

(b) the Company has not during that time or before the expiry of the 12-year period referred to in Article 17.1(d) below received any indication of the whereabouts or existence of the member or person entitled to such Shares by death, bankruptcy or operation of law;

(c) during the 12-year period, at least three dividends in respect of the Shares in question have become payable and no dividend during that period has been claimed by the member; and

(d) upon expiry of the 12-year period, the Company has caused an advertisement to be published in the newspapers, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided, giving notice of its intention to sell such Shares, and a period of three months has elapsed since such advertisement and the Exchange has been notified of such intention.

The net proceeds of any such sale shall belong to the Company and upon receipt by the Company of such net proceeds it shall become indebted to the former member for an amount equal to such net proceeds.

17.2 To give effect to any sale contemplated by Article 17.1 the Company may appoint any person to execute as transferor an instrument of transfer of the said Shares and such other documents as are necessary to effect the transfer, and such documents shall be as effective as if it had been executed by the registered holder of or person entitled by transmission to such Shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares or other securities in or of the Company or its holding company if any) or as the Board may from time to time think fit.

18. Compulsory acquisition.

18.1 This Article 18 shall apply where a company ("the transferee company") makes an offer to acquire all the Shares, or all the Shares of any class or classes, not already held by it in the Company on terms which are the same in relation to all the Shares to which the offer relates or, where those Shares include Shares of different classes, in relation to all the Shares of each class.

18.2 This Article 18 shall apply in relation to debentures convertible into Shares or any rights to subscribe for Shares as if those debentures or rights were Shares of a separate class, and references to Shares, the Shareholder and a Share warrant shall be construed accordingly.

18.3 For the purposes of this Article 18:

(a) Shares held or acquired:

(i) by a nominee on behalf of the transferee company; or

(ii) where the transferee company is a member of a group of companies, by, or by a nominee on behalf of, a company which is a member of the same group of companies, shall be treated as held or acquired by the transferee company;

(b) where an offer referred to in Article 18.1 relates to debentures convertible into Shares, such debentures shall be treated as so convertible whether or not any rights of conversion thereunder are exercisable at the time of the offer or at any time thereafter, and whether or not they are contingent upon the happening of any event; and such debentures shall, if such rights are exercisable at the time of the offer, be treated as Shares to which such rights relate;

(c) references to value are references to nominal value or, in relation to debentures convertible into Shares, the amount payable on such debentures.

18.4 If, in a case in which the offer does not relate to Shares of different classes, the transferee company has, during the period of 4 months beginning on the date of the offer, acquired not less than nine-tenths in value of the Shares for which the offer is made (by virtue of acceptances of the offer or, if the Shares are listed on a recognised stock market, by virtue of acceptances of the offer or otherwise), the transferee company may give notice to the holder of any Shares to which the offer relates which the transferee company has not acquired that it desires to acquire those Shares.

18.5 If, in a case in which the offer relates to Shares of different classes, the transferee company has, during the period of 4 months beginning on the date of the offer, acquired not less than nine-tenths in value of the Shares of any class for which the offer is made (by virtue of acceptances of the offer or, if the Shares are listed on a recognised stock market, by virtue of acceptances of the offer or otherwise), the transferee company may give notice to the holder of any Shares of that class which the transferee company has not acquired that it desires to acquire those Shares.

18.6 Any notice under Articles 18.4 or 18.5 shall be given not later than 5 months after the date of the offer; and where such a notice is given to the holder of any Shares the transferee company shall, subject to Article 18.7, be entitled and bound to acquire those Shares on the terms of the offer.

18.7 Where a notice is given under this Article to the holder of any Shares a court of competent jurisdiction in Luxembourg or Hong Kong may, on an application made by him within 2 months from the date on which the notice was given, order that the transferee company shall not be entitled and bound to acquire the Shares or specify terms of acquisition different from those of the offer.

18.8 Where an offer is such as to give the holder of Shares a choice of terms, any notice under this Article shall give particulars of the choice and state:

(a) that the holder of the Shares may within 2 months from the date of the notice exercise that choice by letter sent to the transferee company at an address specified in the notice; and

(b) which terms are to be taken as applying in default of his exercising the choice as aforesaid, and the terms of the offer mentioned in Article 18.6 shall be determined accordingly.

18.9 Where an offer is such that the holder of Shares in the Company is to receive shares or debentures of the transferee company but with an option to receive instead some other consideration to be provided by a third party:

(a) the terms of the offer mentioned in Article 18.6 shall not include that option unless the transferee company in its notice under this Article indicates that the option is to apply; and

(b) if the transferee company does not so indicate it may, if it thinks fit, offer in that notice a corresponding option to receive some other consideration to be provided by that company, and, if the transferee company offers such a corresponding option and the holder of the Shares within 2 months from the date of the notice exercises that corresponding option by a letter sent to the company at an address specified in the notice, the terms of the offer mentioned in Article 18.6 shall be determined accordingly.

For the purposes of this paragraph, consideration shall be deemed to be provided by a third party where it is made available to the transferee company on terms that it shall be used by the transferee company as consideration pursuant to the offer.

18.10 Where a notice has been given under this Article and the court has not, on an application made by the person to whom the notice was given, ordered to the contrary, the transferee company shall, on the expiration of 2 months from the date on which the notice has been given or, if an application to the court is then pending, after that application has been disposed of:

(a) transmit a copy of the notice to the Company together with an instrument of transfer executed on behalf of the Shareholder on whom the notice was served by any person appointed by the transferee company; and

(b) pay or transfer to the Company the amount or other consideration representing the price payable by the transferee company for the Shares which by virtue of this Part that company is entitled to acquire, and the Company shall thereupon register the transferee company as the holder of those Shares; but no instrument of transfer shall be required for any Share for which a Share warrant is for the time being outstanding.

18.11 Any sums received by the Company under Article 18.10 shall be paid into a separate bank account, and any such sums and any other consideration so received shall be held by that company on trust for the several persons entitled to the Shares in respect of which the said sums or other consideration were respectively received; but any such sum or other consideration shall not be paid out or delivered to any person claiming to be entitled thereto unless he produces the Share certificate of such Shares or other evidence of his title thereto, or a satisfactory indemnity in lieu of such certificate or other evidence.

18.12 If the offer does not relate to Shares of different classes and not later than the expiration of the period within which the offer can be accepted, the transferee company is the holder of not less than nine-tenths in value of all the Shares in the Company or, if the offer relates to a class of Shares, not less than nine-tenths in value of all the Shares of that class, the holder of any Shares to which the offer relates who has not accepted the offer before the expiration of that period may by letter addressed to the transferee company require it to acquire those Shares.

18.13 If the offer relates to Shares of different classes and not later than the expiration of the period within which the offer can be accepted, the transferee company is the holder of not less than nine-tenths in value of the Shares of any class for which the offer is made, the holder of any Shares of that class who has not accepted the offer before the expiration of that period may by letter addressed to the transferee company require it to acquire those Shares.

18.14 Within 1 month of the expiration of the period within which the offer can be accepted the transferee company shall give notice in writing to a person having rights under this Article calling on him to decide whether or not to exercise them, but he shall not be entitled to exercise them later than 2 months after the date on which the notice is given.

18.15 Where the holder of any Shares exercises his rights under this Article the transferee company shall be entitled and bound to acquire the Shares on the terms of the offer or on such other terms as may be agreed or as the court, on the application of the holder of the Shares or the transferee company, thinks fit to order.

18.16 Where an offer is such as to give the holder of Shares a choice of terms and he requires the transferee company to acquire the Shares under this Article without the transferee company having given him a notice under Article 18.14, the requirement shall not have effect unless it indicates an exercise of that choice.

18.17 Where an offer is such as to give the holder of Shares a choice of terms and the transferee company gives him a notice under Article 18.14, the notice shall give particulars of the choice and state:

(a) that he may exercise the choice in making a requirement under this Part; and

(b) which terms are to be taken as applying if he makes such a requirement without exercising the choice, and the terms of the offer mentioned in Article 18.15 shall be determined accordingly.

18.18 Where an offer is such that the holder of Shares in the Company is to receive shares or debentures of the transferee company but with an option to receive instead some other consideration to be provided by a third party:

(a) the terms of the offer mentioned in Article 18.15 shall not include that option unless the transferee company in a notice under Article 18.14 indicates that the option is to apply; and

(b) if the transferee company does not so indicate it may, if it thinks fit, offer in such a notice a corresponding option to receive some other consideration to be provided by that company, and, if the transferee company offers such a corresponding option and the holder of the Shares exercises that corresponding option in his requirement under this Part, the terms of the offer mentioned in Article 18.15 shall be determined accordingly.

For the purposes of this paragraph, consideration shall be deemed to be provided by a third party where it is made available to the transferee company on terms that it shall be used by the transferee company as consideration pursuant to the offer.

19. Share Repurchase.

19.1 This Article 19 shall apply where the Company makes a general offer to purchase all of its Shares, or all of its Shares of a particular class, subject always to the Luxembourg Companies Law.

19.2 In a case where a Shareholder, or a number of Shareholders (the "relevant Shareholder"), gives notice to all other Shareholders in the Company, not later than the date that notice of the meeting called for the purpose of authorising the proposed offer is given, that the relevant Shareholder shall not tender any of the Shares held by it for purchase by the Company, if, during the period of 4 months beginning on the date of the offer, the Company buys nine-tenths of the Shares (other than the Shares held by the relevant Shareholder) for which the Company has made the offer, the Company may, subject to Articles 19.3 and 19.4 being complied with, give notice to the holder of any Shares to which the offer relates, and which the Company has not acquired, that it desires to purchase those Shares.

19.3 The relevant Shareholder shall not tender any of its Shares under the offer.

19.4 The Company shall not give notice to the relevant Shareholder of its desire to purchase any of the relevant Shareholder's Shares.

19.5 Where the Company gives notice under Article 19.2, it shall do so in the specified form not later than 5 months after the offer; and shall be entitled and bound to purchase those Shares on the terms of the offer.

19.6 The Company shall pay to any holder to whom it has given notice under Article 19.2 the amount of the offer for the Shares on receipt of:

(a) the Share certificate;

(b) satisfactory evidence of his title; or

(c) a declaration as to the loss or destruction of the Share certificate together with a suitable indemnity.

19.7 Where the Company has given notice under Article 19.2 to the holder of any Shares, the holder of the Shares may, within 2 months from the date on which the notice was given, apply to the court for an order that the Company shall not be entitled and bound to purchase those Shares or specify terms of purchase different from the terms of the offer.

19.8 Where an offer is such as to give the holder of Shares a choice of terms, the repurchasing company shall in any notice which it gives under Article 19.2 state the particulars of the choice and:

(a) that the holder of the Shares may within 2 months from the date of the notice exercise that choice by letter sent to the Company at the address specified in the notice; and

(b) which terms are to be taken as applying in default of his exercising the choice as set out in the offer.

19.9 Where the Company has given notice under Article 19.2 and the court has not ordered to the contrary, the Company shall, on the expiration of 2 months from the date of the notice, or if an application to the court is pending after that application has been disposed of, cancel any outstanding Shares the subject of the notice, and pay the moneys due for their purchase into a separate bank account in trust for the persons entitled to the Shares for which the moneys were received.

19.10 A person who claims to be entitled to any funds in the account referred to in Article 19.9 may apply to the Company for payment on production of:

(a) the Share certificate;

(b) satisfactory evidence of his title; or

(c) a declaration as to the loss or destruction of the Share certificate together with a suitable indemnity.

19.11 If not later than the expiration of the period within which the offer can be accepted, the total of:

(a) the Share holding of the relevant Shareholder; and

(b) the Shares purchased by the Company, is not less than nine-tenths in value of the Shares, or Shares in a class, as the case may be, of the Company as at the date on which the offer was made, the holder of any Shares to which the offer relates (other than the relevant Shareholder) may by letter addressed to the Company require it to purchase those Shares.

19.12 Where a Shareholder exercises his rights under Article 19.11, the Company is entitled and bound to purchase the Shares on the terms of the offer, or as may be agreed, or as the court may, on the application of the holder or the Company, order.

19.13 Within 1 month of the expiration of the period within which the offer can be accepted, the Company shall give notice to a person having rights under these Articles calling on him to decide whether or not to exercise them, but he shall not be entitled to exercise them later than 2 months after the date on which the notice is given.

19.14 Where an offer is such as to give the holder of Shares a choice of terms, the Company shall in any notice given under Article 19.13 state the particulars of the choice and:

(a) that the holder of the Shares may exercise that choice in making a requirement under these Articles; and

(b) which terms are to be taken as applying if he makes such a requirement without exercising the choice, and the terms of the offer mentioned in Article 19.12 shall be determined accordingly.

20. Dissolution.

20.1 The Company in an Extraordinary General Meeting may at any time, upon proposal from the Board, by Special Resolution resolve to dissolve. In the event of a dissolution of the Company, the Company in general meeting shall decide on the method to apply to the dissolution and appoint one or more liquidators whose mission shall be to realise the aggregate of the movable and immovable assets of the Company and to settle its liabilities.

20.2 From the net assets resulting from the dissolution once the liabilities have been settled, there shall be deducted a sum necessary to redeem the amount paid up on the Shares and not amortised. The balance shall be allocated pro rata among all the Shares.

21. Amendments to the Articles of Association.

21.1 The Company may at any time and from time to time by Special Resolution passed at an Extraordinary General Meeting alter or amend its Articles in whole or in part. However, the nationality of the company may be changed and the commitments of its Shareholders may be increased only with the unanimous consent of all the Shareholders and bondholders in an Extraordinary General Meeting.

21.2 The Extraordinary General Meeting at which any alteration to these Articles is considered shall not validly deliberate unless at least one half of the share capital of the Company or the voting rights attached to the issued share capital is present or represented and the agenda indicates the proposed amendments to the Articles and, where applicable, the text of those which concern the objects or the form of the Company. If the first of these conditions is not satisfied, a second Extraordinary General Meeting may be convened, in accordance with the provisions of Article 15.15. The second Extraordinary General Meeting shall validly deliberate as long as two members are present in person or by proxy, regardless of the proportion of the capital represented.

21.3 The full text of the updated Articles shall be lodged with the Luxembourg trade and companies register.

22. Application of Luxembourg law.

22.1 All matters not governed by these Articles shall be determined according to the Luxembourg Companies Law.

22.2 The present Articles are worded in English and accompanied by a French version. In case of divergence between the English and the French text, the English version shall prevail.

POUR STATUTS COORDONNES,
Ettelbruck, le 28 septembre 2022
Le Notaire: Marc ELVINGER

Groupe

L'OCCITANE

L'OCCITANE INTERNATIONAL S.A.

(Incorporated under the laws of Luxembourg with limited liability)

Stock code : 973



FY2022

Annual Report

L'OCCITANE
EN PROVENCE

Melvita
french organic beauty care since 1983

erborian
KOREAN SKIN THERAPY
PARIS · SEOUL

L'OCCITANE
AU BRÉSIL

LimeLife by Alcone

ELEMIS

Sol de Janeiro

The L'OCCITANE Group consists of seven brands: L'OCCITANE en Provence, Melvita, Erborian, L'OCCITANE au Brésil, LimeLife by Alcone, ELEMIS and Sol de Janeiro.







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Corporate Information



Executive Directors

Reinold Geiger
(Chairman)
André Hoffmann
(Vice-Chairman and Chief Executive Officer)
Karl Guénard
(Company Secretary)
Séan Harrington
(Chief Executive Officer of ELEMIS)

Non-Executive Director

Thomas Levilion

Independent Non-Executive Directors

Valérie Bernis
Charles Mark Broadley
Betty Liu
Jackson Chik Sum Ng

Company Secretary

Karl Guénard

Authorised Representatives

André Hoffmann
Jackson Chik Sum Ng

Company Legal Name

L'Occitane International S.A.

Date of Incorporation

22 December 2000

Date of Listing in Hong Kong

7 May 2010

Registered Office

49, Boulevard Prince Henri
L-1724 Luxembourg

Headquarter Offices

49, Boulevard Prince Henri
L-1724 Luxembourg

Chemin du Pré-Fleuri 5
CP 165
1228 Plan-les-Ouates
Geneva
Switzerland

Principal Place of Business in Hong Kong

20/F K11 ATELIER King's Road
728 King's Road
Quarry Bay, Hong Kong

Stock Code

973

Company Website

group.loccitane.com

Audit Committee

Charles Mark Broadley *(Chairman)*
Valérie Bernis
Jackson Chik Sum Ng

Remuneration Committee

Jackson Chik Sum Ng *(Chairman)*
Charles Mark Broadley
André Hoffmann

Nomination Committee

Jackson Chik Sum Ng *(Chairman)*
Valérie Bernis
André Hoffmann

Sustainability Committee

Charles Mark Broadley *(Chairman)*
Valérie Bernis
Thomas Levilion

Principal Bankers

HSBC France
Groupe Crédit Agricole
Crédit Agricole CIB
Le Crédit Lyonnais (LCL)
Caisse Régionale du Crédit Agricole Mutuel Provence Côte d'Azur
BNP Paribas
Groupe BPCE
Natixis
BRED
CEPAC
Palatine
Groupe Société Générale
Société Générale
Crédit du Nord
CIC

Auditor

PricewaterhouseCoopers, Société coopérative
Certified Public Accountants
Recognized Public Interest Entity Auditor

Principal Share Registrar and Transfer Office

49, Boulevard Prince Henri
L-1724 Luxembourg

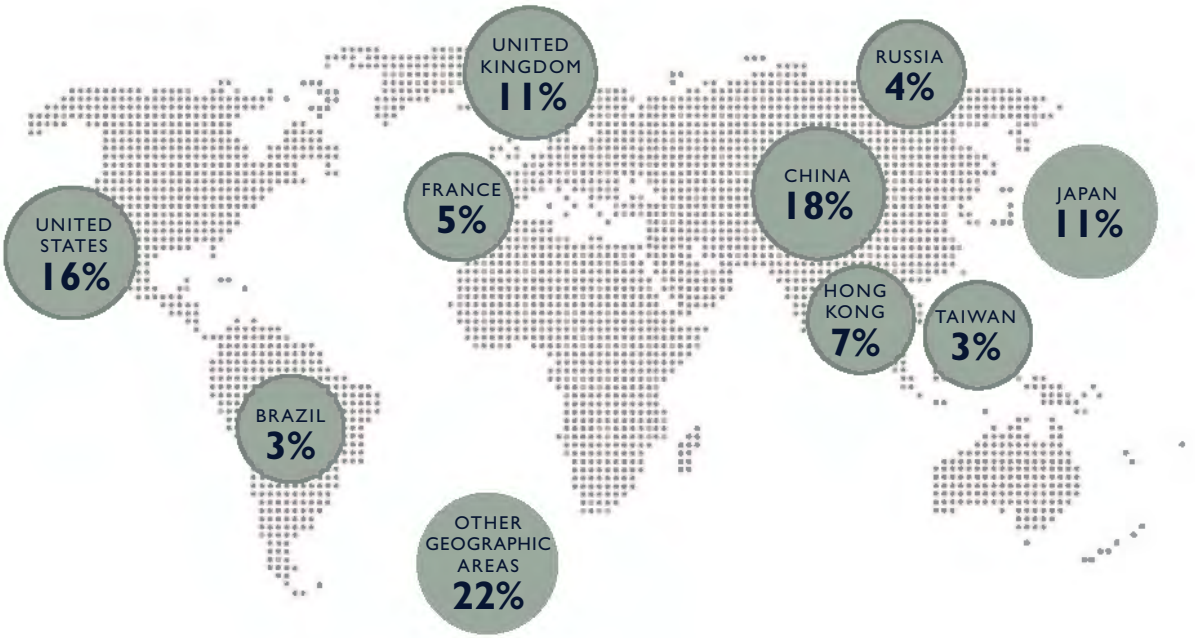
Hong Kong Share Registrar

Computershare Hong Kong Investor Services Limited
Shops 1712–1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong



Financial Highlights

OUR ACTIVITY WORLDWIDE



** Net sales (%) by geographic area*

OUR STORES WORLDWIDE



** 3,068 retail locations and*
1,490 stores operated directly by the group

KEY FINANCIAL HIGHLIGHTS

For the year ended 31 March	***2022***	*2021 Restated*
Net sales *(€ million)*	**1,781.4**	1,537.8
Operating profit *(€ million)*	**310.7**	216.8
Profit for the year *(€ million)*	**241.9**	153.6
Gross profit margin	**82.2%**	83.0%
Operating profit margin	**17.4%**	14.1%
Net profit margin	**13.6%**	10.0%
Net operating profit after tax *(€ million)* (NOPAT) [1]	**253.8**	168.0
Capital employed *(€ million)* [2]	**1,975.4**	1,667.2
Return on capital employed (ROCE) [3]	**12.8%**	10.1%
Return on equity (ROE) [4]	**19.1%**	12.7%
Current ratio (times) [5]	**1.1**	0.9
Gearing ratio [6]	**34.0%**	32.8%
Average inventory turnover days [7]	**265**	282
Turnover days of trade receivables [8]	**34**	32
Turnover days of trade payables [9]	**213**	215
Total number of own stores [10]	**1,490**	1,523
Profit attributable to equity owners *(€ million)*	**242.0**	151.2
Basic earnings per share *(€)*	**0.165**	0.103

Notes:

(1) (Operating profit + foreign currency net gains or losses) x (1-effective tax rate).
(2) Non-current assets — (deferred tax liabilities + other non-current liabilities) + working capital**.*
** excluded goodwill on ELEMIS*
*** excluded current financial liabilities to show only working capital relating to operations*
(3) NOPAT/Capital employed.
(4) Net profit attributable to equity owners of the Company/shareholders' equity excluding minority interest.
(5) Current assets/current liabilities.
(6) Total debts/total assets.
(7) Average inventory turnover days equals average inventory divided by cost of sales and multiplied by 365. Average inventory equals the average of net inventory at the beginning and end of a given period.
(8) Turnover days of trade receivable equals average trade receivables divided by net sales and multiplied by 365. Average trade receivables equals the average of net trade receivables at the beginning and end of a given period.
(9) Turnover days of trade payables equals average trade payables divided by cost of sales and multiplied by 365. Average trade payables equals the average of trade payables at the beginning and end of a given period.
(10) L'Occitane en Provence, Melvita, Erborian and L'Occitane Au Brésil branded boutiques and department stores corners directly managed and operated by us.

Disclaimer

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.

Chairman's Statement



Message from Chairman

Reinold Geiger

27 June 2022

It is my great privilege to announce a record year at L'Occitane, so soon after the challenges thrown up by the global pandemic. We delivered a mid-teens level of sales growth and a 17.4% operating margin, the highest level since our listing. This incredible result and our rosy future prospects provided the Board with the confidence to boost FY2022's dividend payout ratio from 35% to 40%, enabling us to reward our shareholders with a dividend per share that is 78.6% higher than it was in FY2021.

Firmness of purpose and a decisive strategy, together with the unparalleled efforts of my colleagues and global team, contributed to this fantastic outcome. We saw a broad-based improvement in the performance of our core L'OCCITANE en Provence brand, supported by our iconic bestsellers and exciting new products through highly targeted media and marketing investments in our most strategic channels and markets. Our longstanding omni-channel strategy continued to deliver both online and offline as we leveraged a permanent shift in consumer behaviour that has led to a higher online sales mix, one of the contributing factors to our expanded profitability.



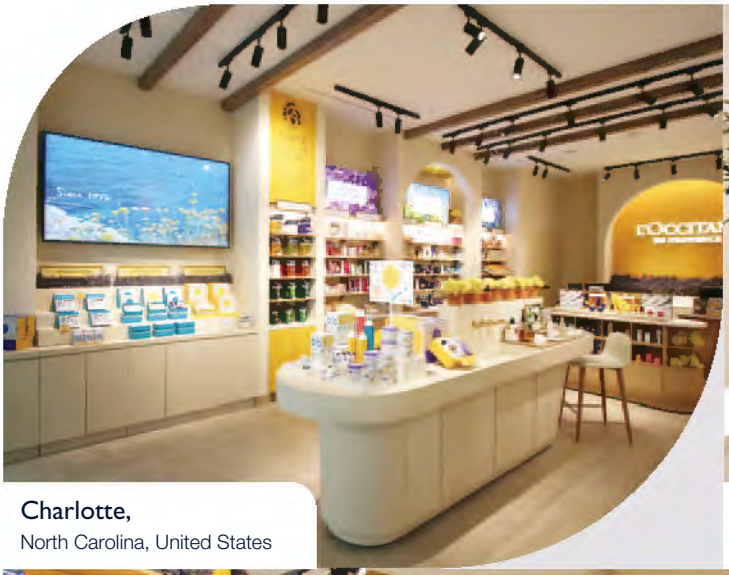
Meanwhile, we welcomed the addition of two new brands into our portfolio during the year — Sol de Janeiro and Grown Alchemist — further accelerating our transformation into a global, multi-brand group. With entrepreneurship as one of the Group's core values, I always find it exhilarating and inspiring to discover promising founder-led brands that have unique stories and high-quality products. Already, through a digital-first global expansion strategy, we have reaped the first fruits from growing ELEMIS, expanding its worldwide footprint from its initial legacy markets in the U.K. and the U.S. to over a dozen markets, all the while keeping an impressive level of profitability. Through our partnership with ELEMIS, we have developed a proven playbook for helping our new members, Sol de Janeiro and Grown Alchemist, blossom into international brands and become new sources of profitable growth.

We are proud to be a business that balances purpose and profit. Our sustainability strategy continues to inform our business decisions, anchored by our three priorities of contributing to a carbon net-zero, nature-positive, and fair and inclusive world. Sustainability is now embedded in our management's annual incentive system to ensure we progress in a unified and meaningful manner. We have also made significant strides to achieve B-Corp certification by 2023.

At the same time, we completed a planned management transition. In September 2021, I stepped down as Chief Executive Officer to make way for my business partner and dear friend of more than 26 years, André Hoffmann, whom, I have absolutely no doubt, will continue to lead the Group from strength to strength. Furthermore, as of 30 June 2022, the Group's long-time Chief Financial Officer, Thomas Levilion embarked on his well-deserved retirement, having contributed invaluably to the Group throughout his tenure. On behalf of the Board, I would like to express our sincere gratitude to Thomas and it is my pleasure to welcome Christian-Matthias Klever as our new CFO. I am confident that he will be an equally strong contributor to the Group's future success.

The dream to become a worldwide leader in natural cosmetics has become reality. Despite some pitfalls that remain with the macroeconomic environment, our targeted investments will continue to support the much-improved sales momentum of our core brand, L'OCCITANE en Provence, and accelerate the development of our smaller brands. We expect to surpass the €2 billion sales milestone in the new fiscal year and continue our path to deliver sustainable growth and healthy profitability for you, our shareholders. I thank you for your support.

Strong Global Presence



Charlotte,
North Carolina, United States



Atré Ueno,
Tokyo, Japan



Nuremberg,
Germany



Opéra,
Paris, France
(Erborian)



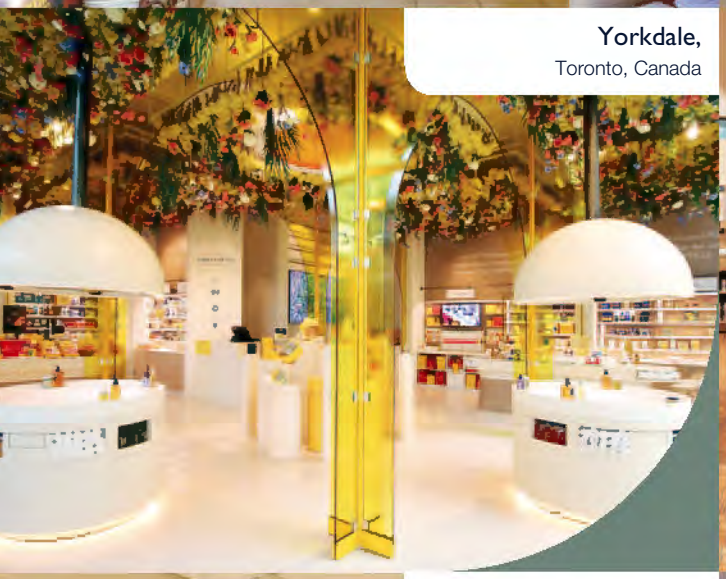
Harrods,
London, United Kingdom
(ELEMIS)



Lille,
France



ION Orchard,
Singapore



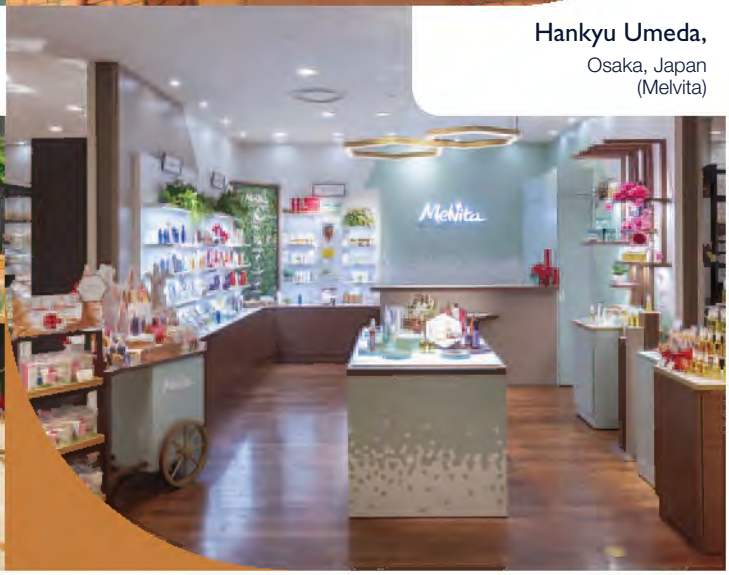
Yorkdale,
Toronto, Canada



Buchanan Street, Glasgow
Scotland, United Kingdom



Pátio Higienópolis,
São Paulo, Brazil
(L'Occitane au Brésil)



Hankyu Umeda,
Osaka, Japan
(Melvita)

Management Discussion & Analysis



Management Discussion & Analysis



Management Discussion & Analysis

Summary:

	Reported [1] ***FY2022*** *€ million or %*	***Management*** [2] ***FY2022*** *€ million or %*	***Management Restated*** [3] ***FY2021*** *€ million or %*
Net sales	1,781.4	1,810.0	1,550.9
Operating profit	310.7	307.8	228.5
Profit for the year	241.9	n/a	n/a
Gross profit margin	82.2%	82.8%	83.1%
Operating profit margin	17.4%	17.0%	14.7%
Net profit margin	13.6%	n/a	n/a
Net cash inflow from operations [3]	326.0	n/a	n/a

[1] *Reported FY2022 — sales and operating expenses of L'Occitane, Inc. in April to August 2021 were not consolidated but instead treated as associate under the equity method, due to the Chapter 11 proceedings.*

[2] *Management FY2022 — assuming L'Occitane, Inc. remained part of the Group and its results in April to August 2021 were consolidated into the Group's results, and the net effects of deconsolidation and reconsolidation were then removed. One-off items — impairment for 86 Champs café and change in valuation and share of loss of Good Glamm Group were also excluded for proper comparison. The management believes that this management version provides a truer view of the operational performance in FY2022 and is thus more comparable to the management operating profit in FY2021.*

[3] *Management Restated FY2021 — assuming L'Occitane, Inc. remained part of the Group and its results in February and March 2021 were consolidated into the Group's results, and the net effects of deconsolidation and reconsolidation were then removed. Restructuring expenses and share of loss of Good Glamm Group were also excluded. The management believes that this management version provides a truer view of the operational performance in FY2021.*

Definitions:

Comparable Stores means existing retail stores which have been opened before the start of the previous financial year, including Company owned e-commerce websites.

Non-comparable Stores & others means all stores that are not Comparable Stores, i.e. stores opened, closed and renovated during the previous or the current financial period under discussion, together with other sales from marketplaces, mail-orders, services and LimeLife.

Comparable Store Sales means net sales from Comparable Stores during the financial period under discussion. Unless otherwise indicated, discussion of Comparable Store Sales excludes foreign currency translation effects.

Non-comparable Store Sales means net sales from Non-comparable Store Sales during the financial period under discussion. Non-comparable Store Sales also include sales from a limited number of promotional campaigns usually held at temporary common areas of shopping malls. Unless otherwise indicated, discussion of Non- comparable Store Sales excludes foreign currency translation effects.



Same Store Sales Growth represents a comparison between Comparable Store Sales for two financial periods. Unless otherwise indicated, discussion of Same Store Sales Growth excludes foreign currency translation effects.

Overall Growth means the total worldwide net sales growth for the financial period(s) presented excluding foreign currency translation effects.



REVENUE ANALYSIS

The Group's reported net sales were €1,781.4 million in FY2022, representing an increase of 15.8% at reported rates as compared to FY2021.

Note that during the period from February 2021 to August 2021, L'Occitane, Inc., a subsidiary of the Group in the US, was under Chapter 11 proceedings of the US Bankruptcy Code. In accordance with IFRS, its results during that period were deconsolidated. However, for proper comparison, its sales during the Chapter 11 proceedings from February 2021 to March 2021 totaling €13.0 million in FY2021, and from April 2021 to August 2021, totaling €28.6 million in FY2022, remain included in the Group's revenue analysis in this report.

Excluding the accounting effect of the deconsolidation of L'Occitane, Inc., the Group's net sales were €1,810.0 million in FY2022, representing a growth of 16.7% at reported rates, 14.6% at constant rates or 13.0% on a like-for-like basis (excluding Sol de Janeiro's sales from January to March 2022).

In FY2022, the business environment continued to improve as countries in Europe and the Americas began to lift the COVID-19 related restrictive measures. Retail channels saw a strong rebound in footfall while online channels remained dynamic. Travel retail, spas and cruise ship businesses also benefited from the comeback of local and international travelers. However, towards the end of FY2022, the macroeconomic conditions turned challenging, with a resurgence in COVID-19 outbreaks in many key markets and the geo-political situation in Ukraine and Russia.

China, US, UK and Hong Kong were the key contributors to the Overall Growth in FY2022, with growth rates of 16.8%, 13.5%, 21.4% and 24.0% respectively. Other geographic areas together posted a growth of 16.1%.

The Company's total number of retail locations decreased from 3,088 as at 31 March 2021 to 3,068 as at 31 March 2022, a decrease of 20 or 0.6%. The number of own retail stores decreased from 1,523 as at 31 March 2021 to 1,490 as at 31 March 2022, representing a net decrease of 33 or 2.2%. The Company further closed underperforming stores during FY2022, including 21 shops in the US. At the end of March 2022, the breakdown of the 1,523 own stores by brand and change over last year were as follows: L'Occitane en Provence (1,354; -35), L'Occitane au Brésil (65; +1), Melvita (39; -11), Erborian (14; -1) and ELEMIS (18; +13). The number of non-own stores increased by 13 or 0.8%.

Management Discussion & Analysis

Performance by Brand

The following table presents the net sales and net sales growth by brand for the periods indicated, including sales of L'Occitane, Inc. in February and March 2021 in FY2021 and in April to August 2021 in FY2022:

	FY2022		FY2021		Growth at reported rates	Growth at constant rates
	€ '000	*%*	*€ '000*	*%*	*%*	*%*
L'Occitane en Provence	1,389,174	76.8	1,207,549	77.9	15.0	13.2
ELEMIS	226,317	12.5	158,910	10.2	42.4	37.4
LimeLife	70,733	3.9	102,155	6.6	(30.8)	(31.3)
Sol de Janeiro	26,081	1.4	–	–	n/a	n/a
Others [1]	97,679	5.4	82,269	5.3	18.7	19.0
Total [2]	**1,809,984**	**100.0**	**1,550,883**	**100.0**	**16.7**	**14.6**

[1] *Others include the brands Melvita, Erborian, and L'Occitane au Brésil.*
[2] *Excluding Sol de Janeiro which was consolidated since 1 January 2022, the like-for-like sales growth in FY2022 was 13.0%.*



L'OCCITANE en Provence accounted for 76.8% of the Group's total sales. Sales momentum of the brand rebounded strongly in Europe and the Americas following the removal of restrictive measures related to COVID-19. Retail business contributed most to overall growth as stores reopened and footfall normalised. Yet online channels continued to grow in FY2022 despite comparing with an exceptional FY2021. Travel retail saw significant improvement, particularly in Asia. China, Hong Kong, the US and other geographic areas were the key contributors to the brand's overall growth in FY2022.

ELEMIS accounted for 12.5% of the Group's total sales in FY2022, an increase of 2.3 points as compared to FY2021. ELEMIS posted an exceptional growth of 37.4% at constant rates. The spa wholesale and cruise ship businesses rebounded strongly as travel restrictions loosened. Online channels continued to grow, thanks to the successful omni-channel business model and strengthened collaborations with digital partners. The US contributed most to the brand's overall growth in FY2022, followed by the UK and China. ELEMIS has 18 own retail stores in our key strategic markets.

The Group began to consolidate Sol de Janeiro in January 2022 and it contributed €26.1 million, or 11.0% to overall growth in FY2022. In local currency, Sol de Janeiro delivered 46.7% growth in the fourth quarter of FY2022.

LimeLife posted a sales decline of 31.3% at constant rates in FY2022, after a successful FY2021. In addition to the high base last year, the brand faced difficulties in recruiting and retaining beauty guides as the US economy returned to normal and employment conditions improved.

The other brands together finished FY2022 with 19.0% growth at constant rates, with key contributions from the continuous success of Erborian and the strong rebound of L'OCCITANE au Brésil. Both retail and wholesale channels benefited from the removal of restrictive measures.



Performance by Geographic Area

The following table presents the net sales and net sales growth by geographic area for the periods indicated:

	FY2022		FY2021		Growth at reported rates	Growth at constant rates	Contribution to Overall Growth at constant rates
	€ '000	*%*	*€ '000*	*%*	*%*	*%*	*%*
Japan	206,034	11.4	215,273	13.9	(4.3)	0.4	0.4
Hong Kong [1]	118,884	6.6	94,589	6.1	25.7	24.0	10.0
China	327,994	18.1	263,642	17.0	24.4	16.8	19.4
Taiwan	51,530	2.8	47,464	3.1	8.6	2 .8	0.6
France	96,011	5.3	86,688	5.6	10.8	10.8	4.1
United Kingdom	197,461	10.9	154,444	10.0	27.9	21.4	14.6
United States [3]	296,816	16.4	258,552	16.6	14.8	13.5	15.3
Brazil	48,261	2.7	34,453	2.2	40.1	37.0	5.6
Russia	62,586	3.5	50,966	3.3	22.8	24.8	5.6
Other geographic areas [2]	404,407	22.3	344,812	22.2	17.3	16.1	24.4
Total	**1,809,984**	**100.0**	**1,550,883**	**100.0**	**16.7**	**14.6**	**100.0**

(1) *Includes sales in Macau and to distributors and travel retail customers in Asia.*
(2) *Includes sales from Luxembourg.*
(3) *Includes sales during the Chapter 11 proceedings from April 2021 to August 2021, totaling €28.6 million in FY2022 and from February 2021 to March 2021, totaling €13.0 million in FY2021, for proper comparison.*

Management Discussion & Analysis

The following table provides a breakdown, by geographic area, of the number of own retail stores, their contribution percentage to Overall Growth and Same Store Sales Growth for FY2022 compared to the same period last year:

	Own Retail Stores				% contribution to Overall Growth [1] [2]			
	31 March 2022	Net openings YTD 31 March 2022	31 March 2021	Net openings YTD 31 March 2021	Non-comparable Stores	Comparable Stores	Total Stores	Same Store Sales Growth
Japan [3]	154	(3)	157	(6)	0.0	0.5	0.6	0.7
Hong Kong [4]	29	(4)	33	(2)	(0.4)	(0.1)	(0.5)	(1.2)
China	208	10	198	(5)	(1.9)	3.5	1.5	6.1
Taiwan	51	(2)	53	(2)	(0.6)	0.6	0.0	4.0
France [5]	84	(1)	85	(2)	1.5	(0.2)	1.2	(1.3)
United Kingdom [6]	71	1	70	(2)	1.3	2.4	3.7	8.7
United States	126	(21)	147	(25)	(1.3)	11.1	9.8	25.0
Brazil [7]	172	(4)	176	(23)	1.5	2.6	4.1	23.6
Russia [8]	110	(2)	112	–	0.3	2.4	2.7	17.1
Other geographic areas [9]	485	(7)	492	(18)	1.5	6.4	7.9	8.0
Total [10]	**1,490**	**(33)**	**1,523**	**(85)**	**1.9**	**29.2**	**31.1**	**8.3**

(1) *Represents percentage of overall net sales growth attributable to Non-comparable Stores, Comparable Stores and Total Stores for the geographic area and period indicated.*
(2) *Excludes foreign currency translation effects.*
(3) *Includes 31 Melvita stores as at 31 March 2021 and 26 Melvita and 2 ELEMIS stores as at 31 March 2022.*
(4) *Includes 2 L'Occitane stores in Macau and 8 Melvita and 3 ELEMIS stores in Hong Kong as at 31 March 2021, and 2 L'Occitane stores in Macau and 4 Melvita and 3 ELEMIS stores in Hong Kong as at 31 March 2022.*
(5) *Includes 5 Melvita and 2 Erborian stores as at 31 March 2021 and 4 Melvita and 2 Erborian stores as at 31 March 2022.*
(6) *Includes 1 ELEMIS store as at 31 March 2022.*
(7) *Includes 64 and 65 L'Occitane au Brésil stores as at 31 March 2021 and 31 March 2022 respectively.*
(8) *Includes 11 Erborian stores as at 31 March 2021 and 11 Erborian and 1 ELEMIS stores as at 31 March 2022.*
(9) *Include 6 Melvita, 2 ELEMIS and 2 Erborian stores as at 31 March 2021 and 5 Melvita, 9 ELEMIS and 1 Erborian stores as at 31 March 2022.*
(10) *Include 50 Melvita, 64 L'Occitane au Brésil, 5 ELEMIS and 15 Erborian stores as at 31 March 2021 and 39 Melvita, 65 L'Occitane au Brésil, 18 ELEMIS and 14 Erborian stores as at 31 March 2022.*





Japan

Japan's net sales for FY2022 were €206.0 million, a decrease of 4.3% as compared to FY2021. At constant exchange rates, the growth was 0.4%. Retail traffic rebounded strongly in the first quarter of FY2022, but turned sluggish afterwards when restrictive measures and states of emergency orders were implemented. L'Occitane en Provence posted a low single-digit growth in FY2022, mainly contributed by an increase in retail sales. Melvita saw a low single-digit decline, due partly to low traffic and partly to trading with fewer stores. A net of 3 stores were closed during FY2022, comprising a closure of 5 Melvita stores and an opening of 2 ELEMIS stores.

Hong Kong

Hong Kong's net sales for FY2022 were €118.9 million, an increase of 25.7% as compared to FY2021. At constant exchange rates, the growth was 24.0%. The strong growth was mainly contributed by travel retail sales to clients in the Greater China region as well as the development of web partners business in Hong Kong. Travel retail sales in FY2022 posted a mid-teens growth as compared to FY2020 (i.e. pre-COVID-19 two years ago). Meanwhile, in Hong Kong's domestic retail market, footfall in shopping malls improved significantly as COVID-19 cases remained low in the first three quarters of FY2022. However, the resurgence of COVID-19 in the fourth quarter of FY2022 prompted new rounds of restrictive measures, which caused traffic to vanish almost entirely. Retail sales in Hong Kong ended FY2022 with a low single-digit decline.



Management Discussion & Analysis

China

China's net sales for FY2022 were €328.0 million, an increase of 24.4% as compared to FY2021. At constant exchange rates, the growth was 16.8%, contributing most to the Group's Overall Growth. Online channels were particularly dynamic and ended the year with double-digit growth. L'Occitane en Provence recorded growth in all channels with strong contribution from web partners and marketplace. In addition to rolling out with an exclusive wholesale chain partner as planned, ELEMIS opened two own stores in prestigious malls in Shanghai and Nanjing during the year. Overall sales momentum remained strong throughout the year until lockdowns and restrictive measures were taken by the government in major cities in March 2022, which impacted retail footfall and hampered product deliveries.

Taiwan

Taiwan's net sales for FY2022 were €51.5 million, an increase of 8.6% at reported rates. At constant exchange rates, the growth was 2.8%. Despite facing sporadic semi-lockdowns, sales momentum continued from a strong FY2021 which grew 15.5% at constant exchange rates. Retail traffic was sluggish, yet the decrease in sales was compensated by the dynamic growth in web partners and own e-commerce.





France

France's net sales for FY2022 were €96.0 million, an increase of 10.8% as compared to FY2021. Sales rebounded from a low base in FY2021 which was impacted by COVID-19 measures. L'Occitane en Provence posted high single-digit growth in FY2022, mainly benefited from the reopening of retail shops. Erborian accelerated its growth to mid-double-digit, with major contribution from wholesale channels.

United Kingdom

The United Kingdom's net sales for FY2022 were €197.5 million, an increase of 27.9% as compared to FY2021. At constant exchange rates, the growth was 21.4%. ELEMIS saw accelerated growth upon the removal of restrictive measures in FY2022, with strong recovery in spa wholesale and continued development in web partnerships. Retail sales of L'Occitane en Provence rebounded sharply during the year, while online channels normalised.



United States

The United States' net sales for FY2022 were €296.8 million, an increase of 14.8% as compared to FY2021. At constant exchange rates, the increase was 13.5%. In accordance with IFRS requirements, the sales during the Chapter 11 proceedings from April to August 2021 were not consolidated, reducing the reported net sales for FY2022 to €254.8 million. Both L'Occitane en Provence and ELEMIS benefited from the removal of restrictive measures. Retail sales of L'Occitane en Provence rebounded strongly, while online channels normalised. ELEMIS posted encouraging growth in all channels, with major contribution from wholesale and cruise ship businesses. LimeLife, on the other hand, was impacted negatively by the reopening of the economy. It became more difficult to recruit and retain beauty guides as the job market resumed to normal. Lastly, Sol de Janeiro joined the Group in January 2022 and contributed €26.1 million to the country's sales.

Brazil

Brazil's net sales for FY2022 were €48.3 million, an increase of 40.1% as compared to FY2021. At constant exchange rates, the increase was 37.0%. Both L'Occitane en Provence and L'Occitane au Brésil rebounded strongly in retail channels, which were hampered by the restrictive measures in FY2021. Compared to FY2020 (i.e. pre-COVID-19 two years ago), net sales grew 15.3% in local currency.

Russia

Russia's net sales for FY2022 were €62.6 million, an increase of 22.8% as compared to FY2021. At constant exchange rates, it achieved growth of 24.8%, with contribution from all brands. Both L'Occitane en Provence and Erborian posted double-digit growth, due mainly to reopening of retail shops. ELEMIS posted mid double-digit growth, with rapid expansion in online and wholesale channels. Since the Ukraine-Russia conflict broke out in the fourth quarter of FY2022, the Group suspended investments and expansion plans, and subsequently suspended operations of its own retail stores and own e-commerce.

Other geographic areas

Other geographic areas' net sales for FY2022 were €404.4 million, an increase of 16.1% at constant exchange rates. Countries with strong positive contribution were Korea, Mexico, Spain and Canada. Travel retail and distribution sales in Europe and the Americas also rebounded strongly.

Management Discussion & Analysis



PROFITABILITY ANALYSIS

Cost of Sales and Gross Profit

The reported cost of sales increased by 22.0%, or €57.2 million, to €317.9 million in FY2022. The gross profit margin decreased 0.8 points to 82.2% as compared to FY2021. The decrease is attributable to the following factors:

- deconsolidation of US subsidiary during the Chapter 11 proceedings for 0.6 points;
- unfavourable channel mix from higher sell-in proportion and unfavourable brand mix from ELEMIS and Sol de Janeiro, which have more sell-in businesses, for a total of 0.5 points; and
- higher freight and duties for 0.4 points, partly due to inventory rebuild and partly due to higher shipping costs.

The decrease in gross profit margin was partly offset by:

- improvement in production efficiency from higher volumes which led to lower average fixed costs absorption for 0.6 points; and
- price increase for 0.1 points.

Distribution Expenses

The reported distribution expenses increased by 4.8%, or €32.2 million, to €698.4 million in FY2022. As a percentage to net sales, distribution expenses decreased by 4.1 points to 39.2%. This improvement is attributable to a combination of:

- higher leverage from retail and other brick-and-mortar channels for 5.3 points;
- favourable brand and channel mix, mainly from the lower share of LimeLife in overall sales, as LimeLife has a high ratio of distribution expenses for 0.9 points;
- more efficient retail network as a result of the network rationalisation for 0.6 points; and
- positive effect from US deconsolidation for 0.4 points.

This improvement was partly offset by:

- one-off COVID subsidies from governments and rent concessions last year for 2.1 points;
- one-off impairment on 86 Champs café for 0.9 points; and
- increase in warehousing offset by various other gains for 0.1 points.

Marketing Expenses

The reported marketing expenses increased by 31.4%, or €67.1 million, to €280.8 million in FY2022. As a percentage of net sales, marketing expenses increased by 1.9 points to 15.8%. The increase is attributable to:

- strategic investments in the Osmanthus fragrance line and hair care category in China through live streaming, social media, celebrity campaigns and video production for 0.9 points;
- re-investment in L'Occitane en Provence (other than China) and acceleration plan of Erborian for 0.5 points;
- brand mix for 0.5 points, mainly driven by ELEMIS which has a higher marketing ratio;
- ELEMIS's re-investment after drastic cuts during COVID-19 last year and investments in new markets in Asia for 0.4 points;
- FX, staff, COVID-19 subsidies last year and others for 0.2 points; and
- initial inclusion of Sol de Janeiro for 0.2 points.

This increase was partly offset by higher sales leverage for 0.8 points.



Research & Development Expenses

The reported research and development ("**R&D**") expenses increased by 8.8%, or €1.5 million, to €18.9 million in FY2022. As a percentage to net sales, R&D expenses remained the same at 1.1%.



Management Discussion & Analysis

General and Administrative Expenses

The reported general and administrative expenses increased by 17.0%, or €25.2 million, to €173.0 million in FY2022. As a percentage of net sales, general and administrative expenses increased by 0.1 points to 9.7%. The increase is attributable to:

- one-off COVID-19 grants and furloughs from governments last year for 0.4 points;
- increase in long-term incentive and bonus provisions for 0.3 points corresponding to the strong financial achievements this year as compared to bonus cuts under the uncertain COVID-19 environment last year;
- one-off items, mostly Sol de Janeiro's acquisition costs, for 0.2 points;
- IT investment, FX and others for 0.2 points; and
- various restructuring projects for 0.2 points.

The deterioration was mostly offset by higher sales leverage for 1.2 points.



SHARE OF (LOSSES) FROM ASSOCIATES AND JOINT VENTURES ACCOUNTED FOR USING THE EQUITY METHOD

Details of the €13.6 million net losses from associates and joint ventures accounted for using the equity method in FY2022 are shown below:

- loss of €8.9 million incurred by L'Occitane, Inc. during the deconsolidation between April and August 2021
- loss of €5.0 million by Good Glamm Group (previously known as MyGlamm)
- loss of €0.4 million by CAPSUM and partly offset by gain of €0.7 million by L'Occitane Middle East

OTHER OPERATING INCOMES

Details of the €39.1 million other operating incomes in FY2022 are shown below:

- capital gain of €25.1 million from an increase in valuation of the investment in Good Glamm Group which is now accounted as an associate using the equity method
- gain from the reconsolidation of L'Occitane, Inc. for €12.9 million
- government grants on R&D for €1.0 million
- others for €0.1 million

OTHER OPERATING LOSSES

Details of the €7.1 million other operating losses in FY2022 are shown below:

- share of €4.9 million calculated losses arising from dilution of shareholding percentage in Good Glamm Group
- restructuring costs of €1.5 million, mainly relating to Chapter 11 proceedings
- loss on sale of assets for €0.6 million
- other items for €0.1 million

OPERATING PROFIT

Reported operating profit increased by 43.3%, or €93.9 million, to €310.7 million. The reported operating profit margin improved by 3.3 points of net sales to 17.4%. The outstanding result is explained by the factors below:

- leverage of fixed costs and channel distribution costs primarily from retail on higher sales for 7.4 points;
- increase in valuation of the investment in Good Glamm Group for 1.1 points; and
- restructuring costs last year and effects of Chapter 11 proceedings for 0.6 points.

The improvement was partly offset by the following:

- COVID-19 subsidies received from government last year for 2.5 points;
- increase in L'Occitane en Provence's marketing investment in China and other key countries and ELEMIS's investments for 1.7 points;
- one-off impairment for 86 Champs café for 0.9 points;
- higher incentive as a result of outstanding profits for 0.3 points; and
- higher warehousing and related costs, rounding and other factors for 0.4 points.

The following table presents the Group's management operating profit and the reconciliation to reported operating profit for FY2022 and FY2021.

	FY2022		**FY2021**	
	€ M	*% to sales*	*€ M*	*% to sales*
Reported Net sales	**1,781.4**		**1,537.8**	
Net Sales	**1,810.0**		**1,550.9**	
Cost of sales	(311.6)	-17.2%	(261.6)	-16.9%
Gross profit	**1,498.4**	**82.8%**	**1,289.3**	**83.1%**
Distribution expenses	(702.9)	-38.8%	(675.7)	-43.6%
Marketing expenses	(286.1)	-15.8%	(216.2)	-13.9%
Research & development expenses	(18.9)	-1.0%	(17.4)	-1.1%
General and administrative expenses	(182.9)	-10.1%	(151.0)	-9.7%
Share of profit/(losses) from joint venture accounted for using the equity method	0.3	0.0%	(0.1)	0.0%
Other operating income/(loss)	(0.0)	0.0%	(0.4)	0.0%
Management operating profit [1]	**307.8**	**17.0%**	**228.5**	**14.7%**
Chapter 11: net effects of deconsolidation/reconsolidation	3.3		8.6	
Restructuring expenses	–		(16.9)	
Good Glamm Group's valuation and share of profit/(losses)	15.1		(3.4)	
Impairment of 86 Champs café	(15.5)		–	
Reported operating profit	**310.7**	**17.4%**	**216.8**	**14.1%**

[1] *Management operating profit FY2022 — assuming L'Occitane, Inc. remained part of the Group and its results in April to August 2021 were consolidated into the Group's results, and the net effects of deconsolidation and reconsolidation were then removed. One-off items — impairment for 86 Champs café and Good Glamm Group's change in valuation are also excluded for proper comparison. The management believes that this management version provides a truer view of the operational performance in FY2022 and is thus more comparable to the management operating profit in FY2021.*
Management operating profit FY2021 — assuming L'Occitane, Inc. remained part of the Group and its results in February and March 2021 were consolidated into the Group's results, and the net effects of deconsolidation and reconsolidation were then removed. Restructuring expenses were also excluded. The management believes that this management version provides a truer view of the operational performance in FY2021.

Management Discussion & Analysis



Finance Costs, Net

Net finance costs were €14.5 million in FY2022, which consisted of interest incomes on cash and cash equivalents of €1.9 million and the following expense items:

- IFRS 16 lease liabilities related interests and finance expenses of €8.9 million;
- Interest expenses related to bank borrowings, revolving facilities and external financing of €3.6 million; and
- unwinding discount on certain financial liabilities and amortisation of related fees with a total of €3.9 million.

As compared to FY2021, net finance costs decreased by €3.8 million, which was explained by lower net interest expenses, lower IFRS 16 related interest expenses and partly offset by higher other finance expenses.

Foreign Currency Gains/Losses

Net foreign currency losses amounted to €0.3 million in FY2022 (FY2021: net losses of €3.0 million) and were comprised of €0.1 million realised gains, €0.1 million unrealised losses and €0.3 million losses related to IFRS 16.



Income tax Expense

The effective tax rate decreased from 21.4% in FY2021 to 18.2% in FY2022, a decrease of 3.2 points. The decrease is due primarily to the following favourable factors:

- favourable country mix effect for 2.4 points;
- beneficial impact on deferred tax assets as a result of higher inventory for 1.6 points; and
- favourable changes in tax rates, essentially in France for 0.3 points.

And partly offset by unfavourable one-off effects for a net 1.1 points.

PROFIT FOR THE YEAR

For the aforementioned reasons, net profit for FY2022 was a record €241.9 million, an increase of 57.5% or €88.3 million as compared to restated €153.6 million for FY2021. Basic and diluted earnings per share in FY2022 were €0.165 and €0.164 respectively (FY2021: basic €0.103 and diluted €0.103), an increase of 59.7% and 59.8% respectively. The numbers of basic and diluted shares used in the calculations of earnings per share in FY2022 were 1,470,135,821 and 1,473,153,053 respectively (FY2021: basic 1,466,677,921 and diluted 1,470,779,165).

BALANCE SHEET AND CASH-FLOW REVIEW

Liquidity and Capital Resources

As at 31 March 2022, the Group had cash and cash equivalents of €360.9 million as compared to €421.2 million as at 31 March 2021. The decrease was mainly explained by net cash outflow for investment in Sol de Janeiro. As at 31 March 2022, total borrowings, including term loans, revolving facilities, bank borrowings, finance lease liabilities, and current accounts with minority shareholders and related parties, amounted to €670.9 million. As at 31 March 2022, the aggregate amount of undrawn borrowing facilities was €268.2 million.

SUMMARISED CASH-FLOW STATEMENT

For the year ended 31 March	**2022**	**2021**
	€ '000	*€ '000*
Profit before tax, adjusted for non-cash items	475,361	421,201
Changes in working capital	(98,814)	36,316
Income tax paid	(50,523)	(28,006)
Net cash inflow from operating activities	326,024	429,511
Net cash outflow for capital expenditures	(37,998)	(27,838)
Free cash flow [1]	**288,026**	**401,673**
Net cash (outflow) from investment in new ventures and financial assets	(327,801)	(50,585)
Net cash (outflow) from financing activities	(17,340)	(97,177)
Effect of exchange rate changes	(3,202)	963
Net increase/(decrease) in cash, cash equivalents and bank balances	**(60,317)**	**254,874**

[1] *Free cash flow generated for FY2022 was €288.0 million, as compared to €401.7 million in FY2021. If excluding the IFRS 16 non-cash items, free cash flow generated for FY2022 and FY2021 would be €174.1 and €278.1 respectively. The decrease was due to higher working capital required for accelerated sales growth, higher tax paid as a result of record profits and normalised capital expenditures in FY2022.*



Management Discussion & Analysis

CAPITAL EXPENDITURES

Net cash used in capital expenditures was €38.0 million in FY2022, as compared to €27.8 million in FY2021, representing an increase of €10.2 million. The increase was mainly in retail stores related capital expenditures. The capital expenditures for FY2022 were primarily related to:

- leasehold improvements and other tangible assets, related to new and revamped stores of L'Occitane en Provence and wholesale clients of ELEMIS for €16.2 million;
- investments in various IT equipment and software for €13.6 million; and
- replacement of machinery and equipment of the factory, office and warehousing facilities for a total of €8.2 million.



INVESTMENT IN SUBSIDIARIES, ASSOCIATES AND FINANCIAL ASSETS

Net cash outflow from investment in subsidiaries, associates and financial assets was €327.8 million in FY2022, as compared to €50.6 million in last year. The outflow this year was mainly for the acquisition of the new brand Sol de Janeiro and an investment in Carbios, a French biochemical company specialising in plastic recycling.

FINANCING ACTIVITIES

Financing activities in FY2022 ended with a net cash outflow of €17.3 million (FY2021: outflow of €97.2 million). Net cash outflow during the year mainly reflected the following:

- principal components of lease payments of €108.5 million under IFRS 16;
- payment of dividend for €54.1 million; and
- net payment relating to acquisition of treasury shares and settlement of share options for €4.5 million.

This was partly offset by the following cash inflow:

- net bank borrowing for €148.8 million; and
- transactions with non-controlling interests for €1.0 million.

INVENTORIES

The following table sets out a summary of average inventory days for the periods indicated:

	FY2022	FY2021
Average inventory turnover days [1]	265	282

[1] *Average inventory turnover days equals to average inventory divided by cost of sales and multiplied by 365. Average inventory equals to the average of net inventory at the beginning and end of a given period.*

Inventory net value was €263.2 million as at 31 March 2022, an increase of 32.3%, or €64.3 million as compared to 31 March 2021. The increase in inventory net value was due mainly to the strong growth of L'Occitane en Provence, first inclusion of Sol de Janeiro and rapid expansion of ELEMIS.

Average inventory turnover, however, decreased by 17 days in FY2022, as a result of strong growth in sales and thus increase in cost of sales as compared to last year. The decrease in inventory turnover days by 17 days was attributable to the following:

- decrease in finished goods and mini products and pouches of comparable brands for -24 days;
- reduction in raw materials and work in progress for -4 days; and
- increase in inventory provision for -3 days.

which was partly offset by:

- initial inclusion of Sol de Janeiro for +7 days (with cost of sales for 3 months only); and
- unfavourable FX impact for +7 days.

TRADE RECEIVABLES

The following table sets out a summary of turnover days of trade receivables for the periods indicated:

	FY2022	FY2021
Turnover days of trade receivables [1]	34	32

[1] *Turnover days of trade receivables equals to average trade receivables divided by net sales and multiplied by 365. Average trade receivables equals to the average of net trade receivables at the beginning and end of a given period.*

Turnover days of trade receivables increased by 2 days to 34 days for FY2022 as compared to FY2021. The increase was a net result of higher sell-in sales from ELEMIS, first inclusion of Sol de Janeiro, unfavourable FX impact and partly offset by lower turnover days from sell-out channels.

TRADE PAYABLES

The following table sets out a summary of average trade payables days for the periods indicated:

	FY2022	FY2021
Turnover days of trade payables [1]	213	215

[1] *Turnover days of trade payables equals to the average trade payables divided by cost of sales and multiplied by 365. Average trade payables equals to the average of trade payables at the beginning and end of a given period.*

The decrease in turnover days of trade payables by -2 days in FY2022 was a net impact of lower turnover days in accruals and trade payable for -7 days and partly offset by FX impacts for +5 days.

Management Discussion & Analysis

BALANCE SHEET RATIOS

Return on capital employed in FY2022 was 12.8%, an increase of 2.7 points as compared to FY2021, as a result of an increase in net operating profit after tax by 51.0% accompanied by an increase of 18.5% in capital employed. The increase in capital employed was mainly due to the goodwill from acquisition of Sol de Janeiro.

The capital and reserves attributable to the equity owners increased by €77.2 million in FY2022, being a net result of comprehensive income for the year, dividend distribution and increase in other reserves. Return on equity ratio in FY2022 further improved by 6.4 points to 19.1%, compared to 12.7% in FY2021.

The Group's gearing ratio increased slightly from 32.8% in FY2021 to 34.0% in FY2022. If the impacts of IFRS 16 were excluded, gearing ratio in FY2022 would be 27.2%.

	Reported FY2022	***Restated FY2021***
Profitability		
EBITDA [(1)]	488,269	404,576
Net operating profit after tax (NOPAT) [(2)]	253,782	168,046
Capital employed [(3)]	1,975,448	1,667,162
Return on capital employed (ROCE) [(4)]	12.8%	10.1%
Return on equity (ROE) [(5)]	19.1%	12.7%
Liquidity		
Current ratio (times) [(6)]	1.1	0.9
Quick ratio (times) [(7)]	0.8	0.7
Capital adequacy		
Gearing ratio [(8)]	34.0%	32.8%
Debt to equity ratio [(9)]	50.3%	31.1%

(1) *Earnings before interest, taxes, depreciation, amortisation and impairment*
(2) *(Operating profit + foreign currency net gains or losses) x (1 – effective tax rate)*
(3) *Non-current assets – (deferred tax liabilities + other financial liabilities + other non-current liabilities) + working capital*
(4) *NOPAT/capital employed*
(5) *Net profit attributable to equity owners of the Company/shareholders' equity at year end excluding minority interest*
(6) *Current assets/current liabilities*
(7) *(Current assets – inventories)/current liabilities*
(8) *Total debt/total assets*
(9) *Net debt/(total assets – total liabilities)*

FOREIGN EXCHANGE RISK MANAGEMENT

The Company enters into forward exchange contracts and currency options to hedge anticipated transactions, as well as receivables and payables not denominated in its presentation currency, the Euro, for periods consistent with its identified exposures. As at 31 March 2022, the Company had foreign exchange derivatives net assets of €0.7 million in the form of forward exchange contracts (in accordance with fair market valuation requirements under IFRS). The notional principal amounts of outstanding forward exchange derivatives as at 31 March 2022 were primarily sale of Chinese yuan for an equivalent amount of €52.0 million, US dollar for €29.8 million, Hong Kong dollar for €23.9 million, Japanese yen for €13.9 million, Great British pound for €9.2 million, Russian ruble for €8.6 million, Mexican peso for €4.6 million and Thai baht for €2.7 million.

DIVIDENDS

At the Board meeting held on 28 June 2021, the Board recommended a gross dividend distribution of €0.03687 per share for a total amount of €54.1 million or 35.0% of the net profit attributable to the equity owners of the Company. The amount of the final dividend was based on 1,467,388,221 shares in issue as at 28 June 2021 excluding 9,576,670 treasury shares. The shareholders of the Company (the "**Shareholders**") approved this dividend at a meeting held on 29 September 2021. The dividend was duly paid on 22 October 2021.

Due to the outstanding results in all financial aspects in FY2022, the Board is pleased to propose an increase in payout ratio from 35% to 40%, and recommends a final dividend of €0.06585 per share (the "**Final Dividend**"), approximately 178.6% of the dividend paid in FY2021. The total amount of the Final Dividend is €96.8 million.

The Final Dividend is based on 1,470,135,821 shares in issue as at 27 June 2022 excluding 6,829,070 treasury shares.

EVENTS SUBSEQUENT TO THE END OF FINANCIAL YEAR

On 1 April 2022, L'Occitane International S.A. acquired from its majority shareholder, L'Occitane Groupe S.A., 49.24% of equity interests (representing 76.18% of the voting rights) in 14 Groupe S.A. which holds 65% equity interest and voting rights of Grown Alchemist, for a sum of €5,032,000. Grown Alchemist is an Australian brand with cross-category success across skincare, bodycare, haircare and nutricosmetics supplements.

On 19 May 2022, the Group decided to exit from its subsidiary L'Occitane Russia. This subsidiary accounted for 3.5% of the consolidated net sales as of 31 March 2022 and 2.1% of the total assets of the Group as at 31 March 2022. On 3 June 2022, a share purchase agreement was signed between the Group and the four key directors of the subsidiary. Each of the four key directors will hold between 23% and 31% of the total shares formerly held by the Group.

The payment of the shares will be made through four installments between June 2025 and June 2028. The payment of the shares is secured by a pledge agreement signed on 3 June 2022.

There is a call option exercisable for the Group on 1 April 2025, 2026, 2027, 2028 and 2029. The exercise price is based on the fair value.

Based on these agreements, the Group will lose the exclusive control of the Russian entity and will not have any significant influence.

As of 31 March 2022, the test related to the valuation of the assets linked to the Russian subsidiary is consequently performed with regards to the present value of the receivable linked to the sale. This value depends on the capacity of the new entity to generate cash flows. Based on management's judgement, there are no indicators leading to the conclusion that the Group will not be in a position to recover this receivable. On that basis, management concluded that there is no impairment to be recorded in the accounts on the assets of L'Occitane Russia that amount to €33 million as of 31 March 2022. A reasonable change in the main assumptions used by Management will not trigger any material impairment of the assets tested.

At the date of the loss of exclusive control on 3 June 2022, the present value of the receivable of shares (corresponding to the deferred payments to be received from the acquirer of the shares) will approximately amount to €48 million. The present value of the receivable will be calculated with a discount rate of 12.5% that takes into account the risk of the new entity to generate sufficient cash flows in the future.

This amount approximately corresponds to the net assets of L'Occitane Russia at that date (including the currency translation differences previously recorded in other comprehensive income in respect of L'Occitane Russia and the impact of elimination of the intercompany margin). Therefore no significant capital gain or loss is expected.

Management Discussion & Analysis

STRATEGIC REVIEW

In FY2022, the Group delivered a set of outstanding results, with solid sales growth of 16.7% and record profit margins. Sales momentum stood up well throughout the year, even as conditions turned challenging in FY2022 Q4 which saw a return of lockdowns in China — its largest market — and a marked increase in global geopolitical headwinds. Indeed, when compared to pre-pandemic levels two years ago, full-year sales grew 12.4% on a like-for-like basis, a comparable that improved sequentially each quarter. The operating profit reached a record €241.9 million with the operating profit margin expanding to 17.4%, the highest level since the Group's listing.

This excellent outcome truly demonstrates the resilience of the Group's brands and teams, as well as its ability to withstand and overcome market turbulences. The Group's commitment to building trust, sustainable growth and profitability continued to fortify L'OCCITANE en Provence's position in the global premium beauty market. Targeted and disciplined investments within all of its brands began to pay dividends with ELEMIS being a key contributor to the Group's improved operating profitability on the back of a highly successful digital-first global expansion strategy.



At the same time, the Group continued to strengthen the foundation it has laid for delivering sustainable growth and profitability. The addition of Sol de Janeiro to its brand portfolio provided a new source of profitable growth, and along with its most recent acquisition, Grown Alchemist, the Group advanced its transformation into a multi-brand and geographically-balanced group.

Targeted investments propel core brand's growth and world-class profitability

L'OCCITANE en Provence's results improved across the board throughout FY2022, growing 13.2% at constant rates and contributing 70% to the Group's overall growth, with balanced contribution from Asia, Europe and North America. All product categories also saw sales growth, another indication of the core brand's broad-based improvement, with double-digit growth in hand care — its largest category — and fragrances, led by the successful launch of the Osmanthus line.

Highly targeted marketing investments played a big role in this success, with close to half of the Group's annual media and marketing budget being geared towards major campaigns and special projects considered most strategic for the Group. One of the highlights was China, where the Group skillfully implemented well-thought-out campaigns that leveraged celebrities on TMall and JD.com to drive social media buzz and recruit new customers. As a result, L'OCCITANE en Provence outperformed the market during key shopping festivals and remains one of the top-ranked brands in the premium body care and hand care categories in China.

Although L'OCCITANE en Provence increased the level of marketing investments as a percentage of net sales, it proved to be highly efficient. Not only did the core brand see accelerated growth, it also expanded profitability. The better operating sales leverage, together with the gains from restructuring efforts such as closing underperforming stores during the Chapter 11 proceedings in the US, as well as a favourable channel mix effect with a higher proportion of online and offline sell-in sales, resulted in the core brand's world-class operating margin of 19.8%.



Omni-channel strategy drove simultaneous online and offline growth

The Group has long invested in an omni-channel presence to reach customers across all touchpoints online and offline, a strategy that has proved particularly prescient at the start of the pandemic when traffic shifted dramatically towards online channels. More than two years on, the Group's rich omni-channel proposition has encouraged a permanent shift in the shopping behaviour of its customers, a contributing factor behind the expansion of profitability in FY2022.

As a result, despite offline sales in many markets exceeding pre-pandemic levels, the Group's online sales continued to grow in FY2022, accounting for 33.1% of its total overall sales. In addition, the Group expects its online mix to remain at the current high level even as offline traffic further normalises, as its digitally-centric or digitally-native brands, including ELEMIS, LimeLife and Sol de Janeiro grow. Through a well-coordinated and harmonised promotion strategy between all channels, continued online developments will contribute positively and further support the Group's omni-channel strategy.

With some of the Group's major markets continuing to face sporadic lockdowns and restrictions, its omni-channel strategy remains pivotal for engaging with customers remotely while still keeping a human approach to beauty.

Evolving into a geographically-balanced and multi-brand group

In recent years, the Group has accelerated its M&A activity in line with its strategy of building a leading portfolio of premium beauty brands while accelerating its path to become a global, multi-brand group that is more geographically-balanced and appealing to Millennial and Generation Z consumers.

In FY2022, the Group added two new brands to its portfolio — Sol de Janeiro and Grown Alchemist. Founded in the US and inspired by an authentic Brazilian philosophy of self-love and joy, Sol de Janeiro is a fast-growing, award-winning lifestyle skincare brand. In the span of six years since the brand's creation, Sol de Janeiro has gained an impressive following, and its best-selling *Bum Bum Cream* consistently tops rankings in North America. In the final quarter of FY2022, Sol de Janeiro maintained its growth trajectory and recorded close to 47% sales growth as compared to the same period last year. Towards the end of FY2022, the Group acquired majority control in the Australian cosmeceutical, clean skincare brand, Grown Alchemist. Founded in 2008, the brand has rapidly developed a global following with its focus on futuristic anti-aging technology and unique botanical skincare formulas for optimal skin health. With both brands having strong traction in their respective home markets and limited international presence, the Group sees immense growth potential in the years to come.

Management Discussion & Analysis

Led by a digital-first global expansion strategy, sales growth at ELEMIS accelerated robustly in FY2022, driven by the rebound of its spa and wholesale businesses, strong online sales in both the US and the UK, and the return of its maritime and in-flight businesses. ELEMIS is also gearing up for the next phase of development in China, as the exclusivity period with its retail partner comes to an end. Following drastic cost cuts during the pandemic, ELEMIS maintained its lean and agile structure while sensibly resuming marketing investments along with new market roll-outs. Despite these investments during the brand's growth phase, ELEMIS continued to deliver a stellar operating profit margin of 22.8% in FY2022, once again contributing to the Group's expanding operating margins.

The Group's other brands achieved robust growth of 19% in FY2022. Erborian delivered outstanding growth of 43%, while L'OCCITANE au Brésil rebounded strongly and posted 60% growth. LimeLife, however, suffered from a high base, being the Group's fastest-growing brand in FY2021, following the removal of lockdowns and a recovery in the employment market in the US.

Organization well-poised for future growth with completion of management transition

With the Group well-positioned for a sustainable future, it concluded a planned management transition. In September 2021, Mr. André Hoffmann succeeded Mr. Reinold Geiger as the Group's Chief Executive Officer. Mr. Geiger remains the Group's Chairman and Executive Director. Under the new organizational structure, Mr. Hoffmann will continue driving the Group's strategic planning to leverage the strengths of its core business as well as identify new opportunities.

Further, effective from 30 June 2022, Mr. Thomas Levilion will retire from his position as Chief Financial Officer of the Group. The Group would like to sincerely thank Mr. Levilion for his valuable contribution during his tenure and looks forward to his continued guidance as he remains on the Board as a non-executive director. The Group also extends a warm welcome to Mr. Christian-Matthias Klever who will succeed Mr. Levilion. Mr. Klever brings a wealth of experience from the luxury sector and will be a strong addition to the management team.



Long-term sustainability efforts gain recognition

The Group continued to make progress in its sustainability strategy, anchored by its three priorities of contributing to a carbon net-zero, nature-positive and fair and inclusive world. In September 2021, it announced the guiding principles of its biodiversity strategy and vision for a 'nature-positive' world, while also setting an ambitious objective of being B Corp certified by 2023.

The Group's more localised sustainability initiatives are also attracting recognition and awards. In South Korea, an eco-pop-up at the Hyundai Seoul won the MUSE Design Award (Sustainable Living/Green category) and the iF Design Award for its environmentally-conscious design, beating out 6,000 entrants and 11,000 entrants respectively from all around the world.

At the Group level, sustainability progress has been added as one of the metrics used to evaluate and incentivise its employees globally, ensuring an alignment of interests and a balance of purpose and profit. It also established a sustainability committee at the Board level to move forward on its sustainability journey in a unified and more structured way.

OUTLOOK

Looking ahead to FY2023, the global economy is facing many uncertainties. In the first quarter of FY2023, the lockdown of major cities in China has adversely impacted the Group's offline channels in the country, as well as sections of its online business due to warehouse closures.

Other regions are showing a nice rebound as countries reopen, thanks to the strong foundation the Group has laid to deliver sustainable growth and profitability in the mid-to-long term. Having passed the €1 billion sales mark in FY2013, the Group expects to pass the €2 billion sales mark in FY2023 while retaining healthy profitability, despite the current headwinds in the China market and the Group's exit from the Russian market.

With its leadership transition completed and management focused on delivering sustainable and profitable growth, the Group will continue to harness and invest in the inherent strength of its expanding number of brands and accelerate its ongoing transformation to deliver long-term value growth for Shareholders.





Corporate Governance Report

Corporate Governance Report



Corporate Governance Report





CORPORATE GOVERNANCE PRACTICES

The Board reviews its corporate governance practices regularly in order to meet the rising expectations of its Shareholders, to comply with the increasingly stringent regulatory requirements and to fulfill its commitment to excellence in corporate governance. The Board is committed to maintaining a high standard of corporate governance practices and business ethics in the firm belief that they are essential for maintaining Shareholders' returns.

As set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), "The Corporate Governance Code" (the "CG Code"), there are two levels of corporate governance practices, namely: code provisions that a listed company must comply with or explain its non-compliance, and recommended best practices that a listed company is encouraged to comply with but need not disclose in the case of non-compliance.

On 17 June 2014, the Board adopted its own corporate governance manual which is based on the principles, provisions and practices set out in the CG Code; this manual was updated on March 2021 and is available on the Company's website group.loccitane.com. Please select "Governance" under "Investors".

DEVIATIONS FROM THE CG CODE

The Company has complied with all of the applicable code provisions of the CG Code as set out in Appendix 14 to the Listing Rules throughout FY2022 save as disclosed below:

Code provision C.2.1 (previous code provision A.2.1) of the CG Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

The role of the Chief Executive Officer ("CEO") of the Group has been assumed by Mr. Reinold Geiger ("Mr. Geiger"), the Chairman of the Board. On 16 September 2021, Mr. Geiger stepped down from the position of CEO to focus on his other commitments while Mr. André Joseph Hoffmann ("Mr. Hoffmann"), the vice-chairman of the Group, was appointed as the CEO of the Group. Mr. Geiger continues to be the Chairman of the Board and an executive Director. After the appointment of Mr. Hoffmann as the new CEO of the Group, the Company complied with the code provision C.2.1 of the CG Code.

Code provision C.6.3 (previous code provision F.1.3) of the CG Code provides that the company secretary should report to the Chairman and CEO.

Mr. Karl Guénard ("Mr. Guénard"), company secretary of the Company, is based in Luxembourg and reports to Mr. Thomas Levilion ("Mr. Levilion"), an Executive Director and the Group's Deputy General Manager whose primary responsibility is to oversee the Group's finance functions worldwide. The Company believes this is appropriate because both Mr. Guénard and Mr. Levilion work closely together on a day-to-day basis including dealing with matters relating to corporate governance and other Board-related matters.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by the Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules as the code of conduct for dealing in the securities of the Company by the Directors. Having made specific enquiry of all Directors, they have confirmed that they have complied with the Model Code during the year ended 31 March 2022 (the "Review Period").



Corporate Governance Report

BOARD OF DIRECTORS

The Board is responsible for long-term development and strategy as well as controlling and evaluating the Company's daily operations. In addition, the Board has appointed a Chairman who is responsible for ensuring that the Board receives regular reports regarding the Group's business development, its results, financial position and liquidity and events of importance to the Group. Directors are elected for a period of three years, but can serve any number of consecutive terms.

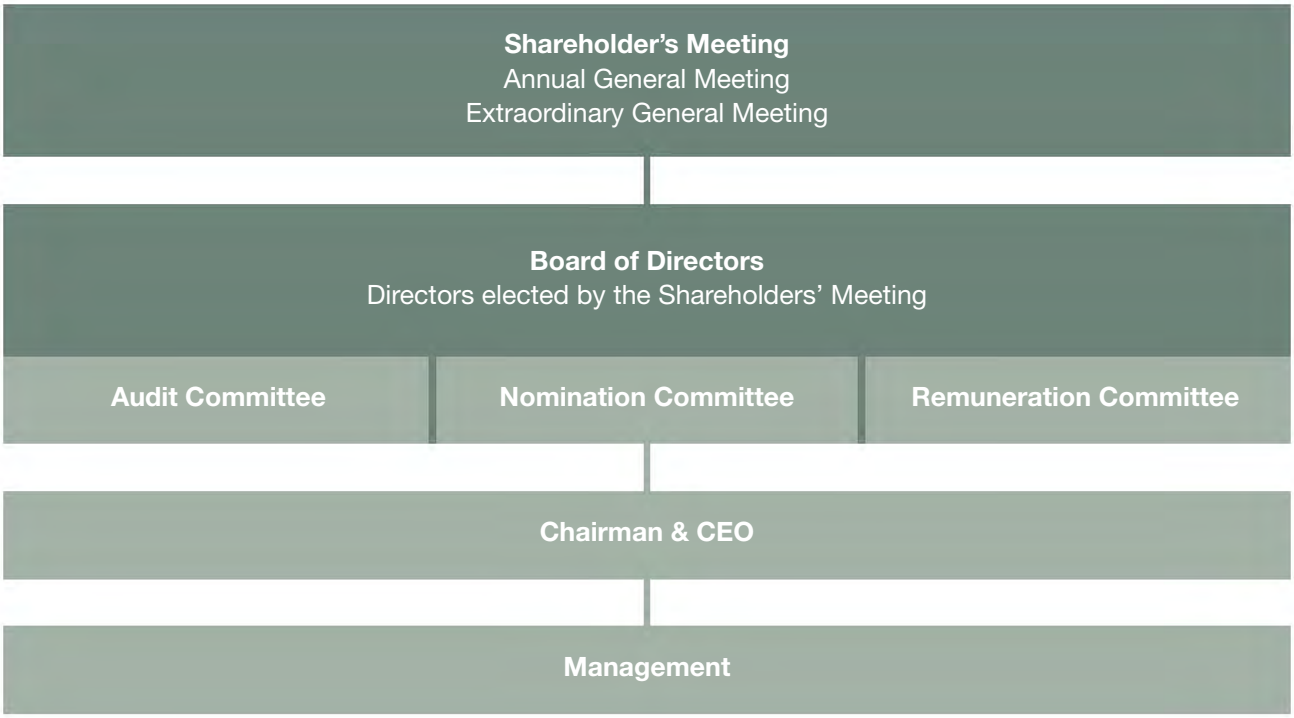


The duties of the Board are partly exercised through its fourth committees:

- the Audit Committee
- the Nomination Committee
- the Remuneration Committee
- the Sustainability Committee

The Board appoints each of the committee members from amongst the Board members. The Board and each committee have the right to engage external expertise either in general or in respect to specific matters, if deemed appropriate.

CORPORATE GOVERNANCE STRUCTURE



Composition of the Board

The Board currently consists of nine Directors, comprising four executive Directors ("ED"), one non-executive Director ("NED") and four independent non-executive Directors ("INED"). All Directors have distinguished themselves in their field of expertise, and have exhibited high standards of personal and professional ethics and integrity. The biographical details of each Director are set out on pages 52 to 55 of this Annual Report.

Board Diversity Policy

1. *Objective*

   The Nomination Committee (the "Committee") was constituted as a committee of the board of directors (the "Board") of L'OCCITANE INTERNATIONAL S.A. (the "Company"). The Committee has the delegated authority of the Board in respect of the functions and powers set out in these terms of reference. Under its terms of reference, the Committee shall identify candidates who are qualified or suitable to become a member of the Board and make recommendations to the Board on the selection of candidates nominated for directorships.

   This policy (the "Policy") sets out the approach to achieve diversity on the Board.

2. *Vision and Policy Statement*

   The Company recognizes the benefits of board diversity and supports the principle that diversity can strengthen the performance of the Board, promote effective decision-making and better corporate governance and monitoring.

   The Company believes that a diverse board will include and make good use of the difference in skills, experience and background, geographical and industry experience, ethnicity, gender, knowledge and length of service and other qualities of the members of the Board. These differences will be considered in determining the optimum composition of the Board and all Board appointments will be based on merit, having due regard to the overall effective function of the Board as a whole. The purpose of the Policy aims to achieve diversity on the Board including but not limited to genders, age, cultural and educational backgrounds, ethnicities, professional experience, skills, knowledge and lengths of service.



   The Committee reviews and assesses the composition of the Board and makes recommendation to the Board on the appointment of new Directors. The Committee will also review the structure, size and diversity of the Board annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy. In identifying suitable candidates for appointment to the Board, the Committee will take into consideration the Company's business models and specific needs. Selection of candidates will be based on a range of diversity criteria and perspectives. The Committee will consider the balance of skills, experience, independence and knowledge of the Board and the diversity representation of the Board, how the Board works together as a unit, and other factors relevant to its effectiveness.

3. *Measurable Objectives*

   The Committee will discuss and agree annually the relevant measurable objectives for achieving diversity on the Board and make recommendations to the Board for adoption. The ultimate decision will be based on merit against objective criteria and with due regard for the benefits of diversity on the Board.

4. *Review and Monitor of this Policy*

   The Committee will monitor the implementation of the Policy and report to the Board on the achievement of the measurable objectives for achieving diversity under this Policy.

   The Committee will review the Policy, as appropriate, and make recommendations on any required changes to the Board for consideration and approval.

Corporate Governance Report

Directors' Attendance at Board, Board Committee and General Meetings

The following is the attendance record of Directors at the Board, Board committee and general meetings held during FY2022:

Name	Category	Attendance: Board Meeting Meeting Attended/ Eligible to Attend	Audit Committee Meeting Meeting Attended/ Eligible to Attend	Nomination Committee Meeting Meeting Attended/ Eligible to Attend	Remuneration Committee Meeting Meeting Attended/ Eligible to Attend	Sustainability Committee Meeting Meeting Attended/ Eligible to Attend	General Meetings Meetings Attended/ Eligible to Attend
Reinold Geiger	ED	16/17					2/2
André Hoffmann	ED	17/17		4/4			2/2
Yves Blouin	ED	16/17			2/2		1/2
Thomas Levilion	ED	16/17				1/1	2/2
Karl Guénard	ED	17/17					2/2
Séan Harrington	ED	17/17					0/2
Martial Lopez [1]	NED	8/9	2/2				0/1
Valérie Bernis	INED	16/17	0/0	4/4		1/1	2/2
Mark Broadley	INED	17/17	4/4		2/2	1/1	2/2
Pierre Milet [2]	INED	9/11			1/1		1/1
Jackson Ng	INED	17/17	4/4	4/4	1/1		2/2
Betty Liu [3]	INED	0/0					0/1

Notes:

(1) Mr. Martial Lopez resigned as a NED on 29 September 2021.

(2) Mr. Pierre Milet resigned as an INED on 9 November 2021.

(3) Ms. Betty Liu was appointed as an INED on 1 March 2022.

Minutes of the Board meetings are kept by the Company Secretary; all Directors have a right to access Board papers and related materials and are provided with adequate information in a timely manner; this enables the Board to make informed decisions on matters placed before it.

Responsibilities of the Board

The Board is responsible for:

- Reviewing and approving the strategic direction of the Group established by the EDs in conjunction with the management;
- Reviewing and approving objectives, strategies and business development plans;
- Monitoring the performance of the CEO and the senior management;
- Assuming responsibility for corporate governance; and
- Reviewing the effectiveness of the internal control system of the Group.

Responsibilities of the Senior Management

The senior management under the leadership of the CEO is responsible for:

- Formulating strategies and business development plans, submitting to the Board for approval, and implementing such strategies and business development plans thereafter;
- Submitting annual budgets to the Board on regular basis;
- Reviewing salary increment proposals and remuneration policy and submitting to the Board for approval; and
- Assisting the Board in conducting the review of the effectiveness of the internal control systems of the Group.

Company Secretary

Mr. Karl Guénard was appointed as Company Secretary on 1 September 2013. During FY2022, Mr. Karl Guénard has complied with the company secretary training requirements under Rule 3.29 of the Listing Rules.

NON-EXECUTIVE DIRECTOR AND INDEPENDENT NON-EXECUTIVE DIRECTORS

The NED has his term of appointment coming to an end of three years after his appointment to the Board, subject to re-election at the end of his three-year term. Mr. Martial Lopez as NED did not offer himself for re-election and retired at the last annual general meeting of the Company (the "FY2021 AGM") held on 29 September 2021.

The four INEDs are of high experience, with academic and professional qualifications in the field of accounting, finance or marketing. With their experience gained from various sectors, they provide strong support towards the effective discharge of the duties and responsibilities of the Board. They have his/her term of appointment coming to an end of three years after his/her appointment to the Board, subject to re-election at the end of his/her three-year term. Each INED gives an annual confirmation of his/her independence to the Company and the Company considers each of them to be independent. They all fulfill the criteria of independence under Rule 3.13 of the Listing Rules.

INDUCTION AND ONGOING DEVELOPMENT

Newly appointed Directors receive an induction course to ensure their understanding of the Company's business and their awareness of a Director's responsibilities and obligations. Each member of the Board attended training on corporate governance, regulatory developments and other relevant topics during FY2022 and is frequently updated on developments in the statutory and regulatory regime and the business environment to assist in the discharge of their responsibilities.

COMMITTEES

As an integral part of good corporate governance, the Board has established audit, nomination, remuneration and sustainability committees, each of which has adopted terms of reference.

To respect an amendment of the Listing Rules, terms of reference of the Audit Committee and Nomination Committee were amended and uploaded on the website of The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") and the Company's website on 8 February 2019.

A Sustainability Committee was established by resolutions of the Board on 27 July 2021 on a voluntary basis and it is authorized to act in accordance with its terms of reference dated October 2021.

During FY2022, each committee met and carried out its duties in accordance with its terms of reference. The authorities, functions, composition and duties of each committee are set out below:

Audit Committee

The Audit Committee has three INED's members, Mr. Mark Broadley (Chairman), Mr. Jackson Ng and Mrs. Valérie Bernis (since 29 November 2021).

In compliance with Rule 3.21 of the Listing Rules, at least one member of the Audit Committee possesses appropriate professional qualifications in accounting or related financial management expertise in discharging the responsibilities of the Audit Committee.

All members have sufficient experience in reviewing audited financial statements as aided by the auditor of the Group whenever required.

The primary duties of the Audit Committee are to assist the Board in providing an independent view of the effectiveness of the Group's financial reporting process, internal control and risk management system, to oversee the audit process and to perform other duties and responsibilities as assigned by the Board.

The following is a summary of the work performed by the Audit Committee during FY2022:

i. Review of the report from the auditor on the audit of the final results of the Group for FY2021;

ii. Review of the draft financial statements of the Group for FY2021;

iii. Review of the draft results announcement and annual report of the Group for FY2021;

iv. Review of the audit fees payable to the external auditor for FY2021;

Corporate Governance Report

v. Review of the external auditor's independence and transmission of a recommendation to the Board for the re-appointment of the external auditor at the forthcoming annual general meeting (the "AGM");

vi. Review of the draft results announcement and interim report of the Group for the period ended 30 September 2021;

vii. Review of the financial statements for the period ended 31 December 2021;

viii. Review of the internal control system including the internal audit results analysis and the internal audit plan for 2021-2022, and report to the Board;

ix. Review of the Listing Rules modification affecting the Group in order to monitor appropriate corporate governance and oversee the implementation of the Company's corporate governance manual. Under its terms of reference, the Audit Committee oversees the Company's corporate governance.

There have been four meetings of the Audit Committee during the Review Period: two of them were held prior to the publication of the financial reports (annual report and interim report) and two other meetings were specific to the internal control and corporate governance of the Company.

Nomination Committee

The terms of reference of the Nomination Committee were amended on 8 February 2019 to comply with the provisions set out in the CG Code and with the amended Listing Rules. The Nomination Committee has three members, who are Mr. Jackson Ng (Chairman), Mr. André Hoffmann and Mrs. Valérie Bernis. Mr. André Hoffmann is an ED, and the other two members are INEDs. The primary function of the Nomination Committee is to make recommendations to the Board on the appointment and removal of Directors, respecting the following Nomination Policy:

Objective

The Nomination Committee (the "Committee") was constituted as a committee of the board of directors (the "Board") of L'OCCITANE INTERNATIONAL S.A. (the "Company"). The Committee has the delegated authority of the Board in respect of the functions and powers set out in these terms of reference. Under its terms of reference, the Committee shall identify candidates who are qualified or suitable to become a member of the Board and make recommendations to the Board on the selection of candidates nominated for directorships.

Nomination Selection Criteria

(a) The Committee is authorized by the Board to determine the nomination of directors, the procedure, process and criteria to be adopted for the purposes of selecting and recommending candidates for directorship, and shall make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular, the chairman and the chief executive officer.

(b) When making recommendations regarding the appointment of any proposed candidate to the Board or re-appointment of any existing member(s) of the Board, the Committee shall consider a variety of factors including without limitation the following in assessing the suitability of the proposed candidate:

- the skills required on the Board at that particular time;
- the relevant diversity considerations under its diversity policy ("Diversity Policy"), including but not limited to gender, age, cultural educational and professional background, skills, knowledge and experience;
- the candidate's personal and professional integrity, professional accomplishment, competencies, experience, skills and reputation in the industry, relevance for the Board;
- the nature of existing positions and relationships including Board positions that may impact the potential candidate's ability to exercise independent judgment or present any potential conflicts of interest;
- the number of existing directorships held by the potential candidate, and in particular on the boards of listed companies, as well as other commitments that may demand the potential candidate's attention;
- in case of independent non-executive director, compliance with the criteria of independence as prescribed under Rule 3.13 of the Listing Rules; and
- any other relevant factors as may be determined by the Committee or the Board from time to time.

(c) Non-executive director will receive a formal letter of appointment on his/her appointment to the Board.

Nomination Procedures

(a) The secretary of the Committee shall invite nominations of candidates from Board members if any, for consideration by the Committee. The Committee may also put forward candidates who are not nominated by Board members.

(b) Proposed candidate will be asked to submit the necessary personal information, together with his/her written consent to be appointed as a director and to the public disclosure of his/her personal data on any documents or the relevant websites for the purpose of or in relation to their standing for election as a director.

(c) The selected candidates would generally be interviewed by the Committee with a view to identifying the right candidate for recommendation to the Board. The Committee shall require the candidates to expressly disclose the nature and extent of other activities or appointments which may give rise to conflict of interests. It shall consider any actual or potential conflicts of interest of a director and report any conflict decisions to the Board and attend to annual review of the directors' conflicts of interest.

(d) Following the interview, the Committee shall make its recommendations to the Board (and ultimately to the shareholders where required) having regard to the Committee's terms of reference. The Committee shall also give consideration to laws and regulations of all applicable jurisdictions and regulators in connection with the appointments to the Board. It is authorised by the Board to engage independent professional advisers and have access to such resources as it may consider appropriate.

(e) The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for election at any general meeting.

(f) Any director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting after his/her appointment and be subject to re-election at such meeting, and any director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

(g) A shareholder of the Company can serve a notice to the Company within the lodgment period of its intention to propose a resolution to elect a certain person as a director. Details of the procedure has been set out in the "Procedure for Shareholders to Propose a Person for Election as a Director of the Company" published by the Company from time to time.

(h) A new Director would undergo a Board induction (in line with approved induction process of the Board) as soon as possible and preferably before their first Board meeting.

Review and Monitor of this Policy

(a) The Committee shall review the structure, size, composition (including skills, knowledge and experience) of the Board on a regular basis at least annually and diversity of the Board to ensure that it has a balance of expertise, skills and experience and diversity of perspective appropriate to the requirements for the business of the Company.

(b) The Committee shall keep under review the leadership needs of the Company, both executive and non-executive, with a view to ensuring the continued ability of the Company to complete effectively in the marketplace.

(c) The Committee shall keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates.

Four Nomination Committee meetings were held during FY2022:

The first one was concerning the proposal of re-election of Mr. Reinold Geiger, Mr. André Hoffmann, Mr. Karl Guénard and Mr. Yves Blouin as EDs at the FY2021 AGM. In addition, it was held also for the proposed nomination of Mr. Pierre Milet as a member of the Audit Committee to replace Mr. Martial Lopez after the FY2021 AGM.

The second one was concerning the proposal of nomination of Mr. André Hoffmann as Chief Executive Officer in replacement of Mr. Reinold Geiger and the proposal of nomination of Mrs. Valérie Bernis, Mr. Mark Broadley and Mr. Thomas Levilion as first members of the Sustainability Committee.

Following the resignation of Mr. Pierre Milet, a third Nomination Committee meeting was held during FY2022 to propose the nomination of Mrs. Valérie Bernis as a member of the Audit Committee and Mr. Jackson Ng as the chairman of the Remuneration Committee.

The fourth Nomination Committee meeting was held during FY2022 for the proposed appointment of Ms. Betty Liu as an INED.

Corporate Governance Report

Remuneration Committee

The terms of reference of the Remuneration Committee were amended on 29 March 2012 to comply with the provisions set out in the CG Code. The Remuneration Committee has three members during FY2022, who are Mr. Jackson Ng (Chairman since 29 November 2021), Mr. Mark Broadley, and Mr. Yves Blouin. Mr. Yves Blouin was an ED, and the other two members are INEDs.

The primary duties of the Remuneration Committee are to evaluate the performance of and make recommendations to the Board on the remuneration packages of the Directors and senior management and evaluate and make recommendations to the Board on employee benefit arrangements.

The following is a summary of the work performed by the Remuneration Committee during FY2022:

i. Review of the repartition and cost of the cash Long Term Incentive Plan 2021.

ii. Review of the Directors' and senior management's compensation with recommendation to the Board for approval.

iii. Consideration of specific LTI plan for countries which have some difficulties to recruit and retain talents.

There have been two meetings of the Remuneration Committee during the Review Period.

The following is a general description of the emolument policy and long term incentive schemes of the Group as well as the basis of determining the emoluments payable to the Directors:

i. The remuneration of the Directors is determined by the Board which receives recommendations from the Remuneration Committee. Under our current compensation arrangements, the EDs receive compensation in the form of salaries, bonus subject to performance and share-based payments. One of the EDs receives service fees. The NED and all the INEDs receive Directors' fees.

ii. The remuneration the Directors have received (including fees, salaries, discretionary bonus, pension plan allowance, share based payments, housing and other allowances, service fees and other benefits in kind) for FY2022 was approximately €4,551,000. The aggregate amount of fees, salaries, discretionary bonus, pension plan allowance, share-based payments, housing and other allowances, and other benefits in kind paid to the five highest paid individuals of the Group, including certain Directors, for FY2022 was approximately €4,846,000.

We have not paid any remuneration to the Directors or the five highest paid individuals as inducement to join or upon joining us as a compensation for loss of office in respect of FY2022. Further, none of the Directors has waived any remuneration during the same period.





Sustainability Committee

The Sustainability Committee was established by resolutions of the Board on 27 July 2021 on a voluntary basis and it is authorized to act in accordance with these terms of reference whereas the Company's articles of association (the "Articles of Association") and the applicable laws, regulations and the Listing Rules shall prevail as far as applicable.

The Sustainability Committee is mainly responsible for assisting the Board overseeing, reviewing, and making recommendations to the Board on the Company's sustainability strategies, policies and performance. It reviews and challenges the Company's sustainability roadmap and progress on all subjects related to environmental, social and corporate governance (hereafter called "ESG") including in particular climate, biodiversity, packaging, diversity and inclusion and social matter. The responsibilities of the Sustainability Committee shall be updated, modified or amended on a regular basis by the Board.

The Sustainability Committee has three members since 26 October 2021, who are Mr. Mark Broadley (Chairman), Mrs. Valérie Bernis, and Mr. Thomas Levilion. Mr. Thomas Levilion is an ED, and the other two members are INEDs.

There was one meeting of the Sustainability Committee held during the Review Period.

AUDITOR'S REMUNERATION

The fees in relation to the audit and related services for FY2022 provided by PricewaterhouseCoopers, the external auditor of the Company, amounted to approximately €1,677,400 and €707,537 respectively. There were no non-audit services provided by the auditor during the year.

	€'000
Annual audit and interim review services	1,677
Audit related services	708
TOTAL	2,385

Corporate Governance Report

DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Board acknowledges that it holds responsibility for:

— Overseeing the preparation of the financial statements of the Group with a view to ensuring such financial statements give a true and fair view of the state of affairs of the Group; and

— Selecting suitable accounting policies and applying the selected accounting policies consistently with the support of reasonable and prudent judgment and estimates.

The Board ensures the timely publication of the financial statements of the Group.

The management provides explanations and information to the Board to enable it to make an informed assessment of the financial and other information to be approved.

The Board endeavours to ensure a balanced, clear and understandable assessment of the Group's position and prospects to extend the Group's financial reporting including annual and interim reports, other price-sensitive announcements and other financial disclosures required under the Listing Rules, and reports to regulators as well as information required to be disclosed pursuant to statutory requirements and applicable accounting standards.

The statement of the auditor of the Company about its reporting responsibilities on the financial statements of the Group is set out in the Independent Auditor's Report on pages 76 to 82 of this Annual Report.



The Board is responsible for keeping proper accounting records, for safeguarding the assets of the Company and the Group and for taking reasonable steps for the prevention of fraud and other irregularities.

The Board is not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board places great importance on internal controls and is responsible for establishing and maintaining adequate internal controls over the Group's financial reporting and assessing the overall effectiveness of those internal controls.

The Internal Audit Department provides an independent review of the adequacy and the effectiveness of the risk management and internal control systems. The audit plan is discussed and agreed every year with the Audit Committee. In addition to its agreed annual schedule of work, the Internal Audit Department conducts other special reviews as required. Internal Audit reports are sent to relevant Directors, external auditors and management of the audited entity. Moreover, summary reports of each audit are sent to all members of the Audit Committee.

The system of risk management and internal control is designed to provide reasonable assurance against human errors, material misstatements, losses, damages, or fraud, and to manage rather than eliminate risks of failure in operational systems and achievement of the Group's objectives. During FY2022, the internal control deviations were addressed effectively and action plans implemented to reduce the risks. The Audit Committee was satisfied that appropriate actions were undertaken and the overall risk management and internal control systems have functioned effectively as intended.

The Board has conducted a review of the effectiveness of the Group's risk management and internal control systems and considers that they are effective and adequate as a whole. The Board further considers that there were no issues relating to the material controls and risk management functions of the Group.

DIVIDEND POLICY

The Company has adopted a dividend policy (the "Dividend Policy"). According to the Dividend Policy, in considering the proposal and declaring dividends, the Board shall take into account the following factors of the Group:

- Financial results;
- Cash flow situation;
- Business conditions and strategies;
- Future operations and earnings;
- Capital requirements and expenditure plan;
- Interests of shareholders;
- Any restrictions on payment of dividend; and
- Any other factors that the board may consider relevant;

For the avoidance of any doubt and as outlined above, there can be no assurance that dividends will be paid in any particular amount for any given period.

In addition, any final dividend for a financial year will be subject to shareholders' approval.



INVESTOR RELATIONS AND COMMUNICATIONS WITH SHAREHOLDERS

The Company attaches great importance to communication with Shareholders. To this end, a number of means are used to promote greater understanding and dialogue with the investment community. The Company holds group meetings with analysts in connection with the Company's annual and interim results. In addition, designated senior executives maintain regular dialogue with institutional investors and analysts to keep them abreast of the Company's development, subject to compliance with the applicable laws and regulations, including the two results announcements. In addition, the Directors also made presentations and held group meetings with investors at investor forums in Hong Kong and overseas.

Further, the Company's website, group.loccitane.com, contains an investors section which offers timely access to the Company's press releases, other business information and information on the Company's corporate governance structure and practices. For efficient communication with Shareholders and in the interest of environmental preservation, Shareholders are encouraged to refer to the Company's corporate communications on the Company's website.

On 29 September 2021, the Company passed special resolutions to amend the Articles of Association at the FY2021 AGM. For details of the amendments, please refer to the circular of the Company data 30 July 2021.

Saved as disclosed above, no significant changes have been made to the Company's constitutional documents during the year under review.

Corporate Governance Report

SHAREHOLDERS' RIGHTS

Procedure for Shareholders to convene a General Meeting

Any one or more Shareholder(s) who together hold not less than 5 per cent of the paid-up capital that carries the right to vote at general meetings may convene a general meeting by depositing a written request signed by such Shareholders and addressed to the attention of the Company's Company Secretary at the registered office of the Company in Luxembourg or at the principal place of business of the Company in Hong Kong, the addresses of which are set below.

Such request must specify the objects of the meeting. If the Board does not within two calendar days from the date of deposit of the request proceed duly to convene the meeting to be held within a further 28 calendar days, the Shareholders signing the request (or any of them representing more than one-half of the total voting rights of all Shareholders signing the request) may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board. No general meeting convened by request of the Shareholders may be held later than three months after the date of deposit of the request.

Procedure for Shareholders to make enquiries to the Board

Shareholders may make enquiries to the Board in writing by sending such enquiries to the attention of the Company's Company Secretary at the registered office of the Company in Luxembourg or at the principal place of business of the Company in Hong Kong, the addresses of which are set out below. The Company Secretary will forward enquiries to the Chairman for consideration.

In addition, Shareholders in attendance at any general meeting of the Company may make enquiries at such meeting to the Chairman of the Board, the chairman of the various Board committees, or to other Directors in attendance at such meeting.

Procedure for Shareholders to put forward proposals at General Meetings

Upon a written request by (i) one or more Shareholder(s) representing not less than 2.5 per cent of the total voting rights of all Shareholders who at the date of such request have a right to vote at the meeting to which the request relates, or (ii) not less than 50 Shareholders holding shares in the Company on which there has been paid up an average sum, per Shareholder, of not less than HKD2,000, the Company shall, at the expense of the Shareholders making the request, (a) give to Shareholders entitled to receive notice of the next annual general meeting notice of any resolution which may be properly moved and is intended to be moved at that meeting, and (b) circulate to Shareholders entitled to receive notice of any general meeting a statement of not more than 1,000 words with respect to the matter referred to in the proposed resolution or the business to be dealt with in the meeting.

Such request must be signed by all the Shareholders making the request (or two or more copies between them containing the signatures of all the Shareholders making the request) and deposited at the registered office of the Company in Luxembourg or at the principal place of business of the Company in Hong Kong, the addresses of which are set below.

Such request must be deposited (i) not less than six weeks before the meeting in question in the case of a request proposing that a resolution be adopted at the meeting, and (ii) not less than one week before the meeting in the case of any request that does not propose that a resolution be adopted at the meeting.

In addition, one or more Shareholder(s) who together hold at least 10 per cent of the Company's issued and outstanding shares may request that one or more additional items be put on the agenda of any general meeting. Such request must be sent to the registered office of the Company in Luxembourg by registered mail not less than five days before the meeting.

Except pursuant to the procedures described above, a Shareholder may not make a motion at a general meeting.



Procedure for election to the office of Director upon Shareholder proposal

A Shareholder who intends to propose a candidate for election to the office of Director shall provide the Company's Company Secretary at the registered office of the Company in Luxembourg or at the principal place of business of the Company in Hong Kong, the addresses of which are set below, with a written notice reflecting his intention to propose a person for election to the office of Director.

The notice shall be delivered by the Shareholder at the registered office of the Company in Luxembourg or at the principal place of business of the Company in Hong Kong, the addresses of which are set out below, during a period commencing no earlier than the day after the dispatch of the convening notice of the meeting scheduled for such election and ending not later than seven days prior to the date of such meeting. Such notice must be delivered by a Shareholder (not being the person proposed) who is entitled to attend and vote at the meeting. In addition, the candidate proposed for election shall deliver to the Company's Company Secretary at the registered office of the Company in Luxembourg or at the principal place of business of the Company in Hong Kong, the addresses of which are set below, a signed written notice reflecting his willingness to be elected as Director.

In accordance with Article 10.1 of the Articles of Association, the appointment of the Director will be made by way of a shareholders' general meeting of the Company and by ordinary resolution adopted at a simple majority of the votes cast.

Environmental, Social and Governance (ESG) Report

To answer to its ambition, the Group has developed a sustainable policy and since the financial year ended 31 March 2011, the Group has been establishing an annual ESG report. This report with philanthropy and sustainable sourcing reports are accessible on the website of the Company on the following address: group.loccitane.com, under the section of "investors/financial information/ reports". This report will follow the recommendation of the Hong Kong Stock Exchange especially Appendix 27 to the Listing Rules. Consequently, KPIs have been identified and progress indicators have been put in place.

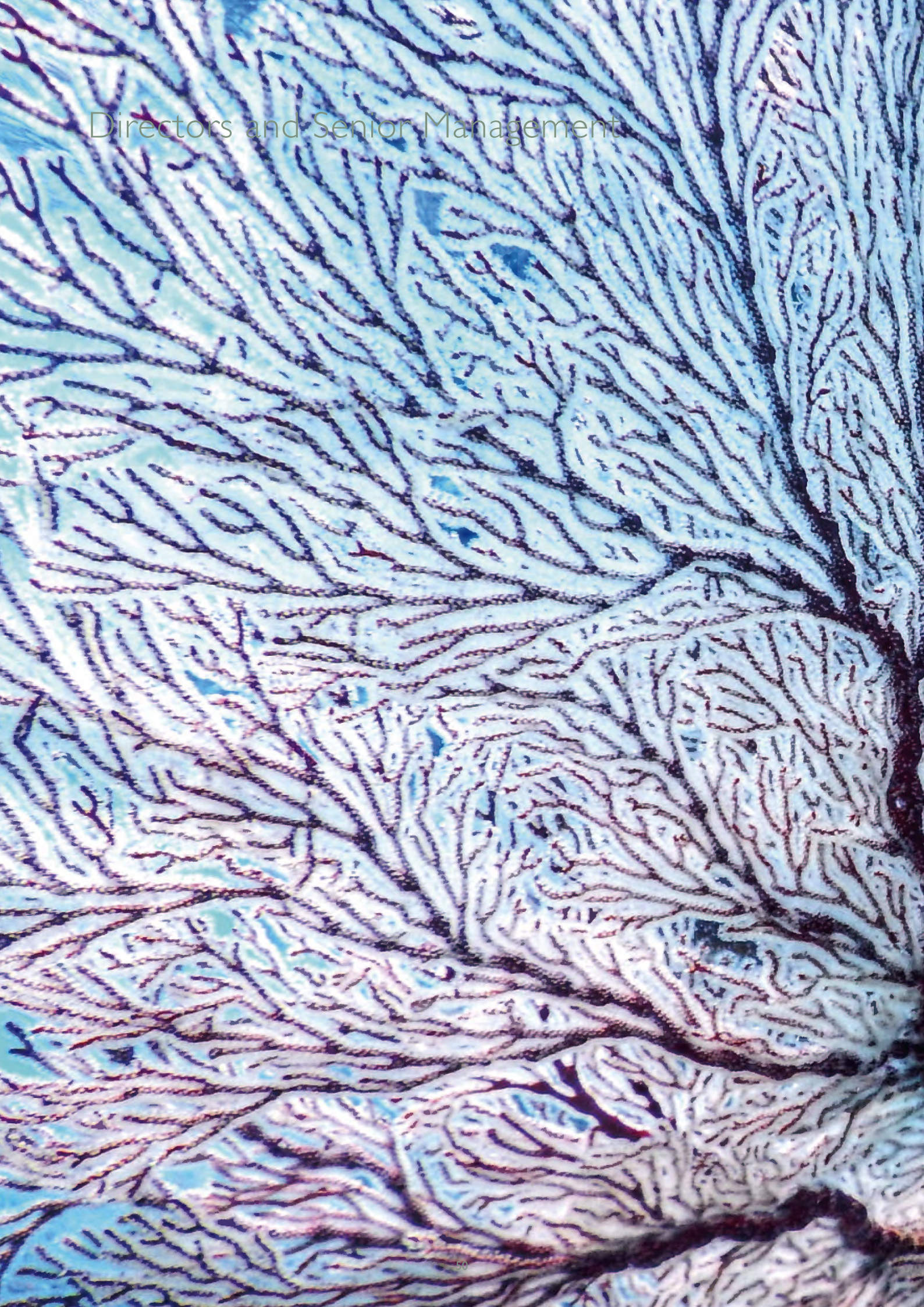
Registered Office

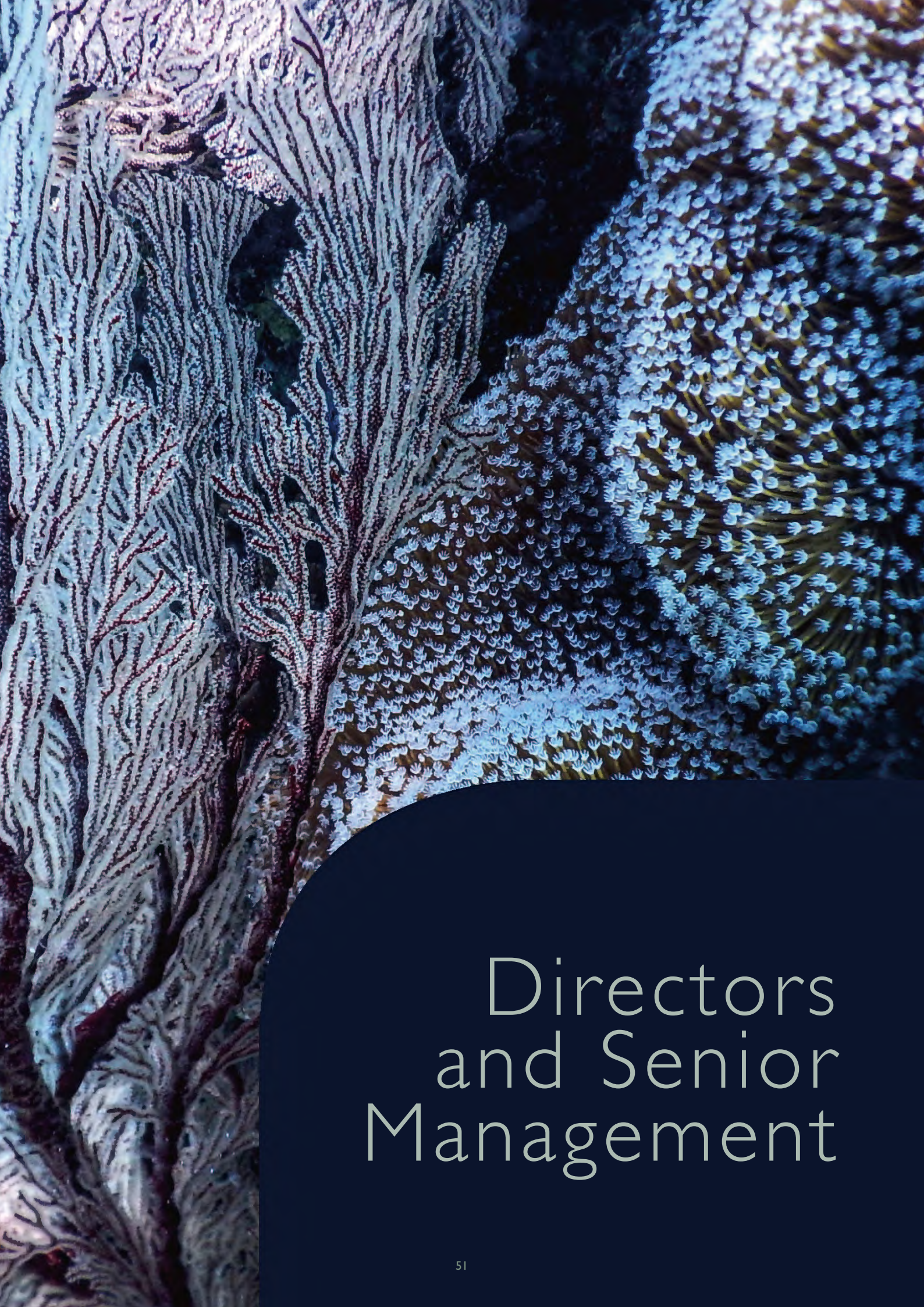
49, Boulevard Prince Henri
L-1724 Luxembourg

Principal Place of Business in Hong Kong

20/F, K11 ATELIER King's Road
728 King's Road
Quarry Bay
Hong Kong

Directors and Senior Management





Directors and Senior Management

Directors and Senior Management

DIRECTORS

The Board is responsible for and has general powers over the management and conduct of the Company's business. The table below shows certain information in respect of the Board:

Name	*Age*	*Position*
Reinold Geiger	74	Executive Director and Chairman
André Hoffmann	66	Executive Director, Vice-Chairman and Chief Executive Officer
Karl Guénard	55	Executive Director and Company Secretary
Séan Harrington	56	Executive Director
Thomas Levilion	62	Non-Executive Director
Valérie Bernis	63	Independent Non-Executive Director
Charles Mark Broadley	58	Independent Non-Executive Director
Betty Liu	49	Independent Non-Executive Director
Jackson Chik Sum Ng	61	Independent Non-Executive Director



Reinold Geiger
Executive Director and Chairman

Mr. Reinold Geiger was appointed as an executive Director with effect from 22 December 2000 and is the Company's Chairman. Mr. Geiger joined the Group in 1996 as Chairman and controlling shareholder. Mr. Geiger is a director and managing director ("administrateur délégué") of the Company, L'Occitane Groupe S.A. ("LOG") and LOG Investment S.A. ("LOGI"), president of L'Occitane Innovation LAB SAS, a member of the board of directors or managers of LimeLife Co-Invest Sarl, L'Occitane (Suisse) S.A., L'Occitane Australia Pty. Ltd., L'Occitane Japon K.K. and L'Occitane Russia. He is also the chairman of L'Occitane Inc. and L'Occitane LLC and the president of the Fondation d'entreprise L'Occitane. Since joining L'Occitane, Mr. Geiger has developed the Group from a largely domestic operation based in France to an international business. He has spent time travelling to the Group's worldwide locations in order to implement this growth strategy, where he has established the Group's subsidiaries and strong relationships with the local management. In June 2008, Mr. Geiger was awarded the accolade of "INSEAD entrepreneur of the year" for his international development strategy of the Group. Mr. Geiger began his career at the American Machine and Foundry Company in 1970. In 1972 he left to start his own business, and was involved in the distribution of machinery used in the processing of rubber and plastic, which he sold in 1978. Mr. Geiger then established and developed AMS Packaging SA, which specialised in packaging for the high end perfumes and cosmetics market. This company was floated on the Paris stock exchange in 1987 and Mr. Geiger left the company entirely in 1990. Between 1991 and 1995, he worked for a packaging company with operations primarily based in France and developed it into an international business. Mr. Geiger graduated from the Swiss Federal Institute of Technology in Zürich, Switzerland with a degree in engineering in 1969 and from INSEAD in Fontainebleu, France with a master's degree in business administration in 1976.



André Hoffmann
Executive Director, Vice-Chairman and Chief Executive Officer

Mr. André Hoffmann was appointed as an executive Director with effect from 2 May 2001, as Vice-Chairman with effect from 19 April 2016, and further as Chief Executive Officer with effect from 16 September 2021 and is also a director of LOG and LOGI. Mr. Hoffmann is primarily responsible for the Group's strategic planning. He was previously in charge of the Group's business in Asia-Pacific between June 1995 and December 2017 as Managing Director, Asia Pacific. Mr. Hoffmann is the chairman of L'Occitane Trading (Shanghai) Limited, L'Occitane (Far East) Limited, L'Occitane (Korea) Limited and L'Occitane Taiwan Limited. He is also a director of L'Occitane Singapore Pte. Limited, L'Occitane Australia Pty. Limited, L'Occitane Japon K.K., L'Occitane (China) Limited and L'Occitane (Macau) Limited. He has over 30 years' experience in the retail and distribution of cosmetics, luxury products and fashion in Asia-Pacific. He is a director of Pacifique Agencies (Far East) Limited, which was a joint venture partner with the Company for the distribution of L'Occitane products in the Asia-Pacific region between 1995 and 2004. Between 1979 and 1986, Mr. Hoffmann worked in various sales management roles at the GA Pacific Group, a business specialising in the investment and management of retailing, wholesaling, trading, manufacturing and distribution operations and the hotel and tourism trade in Asia-Pacific. Mr. Hoffmann graduated from the University of California at Berkeley, USA in 1978 with a bachelor of arts degree in economics.



Karl Guénard
Executive Director and Company Secretary

Mr. Karl Guénard was a non-executive Director of the Group from 30 June 2003. Mr. Guénard joined the Group in September 2013. Since 1 September 2013, he has been an executive Director and Company Secretary of the Group, he also has been further member of the board of directors or managers of LOG, LOGI, LOI Participations and LimeLife Co-Invest Sàrl. Between 2000 and 2013, Mr. Guénard worked at Edmond de Rothschild Group, where he was a senior vice president of the Banque Privée Edmond de Rothschild Europe and responsible for the financial and engineering department. Between 1998 and 2000, he was a manager of the financial engineering department at Banque de Gestion Privée Luxembourg (a subsidiary of Crédit Agricole Indosuez Luxembourg). Prior to this, between 1993 and 1998, Mr. Guénard was a funds and corporate auditor. Mr. Guénard is a chartered accountant. He holds a master's degree in economics and management sciences from the University of Strasbourg, France.



Séan Harrington
Executive Director

Mr. Séan Harrington, was appointed as an executive director with effect from 30 September 2020 and serves as the Chief Executive Officer of ELEMIS. He is one of the co-founders, a trio of whom are still leading the day-to-day operations of the 30-year-old company. Mr. Harrington began his career distributing European beauty brands. At 24, he partnered with the Co-Founders to launch ELEMIS. As the brand grew, Mr. Harrington has led all functions within the company to develop a deep understanding of the business. In 1996, he successfully steered the business to acquisition by Steiner Leisure Limited and subsequent IPO on Nasdaq, and then in 2015 transitioned ELEMIS to private equity ownership. In March 2019, ELEMIS was acquired by the Group, a partner to support the expansion of ELEMIS' global footprint to be the leading global skincare brand. Mr. Harrington is known for his entrepreneurial leadership style, encouraging ELEMIS employees at every level to embrace disruptive strategies to engage and excite consumers. Under his leadership, the brand has evolved from a homegrown business into a global brand.

Directors and Senior Management

Thomas Levilion
Non-Executive Director

Mr. Thomas Levilion was re-designated as non-executive Director on 1 July 2022. Prior to this, he was an executive Director and was the Group Deputy General Manager, Finance and Administration. He was primarily responsible for the Group's finance functions worldwide. Mr. Levilion joined the Group in March 2008 and was the managing director ("administrateur délégué") of the Company. Furthermore, he was a manager (a "gérant") of M&L Distribution S.à.r.l. as well as the President of Verveina SAS. Between 1988 and 2007, Mr. Levilion worked at Salomon S.A., which was a subsidiary of Adidas AG and was subsequently acquired by the Amer Sports Corporation, where he was the controller and the VP controller and subsequently the chief financial officer. During this time he gained experience in global supply chains, turn-arounds, re-engineering of organisations and mergers and acquisitions. He has a master's degree in business administration from the Ecole des Hautes Etudes Commerciales in Paris, France, where he majored in finance, and a postgraduate degree in scientific decision making methods from the University of Paris-Dauphine, France.

Valérie Bernis
Independent Non-Executive Director

Mrs. Valérie Bernis was appointed as an independent non-executive Director with effect from 28 November 2012. She was responsible for Public Relations and Press for French Prime Minister Edouard Balladur (1993–95) (after being a member of his team when he was Minister of the Economy, Finance and Privatization (1986–88)). In 1988, she became Executive Vice President — Communications of Cerus, part of the De Benedetti Group. In 1996 she joined Compagnie de SUEZ as Executive Vice President — Communications, then in 1999, she became Executive Vice-President — Financial and Corporate Communications and Sustainable Development. During the same period, she served for 5 years as Chairman and CEO of Paris Première, an iconic French TV channel. From 2001 until May 2016, Mrs. Bernis was an Executive Vice-President of GDF SUEZ (recently renamed as Engie), in charge of Marketing and Communications. She was also the Vice-President of the Engie's Foundation. She is a member of the boards of Suez Environnement Company (since 2008), L'Arop (since 2013), and Atos (since 2015). She is Officier de l'Ordre National de la Légion d'Honneur (2011), Commandeur de l'Ordre National du Mérite (2016) and Chevalier des Palmes académiques et des Arts et Lettres. Mrs. Bernis graduated from Paris Institut Supérieur de Gestion (ISG) in 1982.

Charles Mark Broadley
Independent Non-Executive Director

Mr. Charles Mark Broadley was appointed as an independent non-executive Director with effect from 30 September 2008. He started his career in Investment Banking in Europe and Asia before becoming the Finance Director of The Hong Kong & Shanghai Hotels. Subsequently, he founded a private equity business focused on the hotel sector and is now an active investor in a number of businesses. Mr. Broadley graduated in law from Cambridge University, England.

Betty Liu
Independent Non-Executive Director

Ms. Betty Liu was appointed as an independent non-executive Director with effect from 1 March 2022. She is the Chairman, President and Chief Executive Officer of D and Z Media Acquisition Corp., a special purpose acquisition company listed on the New York Stock Exchange (NYSE: DNZ). Ms. Liu also serves as a member of the advisory committee of Black Spade Acquisition Co., a special purpose acquisition company listed on the New York Stock Exchange (NYSE: BSAQ). From 2018 to 2020, Ms. Liu was the Executive Vice Chairman of the New York Stock Exchange and Chief Experience Officer for Intercontinental Exchange (NYSE: ICE). Through her role at the New York Stock Exchange, Ms. Liu was actively involved in numerous initial public offerings, including media and technology leaders such as Uber, Pinterest and Tencent Music Entertainment. Prior to her role at the New York Stock Exchange, Ms. Liu served as the Founder and CEO of Radiate, an online, subscription-based, ed-tech content company for millennial managers and executives, from 2016 to 2018. She scaled the ed-tech platform from concept to more than 20,000 monthly active professional subscribers in less than 2 years. From 2007 to 2018, Ms. Liu served as a leading anchor and editor-at-large for Bloomberg Television and Bloomberg Radio in New York City. Before joining Bloomberg, Ms. Liu was an anchor for CNBC Asia based in Hong Kong from 2005 to 2007, serving as part of the leadership group which helped build CNBC Asia into a market-leading news network within the region. Prior to 2004, Ms. Liu was the Atlanta Bureau Chief for the Financial Times and served as the Taiwan Bureau Chief for Dow Jones Newswires. In 1997, she received a Dow Jones Newswires Award for her coverage of the Asian financial crisis. Ms. Liu earned a Bachelor of Arts from the University of Pennsylvania in 1995.

Jackson Chik Sum Ng
Independent Non-Executive Director

Mr. Jackson Chik Sum Ng was appointed as an independent non-executive Director with effect from 25 January 2010. Mr. Ng has extensive experience in accounting and financial management. He was previously the chief financial officer of Modern Terminals Limited. Mr. Ng previously worked at Coopers & Lybrand and also served as the group financial controller of Lam Soon Group, as the finance director of East Asia of Allergan Inc., a United States pharmaceutical company. Mr. Ng is a fellow of both the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. Ng was a non-executive director of Tradelink Electronic Commerce Limited and was an independent non-executive director of Computech Holdings Limited. He holds a master of science degree in Finance from the Chinese University of Hong Kong and a master's degree in business administration from the Hong Kong University of Science and Technology.

Directors and Senior Management

SENIOR MANAGEMENT

Alain Buzzacaro

Mr. Alain Buzzacaro, aged 52, is the Group Chief Technology Officer. Mr. Buzzacaro joined the Group in January 2019, overseeing the Group's information technology function, including sell-out & digital ecosystem, core IT systems, data capabilities, infrastructure and infosec. He has over 25 years of solid experience in software engineering and deployed successfully Agile methodologies. He previously held senior positions at OCTO Technologies, France Télévisions, LesFurets.com, and Bureau Veritas. Mr. Buzzacaro holds a bachelor degree of science in computer science from INSA Engineer school of Toulouse, France.

Michele Mallardi Gay

Mrs. Michele Mallardi Gay, aged 49, is the co-Founder, Chairman, and co-CEO of LimeLife by Alcone. In May 2017, the company Mrs. Gay founded with her niece became part of the Group. Prior to starting LimeLife by Alcone, Mrs. Gay was the President of her family's cosmetic business, Alcone, which was founded in 1952 and is specialized in professional makeup for film, television and theatrical productions. She has also served as a high school science teacher through an organization called Teach For America, and a website project manager. She graduated from Cornell University in 1994 as a Biological Science major.

Adrien Geiger

Mr. Adrien Geiger, aged 37, is the Group Sustainability Officer and the L'Occitane en Provence Global Brand Director. Mr. Adrien Geiger joined the Group in 2014 as Product Manager, and progressed to Digital Director shortly after. He was then Global Brand Director, in charge of marketing strategy, customer experience and revamping the e-commerce website of L'Occitane en Provence. Before joining the Group, Mr. Adrien Geiger worked for Électricité de France, a French energy group, for 3 years. Mr. Adrien Geiger graduated from the University of Oxford, UK with a degree in engineering and from the Wharton School in Pennsylvania, USA with an MBA in digital marketing. Mr. Adrien Geiger is the son of Mr. Reinold Geiger, Chairman of the Group, and brother of Mr. Nicolas Geiger, South America President & Business Development Executive (Americas).

Nicolas Geiger

Mr. Nicolas Geiger, aged 41, is the South America President & Business Development Executive (Americas). Mr. Nicolas Geiger joined the Group in 2011 as Marketing and Retail Director in Brazil, was promoted to Managing Director of Brazil in 2014 and subsequently became the President of L'Occitane Japan. Mr. Nicolas Geiger continues to be in charge of the development of the L'Occitane au Brésil brand. Mr. Nicolas Geiger holds a Master's degree in Engineering, Economics and Management from the University of Oxford, UK and an MBA from INSEAD. Mr. Nicolas Geiger is the son of Mr. Reinold Geiger, Chairman of the Group, and brother of Mr. Adrien Geiger, L'Occitane en Provence Global Brand Director.

Lorenzo Giacomoni

Mr. Lorenzo Giacomoni, aged 53, is the Group Chief Operating Officer and Laboratoires M&L General Manager. Mr. Giacomoni joined the Group in October 2012. He is responsible for the Company's end to end supply chain and procurement, overseeing from manufacturing to omni-channel fulfilment operations, direct and indirect purchasing. He has over 20 years of experience in leading and strengthening global supply chains in FMCG and beauty sectors, and previously held senior positions at SC Johnson Wax, Beiersdorf, Reckitt & Colman and Coty. Mr. Giacomoni holds a master's degree in industrial technology engineering from the University of Milan, Italy, and received the AMP General Management programme certification at INSEAD in 2018.

Marie Grasset

Mrs. Marie Grasset, aged 38, is the Human Resources Director for L'Occitane en Provence, L'Occitane au Brésil, Melvita and Erborian. Mrs. Grasset joined the Group in March 2018, as Human Resources Director for the headquarters and STREAM Business Unit, and assumed her current role in June 2021. Mrs. Grasset started her career in Corporate HR within LVMH Group in 2008 in Paris. Mrs. Grasset was then offered to implement the HR function in a watch brand, Hublot, in Switzerland, newly acquired by the LVMH Group. Mrs. Grasset then joined an independent high-jewellery brand, de Grisogono, as global Human Resources Director. Mrs. Grasset holds a master's degree from Political Sciences Institute in Lille, France.

Marcin Jerzy Jasiak

Mr. Marcin Jerzy Jasiak, aged 55, holds both Polish and Swiss nationality. He is the President of Greater Europe Area, including Western, Central and Eastern Europe and Russia. Mr. Jasiak joined the Group in March 2003 as a director for export in Geneva and subsequently became the managing director of STREAM region, and President of Greater Europe Business Unit in 2019. Prior to joining the Group, Mr. Jasiak was a consultant at KPMG specializing in due diligence and audit. He joined Procter & Gamble, Inc. in 1993 where he worked at different marketing positions in Poland, Germany and Switzerland. Mr. Jasiak graduated from the University of Warsaw, Poland with two master's degrees, in English Philology and management and marketing, and from the University of Illinois at Urbana-Champaign, USA with a master's degree in business administration. Mr. Jasiak is based in Geneva, Switzerland.

Junko Kijima

Ms. Junko Kijima, aged 44, is the President of L'Occitane Japan. She joined the Group in 2013 as Marketing Manager for Melvita Japan. After being promoted to Melvita Brand Director, she was appointed Marketing Director for the L'OCCITANE en Provence brand in 2019. She has over 20 years of brand marketing experience including the first 11 years of her career in Procter and Gamble Japan, where she managed a wide variation of FMCG brands including baby care, pet care, men's grooming, and hair care. Ms. Kijima holds a bachelor's degree in Economics from Keio University, Tokyo, Japan and also holds qualification and professional experience in English to Japanese translation and communication.

Directors and Senior Management

Lina Ly-Dutron

Ms. Lina Ly-Dutron, aged 50, is the Group's Managing Director for Asia Pacific. Ms. Ly-Dutron joined the Group in January 2018. She has about 20 years of experience in Asia, starting her career as Brand Manager for Sanofi China, followed by 2 years as Chief Representative of Bluebell to set up their office in China. In 2002, she started her career in luxury beauty as General Manager for Chanel's Cosmetic Division in China. From 2008 to 2017, Ms. Ly-Dutron held various management positions at L'Oréal Group; first as Division Manager for Lancôme in Travel Retail Asia Pacific, then General Manager of L'Oreal Luxe Division Hong Kong and lastly as General Manager of Decleor & Carita in the USA. Ms. Ly-Dutron holds a Master's Degree from the Lincoln International Business School and a D.E.S.S. from the Sorbonne, as well as a Bachelor Degree in Chinese language and civilization from the Institut National Des Langues et Civilisations Orientales in Paris.

Yann Tanini

Mr. Yann Tanini, aged 44, is the Group's Managing Director for North America. Mr. Tanini joined the Group in June 2019 and has over 15 years of experience in retail and e-commerce. He held various senior positions at Fullbeauty brands where he grew their e-commerce department and was most recently the President of Bluefly, a luxury e-commerce marketplace. Mr. Tanini graduated from Ecole Spéciale de Mécanique et d'Electricité with a master's degree in engineering in 2001 and EM Lyon with a master's degree in technology and innovation management in 2003.

Aline Valatin

Mrs. Aline Valantin, aged 43, is the Group Managing Director for Travel Retail, Export, B to B & Spa worldwide. Mrs. Aline Valantin joined the Group in August 2019. She has about 20 years of solid experience in Travel Retail and Export management thanks to key experiences in Marketing, Sales and Management positions at Estée Lauder, Bacardi Martini, Benetton, Guerlain and LVMH Group in Asia Pacific and Europe. Mrs. Valantin holds a master degree of International Trade from ESSCA Business School and is currently undertaking an executive education at HEC Paris on Marketing and Digital.

Marie Videau

Mrs. Marie Videau, aged 50, is the Group's General Manager for Research & Development. Mrs. Videau joined the Group in October 2020. Previously at CHANEL, she acquired 17 years of experience in cosmetics both in research, development & innovation and in marketing research & consumer insights. She started her career as a senior researcher in the French National Institute for Agronomical Research and the Pasteur Institute developing 10 years of deep knowledge in molecular genetics and parasitology. Mrs. Videau holds a PhD in biology, a master's degree in engineering from AgroParisTech and an executive MBA from HEC Paris.

Heela Yang

Ms. Heela Yang, aged 52, is the Co-Founder & CEO of Sol de Janeiro. Ms. Yang launched Sol de Janeiro in the summer of 2015 with just three products and has led the brand to become a global lifestyle body care phenomenon in just six years. Prior to Sol de Janeiro, Ms. Yang built an extensive track record of success at leading global brands such as Lancôme (L'Oréal) and Clinique (Estée Lauder Companies). As Director of Marketing and Head of Global Skincare Strategy at Clinique, she managed over $300 million of skincare product lines as well as led the global strategy for Clinique's skincare category, sold in 135 countries with revenues over $1 billion. After Clinique, Ms. Yang led entrepreneurial ventures including investing, consulting, and developing proprietary brands in the cosmetics industry in the US, Asia and Brazil. Heela began her career as an analyst at Goldman Sachs Investment Banking with a focus on the retail industry. She is a graduate of Harvard College, Yale Graduate School and Harvard Business School.

Directors' Report



"The Directors submit their report together with the audited financial statements of the Group for FY2022."

Directors' Report

PRINCIPAL ACTIVITIES

The Company is an international group that manufactures and retails beauty and well-being products that are rich in natural and organic ingredients. As a global leader in the premium beauty market, the Company has more than 3,000 retail outlets, including around 1,500 owned stores, and is present in 90 countries. Through its seven brands — L'OCCITANE en Provence, Melvita, Erborian, L'OCCITANE au Brésil, LimeLife by Alcone, ELEMIS and Sol de Janeiro — the Company offers new and extraordinary beauty experiences, using high quality products that respect nature, the environment and the people who surround it.

An analysis of the Group's performance for FY2022 by operating segments is set out in note 5 to the consolidated financial statements.

BUSINESS REVIEW

A review of the business of the Group during the year and a discussion on the Group's future business development are provided in the Management Discussion & Analysis on pages 12 to 33 of this Annual Report. Description of possible risks and uncertainties that the Group may be facing can be found in the Chairman's Statement on pages 6 to 7 of this Annual Report. Also, the financial risk management objectives and policies of the Group can be found in Note 3 to the consolidated financial statements. Particulars of important events (if any) affecting the Group that have occurred since the end of the financial year ended 31 March 2022 are provided in Note 36 to the consolidated financial statements. An analysis of the Group's performance during the year using financial key performance indicators is provided in the Balance Sheet and cash-flow review on pages 25 to 28 of this Annual Report. In addition, discussions on the Group's environmental policies, relationships with its key stakeholders and compliance with relevant laws and regulations which have a significant impact on the Group are contained in the Chairman's Statement on page 6 and Corporate Governance Report on page 36 and in this Directors' Report on page 59 and in the ESG report available on the Group's corporate website in due course.

RESULTS AND DIVIDENDS

The results of the Group for FY2022 are set out in the Consolidated Statements of Income on page 83 of this Annual Report.

The Board recommends a final dividend of €0.06585 per Share. The payment shall be made in Euros, except that payment to Shareholders whose names appear on the register of members in Hong Kong shall be paid in Hong Kong dollars. The relevant exchange rate will be the opening buying telegraphic transfer rate of Hong Kong dollars to Euros as announced by the Hong Kong Association of Banks (www.hkab.org.hk) on the day of the approval of the dividend.

The final dividend will be subject to approval by the Shareholders at the forthcoming AGM to be held on 28 September 2022. The record date to determine which Shareholders will be eligible to attend and vote at the forthcoming AGM will be on 28 September 2022. The register of members of the Company will be closed from Friday, 23 September 2022 to Wednesday, 28 September 2022, both days inclusive, during which period no share transfers can be registered. All transfers accompanied by the relevant share certificate(s) must be lodged with the Company's Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited ("Computershare"), at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 22 September 2022.

Subject to the Shareholders approving the recommended final dividend at the forthcoming AGM, such dividend will be payable on Friday, 21 October 2022 to Shareholders whose names appear on the register of members on Tuesday, 11 October 2022. To determine eligibility for the final dividend, the register of members will be closed from Thursday, 6 October 2022 to Tuesday, 11 October 2022, both days inclusive, during which period no share transfers can be registered. In order to be entitled to receive the final dividend, all transfers accompanied by the relevant share certificate(s) must be lodged with Computershare, not later than 4:30 p.m. on Wednesday, 5 October 2022.

The final dividend will be paid after retention of the appropriate withholding tax under Luxembourg Laws. In the circular containing the notice convening the AGM, Shareholders will be provided with detailed information about procedures for reclaiming all or part of the withholding tax in accordance with the provisions of the double tax treaty between Luxembourg and Hong Kong.

FIVE YEARS FINANCIAL SUMMARY

The five years financial summary of the Group is set out on page 212 of this Annual Report.

DISTRIBUTABLE RESERVES

As at 31 March 2022, the Company's reserves available for distribution to Shareholders in accordance with the Articles of Association as adopted on 15 April 2010 and last amended on 29 September 2021 amounted to approximately €839,965,536.





DONATIONS

Charitable and other donations made by the Group during FY2022 amounted to around €2,014,000, including the product costs of the hand sanitizers and hygiene products donated to health workers, organizations and hospitals during the COVID-19 pandemic.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association or the laws of the Grand-Duchy of Luxembourg.

Directors' Report



PURCHASE, SALE OR REDEMPTION OF SECURITIES

During FY2022, the Company repurchased a total of 4,420,250 shares on the Hong Kong Stock Exchange with an aggregate amount of HK$124,163,225.99, which were subsequently transferred to treasury. In addition, a total of 7,878,150 shares held in treasury were transferred out of treasury during FY2022 pursuant to the employees' free share and share option plans of the Company. The Company held 6,829,070 shares in treasury on 31 March 2022. Save as disclosed above, neither the Company nor its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during FY2022.

Details of shares repurchased during FY2022 are set out as follows:

Month of repurchases	Number of shares purchased	Price paid per share		Aggregate consideration paid (HK$)
		Highest (HK$)	Lowest (HK$)	
September 2021	2,646,000	27.00	24.80	67,966,605.39
December 2021	1,774,250	32.25	29.20	56,196,620.60

On 4 October 2013, the Hong Kong Stock Exchange granted a conditional waiver (the "Waiver") to the Company in respect of Rule 10.06(5) of the Listing Rules to allow it, following any repurchase of shares, to elect to hold its own shares in treasury instead of automatically cancelling such shares. As a consequence of such Waiver, the Hong Kong Stock Exchange has agreed certain consequential modifications to other Listing Rules applicable to the Company.

Shares held in treasury may subsequently be sold for cash, transferred pursuant to an employees' share scheme or cancelled.

Full details of the Waiver and the conditions attached thereto were set out in the announcement issued by the Company on 4 November 2013 and can be found on the Company's website at group.loccitane.com and on the Hong Kong Stock Exchange's website at www.hkexnews.hk.

SUBSIDIARIES

Details of the Company's principal subsidiaries as at 31 March 2022 are set out in note 37 to the consolidated financial statements.

DIRECTORS

The Directors during FY2022 and up to the date of this Annual Report were:

Executive Directors

Mr. Reinold Geiger
(appointed as Chairman and Chief Executive Officer on 22 December 2000 and resigned as Chief Executive Officer on 16 September 2021)
Mr. André Hoffmann
(appointed on 2 May 2001, further appointed as Vice-Chairman on 19 April 2016 and appointed as Chief Executive Officer on 16 September 2021)
Mr. Yves Blouin
(appointed on 14 January 2021 and resigned on 25 May 2022)
Mr. Karl Guénard
(appointed on 30 June 2003 as Non-Executive Director and designated as Executive Director on 1 September 2013)
Mr. Séan Harrington
(appointed on 30 September 2020)



Non-Executive Directors

Mr. Martial Lopez
(appointed on 22 December 2000, designated as Non-Executive Director on 30 September 2009 and retired on 29 September 2021)
Mr. Thomas Levilion
(appointed on 30 September 2008 as Executive Director and re-designated as Non-Executive Director on 1 July 2022)

Independent Non-executive Directors

Mrs. Valérie Bernis
(appointed on 28 November 2012)
Mr. Charles Mark Broadley
(appointed on 30 September 2008)
Ms. Betty Liu
(appointed on 1 March 2022)
Mr. Pierre Milet
(appointed on 29 January 2013 and resigned on 9 November 2021)
Mr. Jackson Chik Sum Ng
(appointed on 25 January 2010)

In accordance with code provision B.2.2 (previous code provision A.4.2) as set out in Appendix 14 to the Listing Rules, every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. In addition, all Directors appointed to fill a casual vacancy should be subject to election by Shareholders at the first general meeting after their appointment. In accordance with Article 10.1 of the Articles of Association, the Directors shall be elected by the Shareholders at a general meeting, which shall determine their number and term of office. The term of office of a Director shall be not more than three years, upon the expiry of which each shall be eligible for re-election.

BIOGRAPHICAL INFORMATION OF DIRECTORS

Brief biographical information of the Directors is set out in the "Directors and Senior Management" section on pages 52 to 58 of this Annual Report.

DIRECTORS' SERVICE CONTRACTS

None of the Directors has or is proposed to have a service contract with any member of the Group (other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation)).

Directors' Report

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year, none of the Directors had any interests in a business which competes, either directly, or indirectly, with the business of the Company or the Group.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 March 2022, the following Directors or chief executive of the Company had or were deemed to have interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) (i) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 & 8 of Part XV of the SFO (including interests or short positions which they have taken or deemed to have under such provision of the SFO), (ii) which were required, pursuant to section 352 of the SFO, to be entered into the register referred to therein, or (iii) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code:

(a) Interests in the shares of the Company

Name of Director	Capacity and Nature of Interest	Number of Shares/ Underlying Shares Held or Controlled	Approximate % of Shareholding (Note 2)
Reinold Geiger (Note 1)	Interest in controlled corporation, beneficial interest and deemed interest	1,075,565,211 (long position)	72.82%
André Hoffmann	Beneficial interest	2,495,250 (long position)	0.17%
Thomas Levilion	Beneficial interest	413,000 (long position)	0.03%
Karl Guénard	Beneficial interest	263,900 (long position)	0.02%
Jackson Chik Sum Ng	Beneficial interest	30,000 (long position)	0.00%

Notes:

(1) Mr. Reinold Geiger is the ultimate beneficial owner of the entire issued share capital of CIME S.C.A. which in turn has 100% interest in Société d'Investissements CIME S.A. ("CIME"), which in turn has beneficial interest and deemed interest in approximately 75.77% of the entire issued share capital of LOG (being beneficial owner of 9,996,053 shares, having deemed interest in 1,628,931 treasury shares being held by LOG and directly in 253 shares). Mr. Reinold Geiger is therefore deemed under the SFO to be interested in all the shares registered in the name of LOG, which holds 1,067,587,391 shares and controls 6,829,070 treasury shares held by the Company. Mr. Geiger is also the beneficial owner of 1,148,750 shares.

(2) Based on guidance received from the Securities and Futures Commission (the "SFC"), the disclosure of interest calculations shown in the table above have been calculated on the basis of the Company's total issued share capital including 6,829,070 shares that are held in treasury and do not have voting rights whilst they are held in treasury.

(b) Interests in the shares of the associated corporations

Long Position in the shares of LOG

Name of Director	Capacity and Nature of Interest	Number of Shares/ Underlying Shares Held or Controlled	Approximate % of Shareholding (Note 2)
Reinold Geiger	Beneficial interest and deemed interest	11,625,237 (Note 1)	75.77%
André Hoffmann	Beneficial interest and deemed interest	2,578,286	16.81%
Yves Blouin	Beneficial interest	15,900	0.10%
Karl Guénard	Beneficial interest	6,220	0.04%
Thomas Levilion	Beneficial interest	5,500	0.04%
Séan Harrington	Beneficial interest	4,200	0.03%
Valérie Bernis	Beneficial interest	400	0.00%
Charles Mark Broadley	Beneficial interest	400	0.00%
Jackson Chik Sum Ng	Beneficial interest	400	0.00%

Notes:

(1) Comprised of 253 shares held by Mr. Reinold Geiger, 9,996,053 shares held by CIME and 1,628,931 treasury shares held by LOG. Mr. Geiger is the ultimate beneficial owner of the entire issued share capital of CIME; Mr. Geiger is therefore deemed under the SFO to be interested in all the shares in LOG held by CIME. As ultimate controlling shareholder of LOG, Mr. Geiger is also deemed to be interested in the treasury shares being held by LOG.

(2) The approximate percentage shareholdings in the share capital of LOG are calculated on the basis of the total number of 15,341,954 shares issued, inclusive of 1,628,931 treasury shares held by LOG.

Long Position in the shares of LOI ELEMIS S.A.R.L.

Name of Director	Capacity and Nature of Interest	Number of Shares/ Underlying Shares Held or Controlled	Approximate % of Shareholding
Séan Harrington	Interest in controlled corporation	132	1.10%

Save as disclosed herein, as at 31 March 2022, none of the Directors and chief executive of the Company, or any of their spouses, or children under 18 years of age, had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations recorded in the register required to be kept by the Company under section 352 of the SFO or required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.



Directors' Report



INTERESTS IN THE SHARES AND UNDERLYING SHARES OF SUBSTANTIAL SHAREHOLDERS

As at 31 March 2022, the register of substantial Shareholders maintained under section 336 of the SFO showed that the Company had been notified of the following substantial Shareholders' interests or short positions, other than a Director or chief executive of the Company, in the shares or underlying shares of the Company:

Name of Shareholder	Capacity and Nature of Interest	Number of Shares/ Underlying Shares Held or Controlled	Approximate % of Shareholding (Note 3)
Cime Management Sarl	Interest in controlled corporation and deemed interest	1,074,416,461 (long position) (Note 1)	72.74%
Cime S.C.A.	Interest in controlled corporation and deemed interest	1,074,416,461 (long position) (Note 1)	72.74%
Société d'Investissements CIME S.A.	Interest in controlled corporation and deemed interest	1,074,416,461 (long position) (Note 1)	72.74%
LOG	Interest in controlled corporation and deemed interest	1,074,416,461 (long position) (Note 1)	72.74%
ACATIS Investment Kapitalverwaltungsgesellschaft mbH	Executor or administrator	103,373,750 (long position) (Note 2)	6.99%

Notes:

(1) Each of Cime Management Sarl (indirectly) and Cime S.C.A. (directly) has 100% interest in shareholding of CIME and CIME has an interest in approximately 75.77% of the total issued share capital of LOG (being beneficial owner of 9,996,053 shares and having deemed interest in 1,628,931 treasury shares being directly or indirectly held by LOG). Cime S.C.A. is the controlling corporation of CIME and CIME is the controlling corporation of LOG and Cime S.C.A. and CIME are therefore deemed under the SFO to be interested in all the 1,067,587,391 shares held by LOG. As suggested by SFC, being the controlling corporations of the Company, Cime Management Sarl, Cime S.C.A., CIME and LOG have deemed interest in the 6,829,070 treasury shares being held by the Company.

(2) The shares were first acquired by Universal-Investment-Gesellschaft mbH and then subsequently transferred to the new investment management company Acatis KVG.

(3) Based on guidance from the SFC, the disclosure of interest calculations shown in the table above have been calculated on the basis of the Company's total issued share capital including 6,829,070 shares that are held in treasury and do not have voting rights whilst they are held in treasury.

Save as disclosed herein, as at 31 March 2022, the Company had not been notified of any substantial Shareholder (other than a Director or chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company that were recorded in the register required to be kept by the Company under section 336 of the SFO.

ISSUED SHARES IN THE YEAR

Details of the Shares issued for the year ended 31 March 2022 are set out in note 19 to the consolidated financial statements.

SHARE OPTION PLANS

On 30 September 2010, a meeting of the Shareholders authorised the adoption of a share option plan (the "Share Option Plan 2010"), which expired and was terminated on 29 September 2013 and was replaced by another share option plan (the "Share Option Plan 2013") which was adopted on 25 September 2013. This Share Option Plan 2013 expired on 24 September 2016 and was replaced by another share option plan (the "Share Option Plan 2016") which was adopted on 28 September 2016. This Share Option Plan 2016 expired on 27 September 2019 and was replaced by another share option plan (the "Share Option Plan 2020") which was adopted on 30 September 2020.



The purpose of the Share Option Plan 2020 is to provide employees of the Group, all its Directors (including non-executive Directors) and Shareholders (together, the "Eligible Persons") with an opportunity to have a proprietary interest in the Company through being granted share options under the Share Option Plan 2020 rules (the "Options"), which will motivate the Eligible Persons to optimise their performance, effectiveness and efficiency for the benefit of the Group and attract and retain or otherwise maintain ongoing business relationships with those Eligible Persons whose contributions are or will be beneficial to the long-term growth of the Group. The maximum number of Shares in respect of which Options may be granted under the Share Option Plan 2020 shall not exceed 21,925,987 shares, being 1.5% of the Company's issued share capital (excluding shares held in treasury) as at 30 September 2020.

As at 31 March 2022, no shares were granted under the Share Option Plan 2020, leaving a balance of 21,925,987 Options representing 1.5% of the issued Shares, excluding treasury shares, as at date of this Annual Report available for grant in future. The Share Option Plan 2020 will expire on 29 September 2023 and its remaining life is around 1 year and 3 months.

Under the Share Option Plan 2020, the total number of Shares to be issued upon exercise of the Options granted to each participant in any 12-month period must not exceed 1% of the Shares in issue. The exercise price shall be at a price determined by the Board at its absolute discretion and shall be no less than the higher of:

(i) the closing price of the Shares as stated in the daily quotation sheets issued by the Hong Kong Stock Exchange on the offer date;

(ii) the average closing price of the Shares as stated in the daily quotation sheets issued by the Hong Kong Stock Exchange for the five business days immediately preceding the offer date; and

(iii) the nominal value of a Share on the date of grant.

Directors' Report

The Board considers that it is not appropriate to state the value of all Options that can be granted pursuant to the Share Option Plan 2020 as a number of variables which are crucial for the calculation of the Option value have not been determined. Such variables include but are not limited to the exercise price, vesting period, exercise period and the conditions that an Option is subject to. The Board believes that any calculation of the value of the Options based on a number of speculative assumptions would not be meaningful and would be misleading to the Shareholders.

Particulars and movements of share options granted under the Share Option Plans 2010, 2013 and 2016 (the "2010, 2013 and 2016 Options") during the year ended 31 March 2022 were as follows. No share options were granted under the Share Option Plan 2020 during this period.

		Number of share options							
Name/Category of Participant	**As of 01/04/2021**	**Granted during the period**	**Cancelled or forfeited during the period**	**Exercised during the period**	**As of 31/03/2022**	**Date of grant**	**Exercise period** (Note 1)	**Exercise price per share (HK$)**	**Price immediately preceding the date of grant** (Note 2) **(HK$)**
Directors									
Thomas Levilion	91,000	–	–	(91,000)	–	24-Feb-15	24/02/2019–23/02/2023	19.22	19.22
	418,600	–	–	(418,600)	–	10-Feb-17	10/02/2021–10/02/2025	15.16	15.03
	413,000	–	–	–	413,000	29-Mar-18	29/03/2022–29/03/2026	14.50	14.50
Karl Guénard	90,500	–	–	(90,500)	–	04-Dec-13	04/12/2017–03/12/2021	17.62	17.62
	97,600	–	–	–	97,600	23-Mar-16	23/03/2020–22/03/2024	14.36	14.00
	83,700	–	–	–	83,700	10-Feb-17	10/02/2021–10/02/2025	15.16	15.03
	82,600	–	–	–	82,600	29-Mar-18	29/03/2022–29/03/2026	14.50	14.50
Sub-total (Note 3)	1,277,000	–	–	(600,100)	676,900				
Others									
Employees	1,163,750	–	(55,000)	(1,108,750)	–	04-Dec-13	04/12/2017–03/12/2021	17.62	17.62
	147,000	–	–	(147,000)	–	24-Feb-15	24/02/2019–23/02/2023	19.22	19.22
	1,613,650	–	(33,200)	(1,157,550)	422,900	23-Mar-16	23/03/2020–22/03/2024	14.36	14.00
	3,834,750	–	–	(2,445,100)	1,389,650	10-Feb-17	10/02/2021–10/02/2025	15.16	15.03
	4,476,200	–	(183,100)	(85,950)	4,207,150	29-Mar-18	29/03/2022–29/03/2026	14.50	14.50
Sub-total (Note 3)	11,235,350	–	(271,300)	(4,944,350)	6,019,700				
Total	12,512,350	–	(271,300)	(5,544,450)	6,696,600				

Notes:

(1) As a general rule, the vesting period of the 2010, 2013, 2016 and 2020 Options is set at four years and the exercise period is set at four years after the date of vesting. The Share Option Plan 2010 was terminated on 29 September 2013, the Share Option Plan 2013 was terminated on 24 September 2016 and the Share Option Plan 2016 was terminated on 27 September 2019. The Board was however entitled to grant Options to Eligible Persons under the Share Option Plan 2020 subject to such conditions as the Board may think fit, including in respect to the vesting and exercise of such 2020 Options.

(2) Being the higher of the closing price of the Shares quoted on the Hong Kong Stock Exchange on the trading day immediately prior to the date of grant of the 2010, 2013, 2016 or 2020 Options; and the average closing price for the five business days immediately preceding the date of grant.

(3) *The weighted average fair value of Options granted under the Share Option Plan 2010 on 4 April 2011, 26 October 2012, 28 November 2012, under the Share Option Plan 2013 on 4 December 2013, 24 February 2015 and 23 March 2016 and under the Share Option Plan 2016 on 10 February 2017 and 29 March 2018 were approximately €0.44, €0.45, €0.47, €0.31, €0.40, €0.31, €0.36 and €0.36 respectively. The following significant assumptions were used to derive the fair value, using the Black-Scholes option pricing model:*

Date of grant	*Expected volatility (%)*	*Expected life*	*Risk-free interest rate (%)*	*Expected dividend yield (%)*
4 April 2011	*25%*	*5 years*	*1.92%*	*20% of budgeted profit attributable to the equity holders*
26 October 2012	*25%*	*5 years*	*0.50%*	*30% of budgeted profit attributable to the equity holders*
28 November 2012	*25%*	*5 years*	*0.50%*	*30% of budgeted profit attributable to the equity holders*
4 December 2013	*25%*	*5 years*	*1.00%*	*35% of budgeted profit attributable to the equity holders*
24 February 2015	*25%*	*5 years*	*1.00%*	*35% of budgeted profit attributable to the equity holders*
23 March 2016	*25%*	*5 years*	*1.00%*	*35% of budgeted profit attributable to the equity holders*
10 February 2017	*22%*	*5 years*	*1.92%*	*35% of budgeted profit attributable to the equity holders*
29 March 2018	*22%*	*5 years*	*2.50%*	*35% of budgeted profit attributable to the equity holders*

In total, share-based compensation expense of €772,000 was included in the consolidated statements of comprehensive income for the year ended 31 March 2022 (year ended 31 March 2021: €4,520,000). These expenses included the amortization of the fair value of the share-based awards in the form of Options granted to the Directors and employees under our Share Option Plans 2013 and 2016.

FREE SHARE PLAN

On 30 September 2010, a meeting of the Shareholders authorised the adoption of a free share plan (the "Free Share Plan 2010"), which expired and was terminated on 29 September 2013 and replaced by another free share plan (the "Free Share Plan 2013") which was adopted on 25 September 2013. This Free Share Plan 2013 expired on 24 September 2016 and was replaced by another free share plan (the "Free Share Plan 2016") which was adopted on 28 September 2016. The Free Share Plan 2016 was replaced by another free share plan (the "Free Share Plan 2018) which was adopted on 26 September 2018. In addition, the Shareholders approved the adoption of a new free share plan (the "Free Share Plan 2021") at the annual general meeting of the Company on 29 September 2021. Upon the approval of the Free Share Plan 2021 in September 2021, no further free shares would be granted under the Free Share Plan 2018. The purpose of the Free Share Plan 2021 is to provide employees of the Group (the "Employees") with an opportunity to have a proprietary interest in the Company through being granted free shares under the rules of the Free Share Plan 2021 (the "Free Shares"), which will motivate the relevant Employees to optimise their performance, effectiveness and efficiency for the benefit of the Group and attract and retain or otherwise maintain ongoing business relationships with those Employees whose contributions are or will be beneficial to the long-term growth of the Group.

The maximum number of Free Shares that may be granted under the Free Share Plan 2021 shall not exceed 7,343,852 shares, being 0.5% of the Company's issued share capital (excluding shares held in treasury) as at 29 September 2021.

On 4 December 2013, the Company granted 887,500 Free Shares pursuant to the Free Share Plan 2013 to certain eligible Employees (as defined in the rules of the Free Share Plan 2013). The Free Shares were vested on 4 December 2017.

On 24 February 2015, the Company granted 840,900 Free Shares pursuant to the Free Share Plan 2013 to certain eligible Employees (as defined in the rules of the Free Share Plan 2013). The Free Shares were vested on 24 February 2019.



Directors' Report

On 23 March 2016, the Company granted 921,400 Free Shares pursuant to the Free Share Plan 2013 to certain eligible Employees (as defined in the rules of the Free Share Plan 2013). The Free Shares were vested on 24 March 2020.

On 29 March 2018, the Company granted 5,559,500 Free Shares pursuant to the Free Share Plan 2016 to certain eligible Employees (as defined in the rules of the Free Share Plan 2016). The Free Shares were vested on 29 March 2022.

None of the Free Shares had been granted under the Free Share Plan 2018 and the Free Share Plan 2021 as at 31 March 2022.



TREASURY SHARES

On 4 October 2013, the Hong Kong Stock Exchange granted a conditional waiver (the "Waiver") to the Company in respect of Rule 10.06(5) of the Listing Rules to allow it, following any repurchase of shares, to elect to hold its own shares in treasury instead of automatically cancelling such shares. As a consequence of the Waiver, the Hong Kong Stock Exchange has agreed certain consequential modifications to other Listing Rules applicable to the Company.

Shares held in treasury may subsequently be sold for cash, transferred pursuant to an employees' share scheme or cancelled.

Full details of the Waiver and the conditions attached thereto are set out in the announcement issued by the Company on 4 November 2013 and can be found on the Company's website at group.loccitane.com and on the Hong Kong Stock Exchange's website at www.hkexnews.hk.

The Company confirmed that during the year ended 31 March 2022, the Company was in compliance with the conditions of the Waiver.

The Company holds as at 31 March 2022, 6,829,070 ordinary shares as treasury shares, and the total number of ordinary shares in issue (excluding shares held as treasury shares) is 1,470,135,821.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBT SECURITIES

Other than as disclosed in the paragraphs headed "DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES AND UNDERLYING SHARES" and "SHARE OPTION PLANS" in this Annual Report, at no time during the year was the Company or any of its subsidiaries a party to any arrangement to enable the Directors or chief executive of the Company (including their spouses or children under 18 years of age) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

At the end of the year or at any time during FY2022, there was no transaction, arrangement or contract of significance in relation to the Company's business, to which the Company or any of its subsidiaries was a party, and in which a Director had, whether directly or indirectly, a material interest.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year ended 31 March 2022 and up to the date of this Annual Report.

PERMITTED INDEMNITY PROVISION

The Articles of Association provide that all Directors and officers of the Company shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty. Directors' and officers' liability insurance is arranged to cover the Directors and officers of the Company and its subsidiaries against any potential costs and liabilities arising from claims brought against them.

EQUITY-LINKED AGREEMENTS

Save as disclosed in the Directors' Report regarding the grant of Share Options and Free Shares during the year ended 31 March 2022, the Company has not entered into any other equity-linked agreement.

CONNECTED TRANSACTION

On 23 December 2021, the Company, LOC SOL Holdings Inc (the "Parent Subsidiary") and First Octave LLC (the "Connected Shareholder"), among others, entered into a Stockholders' Agreement, pursuant to which, among others, (i) the Parent Subsidiary granted a Put Option to each First Octave LLC and Marc Capra (the "Rollover Participant") to require Parent Subsidiary to acquire the 17.14% equity interests of LOC SOL Owners Inc (the "Intermediate Holding Company") owned by such Rollover Participant (the "Optioned Interests"); and (ii) Parent Subsidiary has been granted a Call Option by each Rollover Participant, pursuant to which the Parent Subsidiary may require such Rollover Participants to sell to Parent Subsidiary all of the Optioned Interests.

Following completion of the acquisition, Intermediate Holding Company has become an indirect subsidiary of the Company, and the Connected Shareholder and its ultimate beneficial owner have become connected persons of the Company at the subsidiary level. Accordingly, each of the Put Option granted to the Connected Shareholder and the Call Option granted by the Connected Shareholder under the Stockholders' Agreement is treated as a connected transaction pursuant to Rule 14A.24(2)(a) of the Listing Rules. Since each of the Put Option granted to the Connected Shareholder and the Call Option granted by the Connected Shareholder constitutes a connected transaction at the subsidiary level, each of the Put Option and the Call Option is subject to the applicable reporting and announcement requirements pursuant to Rule 14A.101 of the Listing Rules.

The Options were granted to further align the interests of the Rollover Participants with that of the Group, and as an additional incentive to the Rollover Participants to grow the financial and operational performance of Sol de Janeiro together with the Group.

For more details, please refer to the related announcement of the Company on 23 December 2021.

Directors' Report

BANK LOANS AND OTHER BORROWINGS

Details of the Group's bank loans and other borrowings as at 31 March 2022 are set out in note 20 to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

The nature of the Group's activities is that the percentage of sales or purchases attributable to the Group's five largest customers or suppliers is significantly less than 30% of the total and the Directors do not consider any one customer or supplier to be influential to the Group.

RETIREMENT BENEFIT SCHEMES

Details of the retirement benefit schemes of the Group are set out in note 21 to the consolidated financial statements.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as the code of conduct for dealing in the securities of the Company by the Directors. Having made specific enquiry to all Directors, they have confirmed that they have complied with the Model Code throughout the Review Period.

CORPORATE GOVERNANCE REPORT

The Corporate Governance Report is set out on pages 36 to 49 of this Annual Report.

CONTINGENT LIABILITIES

Details of contingent liabilities are set out in note 32.2 to the consolidated financial statements.

POST BALANCE SHEET EVENTS

Details of significant events occurring after the balance sheet date are set out in note 36 to the consolidated financial statements.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors at the date of this Annual Report, there was a sufficient prescribed public float of more than 25% of the issued share capital of the Company under the Listing Rules during the Review Period.





AUDITOR

The financial statements were audited by PricewaterhouseCoopers who will retire as auditor of the Company at the conclusion of the forthcoming AGM and being eligible, offer themselves for re-appointment. A resolution for the re-appointment of PricewaterhouseCoopers as auditor of the Company will be proposed at the forthcoming AGM.

HUMAN RESOURCES

As at 31 March 2022, the Group had 9,042 employees (31 March 2021: 8,733 employees).

The Group ensures that all levels of employees are paid competitively and are rewarded in accordance with the Group's salary, incentive and bonus schemes. Options and Free Shares may also be offered to eligible employees. Training schemes are available where appropriate.

By order of the Board

Reinold Geiger
Chairman
27 June 2022



Strong Global Presence

Consolidated Financial Statements





Independent Auditor's Report

To the Shareholders of
L'Occitane International S.A.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our opinion

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of L'Occitane International S.A. (the "Company") and its subsidiaries (the "Group") as at 31 March 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board and as adopted by the European Union.

What we have audited
The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 March 2022;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in shareholders' equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the consolidated financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

Revenue recognition

For the year ended 31 March 2022, the Group has net sales of €1,781 million.

As described in the note 2.23 sales of goods to the customers are recognised when control of the product has transferred.

The revenue is recognised as follows:

(a) Sales of goods — retail (Sell-out channel): comprises the sales of the products directly to the final customers mainly through a worldwide network of stores and Group's website. Sell-out accounted for approximately 66.9% of the total revenue. The revenue is recognized when the Group sells a product to the customer at the store.

We focused on this area due to the risks arising from the large volume of transactions generated from the sale of different products to a significant number of customers that take place in many different locations. This area required significant audit attention to test the occurrence and accuracy of this kind of transactions.

(b) Sales of goods — wholesale and distributors (Sell-in channel): comprises the sales of the products to an intermediate (mainly distributors, wholesalers, TV show channels and travel retailers). This channel also comprises sales of products to corporate customers and the sales of the Group's products to an intermediate who will provide them as free amenities to its final customers. The revenue is recognized when control of the products has transferred, being when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products.

We focused on this area due to the risk of revenue being recognised inappropriately close to the year-end.

How our audit addressed the key audit matter

We obtained an understanding of Management's controls in respect of the Group's sales transactions. In addition, we tested the general IT control environment and related automated control of the Group's systems.

We assessed the compliance of the Group's revenue recognition policies with IFRS and tested the application of those policies.

We tested the different revenue streams as follows:

For retail sales, our procedures included:

(a) Reconciliation between the revenue recorded in the point-of-sale system and the general ledger;

(b) Reconciliation between the revenue recorded and cash collection;

(c) Testing the number and the fair value of award credits recognized in deferred revenue.

For wholesalers and distributors sales, our procedures included:

(a) Testing of the relevant supporting documents (sales order, bill of lading, invoice and/or payments) for a sample of revenue transactions covering different clients;

(b) Confirmation of a sample of outstanding customer invoices at the balance sheet date;

(c) Testing to assess whether revenue was recognised in the correct reporting period. We tested recognition of revenue based on the transfer of control to the intermediaries and the accounting period in which products were delivered by reconciling a sample of revenue items to contract and shipping documents.

(d) Testing of journal entries posted to revenue accounts to identify any unusual or irregular items, and of the reconciliations between the revenue systems and its financial ledger.

Independent Auditor's Report

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

Key audit matters *(continued)*

Key audit matter	How our audit addressed the key audit matter
Revenue recognition (continued) Customer loyalty programs are used by the Group to provide customers with incentives to buy their products. Each time a customer buys goods, or performs another qualifying act, the Group grants the customer award credits. The Group accounts for award credits as a separately identifiable component of the sales transactions, as deferred revenue. The Group then recognizes revenue in respect of the award credits in the periods which awards credits are redeemed. We focused on this area due to the risk arising from the volume of award credits generated in different locations and from the management estimates about the total number of award credits expected to be redeemed.	
Assessment of impairment on non-current assets and goodwill As at 31 March 2022, the Group had goodwill of €990.5 million, intangible assets of €487.4 million (including trademarks for €434.9 million), right-of-use assets of €264.9 million and leasehold improvements for €43.0 million in property, plant and equipment as at 31 March 2022. Management performed an annual review of the cash generating units (CGU) to which goodwill and other non-current assets are allocated to assess that their carrying value does not exceed its recoverable amount. The recoverable amount is determined based on expected future cash flow projections taking into account the COVID-19 pandemic.	(a) We assessed the accuracy of the allocation of goodwill and trademarks to their respective CGU. (b) We assessed the compliance of the impairment testing methodology adopted by the Group with prevailing accounting standards. (c) We obtained an understanding of the Group's process and controls by which the projections were drawn up and compared the underlying inputs to the latest plan approved by Management. (d) We tested the accuracy of assets included in the carrying amount of the CGU to which the goodwill and trademarks have been allocated. (e) We assessed the consistency of cash flow projections with management's assumptions and the economic environment in which the Group operates. We have notably evaluated the impact of COVID-19 considered by management in the assumptions and the reasonableness of the estimate.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

Key audit matters *(continued)*

Key audit matter	How our audit addressed the key audit matter
Assessment of impairment on non-current assets and goodwill (continued) We considered the valuation of those specific assets to be a key audit matter as they required significant audit attention due to their size but also because the Group's assessment of the recoverable amounts is usually based on the future performance of the business (e.g. forecasted sales based on stores' location, Covid-19 impact on future cash-flows, expectations of market developments) and the discount rates applied to the future cash flow forecast which involves significant management assumptions, judgments and estimates as detailed in the note 4 to the consolidated financial statements.	(f) We assessed the reasonability of the growth rates used for projected cash flows with available external analyses and/or the historical growth rates in net sales. (g) We assessed, with the assistance of our valuation experts: — The consistency of the long-term growth rates; and — The reasonableness of post-tax discount rates applied to projected cash flows. (h) We compared the projected cash flows of previous business plan with the actual results to assess the reasonableness of the assumptions. (i) We assessed management's sensitivity analysis with respect to variations in the key assumptions adopted, to evaluate the extent to which reasonably possible changes, both individually and in the aggregate, would impact outcomes of the impairment assessment. (j) We assessed the appropriateness of information disclosed in the consolidated financial statements.

Independent Auditor's Report

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

Key audit matters *(continued)*

Key audit matter

Acquisition of Sol de Janeiro

As disclosed in note 6.1.1 to the consolidated financial statements, the Group acquired on 23 December 2021, 82.86% of the shares of Sol de Janeiro and its subsidiaries for a total purchase price of €378.7 million resulting in the recognition of a provisional goodwill of €202.6 million and trademark of €156.7 million.

This transaction falls under the scope of IFRS 3 business combinations. When recognising the assets and liabilities, a purchase price allocation was performed where identifiable assets and liabilities of Sol de Janeiro were measured at fair value. In this respect management engaged a third party (management expert) to assist in a process to identify and determine the fair value of the trademark.

In addition, the share purchase agreement includes an option for the non-controlling shareholders to sell at defined dates the remaining shares not initially sold. This resulted in the recognition of a put option to the non-controlling shareholders and a remuneration liability for post-combination services. As mentioned in Notes 4.4 and 6.

3 of the consolidated financial statements, the estimation is based on the formula mainly using the prospective EBIT for the determination of the exercise price. The value is discounted reflecting the current market assessments of the time value and the risk specific to the liabilities.

We considered the acquisition of Sol de Janeiro to be a key matter as this required significant management judgment in determining (i) the fair value of assets acquired and of liabilities assumed; and (ii) the fair value of the financial liability relating to the put option.

How our audit addressed the key audit matter

We reviewed the share purchase agreement and other legal documentation related to the acquisition to obtain an understanding of the transaction and to confirm the acquisition date and the consideration transferred.

Regarding acquisition accounting, our procedures included:

(a) We reviewed the control analysis performed by Group Management over Sol de Janeiro;

(b) We assessed the accuracy of the allocation of goodwill and trademark to their respective CGU;

(c) We tested the carrying value of assets and liabilities of Sol de Janeiro at the acquisition date;

(d) We assessed the methodology used by management expert and the procedures applied in determining the fair value of the net identifiable assets acquired, including the trademark with the support of our valuation experts;

For the determination of the fair value of the put option, our procedures included:

(a) We assessed the accounting treatment and methodology used by Management including the part related to the remuneration of post-acquisition service conditions;

(b) We assessed the consistency of EBIT projections with management's assumptions;

(c) We assessed the reasonability of the growth rates used for projected EBIT with the historical growth rates in net sales and historical percentage of EBIT in net sales;

(d) We compared the discount rate used by Management to compute the present value of the option to publicly available data.

We assessed the appropriateness of information disclosed in the consolidated financial statements.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the annual report including the Management Discussion & Analysis and consolidated Directors' report but does not include the consolidated financial statements and our audit report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and those charged with governance for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the consolidated financial statements

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

Independent Auditor's Report

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the consolidated financial statements *(continued)*

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our audit report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The Management Discussion & Analysis and consolidated Directors' report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

PricewaterhouseCoopers, Société coopérative — Luxembourg, 30 June 2022

Represented by

Magalie Cormier

Consolidated Statement of Income

Year ended 31 March *In thousands of euros, except per share data*	*Notes*	***2022***	***2021*** *Restated**
Net sales	(5.2)	**1,781,358**	**1,537,845**
Cost of sales		(317,943)	(260,711)
Gross profit		**1,463,415**	**1,277,134**
% of net sales		*82.2%*	*83.0%*
Distribution expenses	(24)	(698,367)	(666,154)
Marketing expenses	(24)	(280,831)	(213,772)
Research and development expenses	(24)	(18,907)	(17,385)
General and administrative expenses	(24)	(173,001)	(147,837)
Other operating income	(25)	39,124	7,365
Other operating expenses	(25)	(7,079)	(14,980)
Share of profit/(loss) from associates and joint ventures accounted for using the equity method	(11)	(13,640)	(7,535)
Operating profit		**310,714**	**216,836**
Finance income	(27)	1,908	2,847
Finance costs	(27)	(16,430)	(21,186)
Foreign currency gains/(losses)	(28)	(308)	(2,961)
Profit before income tax		**295,884**	**195,536**
Income tax expense	(29)	(53,975)	(41,899)
Profit for the year		**241,909**	**153,637**
Attributable to:			
Equity owners of the Company		242,034	151,180
Non-controlling interests	(12)	(125)	2,457
Total		**241,909**	**153,637**
Earnings per share for profit attributable to equity owners of the Company during the year *(expressed in euros per share)*			
Basic	(30)	0.165	0.103
Diluted	(30)	0.164	0.103
Number of shares used in earnings per share calculation			
Basic	(30)	1,470,135,821	1,466,677,921
Diluted	(30)	1,473,153,053	1,470,779,165

* *See note 2.2 for details regarding the restatement as a result of an error.*

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

Year ended 31 March *In thousands of euros*	*Notes*	***2022***	***2021*** *Restated**
Profit for the year		**241,909**	**153,637**
Items that will not be reclassified to profit or loss			
Actuarial gains/(losses) on defined benefits obligation	(29.5)	1,834	233
Changes in the fair value of equity investments at fair value through other comprehensive income	(3.3)	(2,047)	(652)
		(213)	**(419)**
Items that may subsequently be reclassified to profit or loss			
Cash flow hedges fair value gains/(losses), net of tax		56	363
Reclassification of currency translation differences relating to the deconsolidation of L'Occitane Inc.	(6.1)	–	(3,029)
Currency translation differences	(29.5)	48,741	(36,846)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	(11)	1,772	–
		50,569	**(39,512)**
Total comprehensive income for the period income/(loss) for the year		**292,265**	**113,706**
Attributable to:			
— Equity owners of the Company		287,901	113,322
— Non-controlling interests	(12)	4,364	384
Total comprehensive income for the period income/(loss) for the year		**292,265**	**113,706**

Items in the statement above are disclosed net of tax. The income tax relating to each component of other comprehensive income is disclosed in Note 29.5.

The currency translation differences were mainly generated by subsidiaries labelled in USD.

* *See note 2.2 for details regarding the restatement as a result of an error.*

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Balance Sheet

ASSETS		***31 March 2022***	***31 March 2021***
In thousands of euros	*Notes*		*Restated**
Property, plant and equipment	(7)	128,724	130,347
Right-of-use assets	(8)	264,934	301,271
Goodwill	(9)	990,489	754,843
Intangible assets	(10)	487,355	315,949
Deferred income tax assets	(29.2)	94,005	65,854
Investments accounted for using the equity method	(11)	67,239	62,175
Other non-current assets	(13)	67,778	50,816
Non-current assets		**2,100,524**	**1,681,255**
Inventories	(14)	263,162	198,860
Trade receivables	(15)	199,623	135,338
Other current assets	(16)	82,935	52,798
Derivative financial instruments	(17)	1,931	72
Cash and cash equivalents	(18)	360,899	421,216
Current assets		**908,550**	**808,284**
TOTAL ASSETS		**3,009,074**	**2,489,539**

Consolidated Balance Sheet

EQUITY AND LIABILITIES		***31 March 2022***	***31 March 2021***
In thousands of euros	*Notes*		*Restated**
Share capital	(19)	44,309	44,309
Additional paid-in capital	(19)	342,851	342,851
Other reserves		(215,013)	(107,642)
Retained earnings		1,097,881	913,320
Capital and reserves attributable to the equity owners of the Company		**1,270,028**	**1,192,838**
Non-controlling interests	(12)	44,578	78,699
Total equity		**1,314,606**	**1,271,537**
Borrowings	(20)	381,319	19,622
Lease liabilities	(8)	180,510	216,189
Other financial liabilities	(6.3)	171,865	18,671
Other non-current liabilities	(21)	22,952	23,256
Deferred income tax liabilities	(29.2)	96,196	52,786
Non-current liabilities		**852,842**	**330,524**
Trade payables	(22)	209,903	161,658
Social and tax liabilities		104,807	93,539
Current income tax liabilities	(29)	39,477	28,504
Borrowings	(20)	289,611	502,492
Lease liabilities	(8)	93,722	78,538
Derivative financial instruments	(17)	1,208	713
Provisions	(23)	2,139	1,677
Other current liabilities	(21)	100,759	20,357
Current liabilities		**841,626**	**887,478**
TOTAL EQUITY AND LIABILITIES		**3,009,074**	**2,489,539**

* *See note 2.2 for details regarding the restatement as a result of an error.*

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Shareholders' Equity

In thousands of euros (except "Number of Shares")	*Notes*	Number of shares	Share capital	Additional paid-in capital	Share Based Payments	Other items	Cumul. Currency Transl. Diff.	Treasury shares	Actuarial gain/(loss)	Excess of consideration paid in transaction with non-controlling interests	Profit for the period	Non-controlling interests	TOTAL EQUITY
		Attributable to equity owners of the Company											
					Other reserves								
Balance at 31 March 2020 Restated*		**1,476,964,891**	**44,309**	**342,851**	**28,299**	**(338)**	**(17,169)**	**(24,376)**	**46**	**(72,391)**	**793,304**	**76,855**	**1,171,390**
Comprehensive income		–	–	–	–	–	–	–	–	–	–	–	–
Profit for the year		–	–	–	–	–	–	–	–	–	151,180	2,457	153,637
Other comprehensive income													
Currency translation differences		–	–	–	–	–	(34,773)	–	–	–	–	(2,073)	(36,846)
Reclassification of currency translation diff. Relating to the deconso of L'Occ. Inc.		–	–	–	–	–	(3,029)	–	–	–	–	–	(3,029)
Actuarial losses on defined benefit obligation		–	–	–	–	–	–	–	233	–	–	–	233
Change in FV of assets recorded at fair value through OCI		–	–	–	–	(652)	–	–	–	–	–	–	(652)
Cash flow hedges fair value (losses), net of tax		–	–	–	–	363	–	–	–	–	–	–	363
Total comprehensive income for the year		**–**	**–**	**–**	**–**	***(289)***	***(37,802)***	**–**	***233***	**–**	***151,180***	***384***	***113,706***
Transactions with owners													
Dividends paid		–	–	–	–	–	–	–	–	–	(32,618)	–	(32,618)
Contribution from the parent		–	–	–	–	3,177	–	–	–	–	–	–	3,177
Distribution of 4 945 400 SO		–	–	–	(7,995)	8,222	–	7,995	–	–	–	–	8,222
Employee share option: value of employee services		–	–	–	7,478	–	–	–	–	–	–	500	7,978
Total distribution by and distribution to the owners of the Company		**–**	**–**	**–**	***2,660***	***8,222***	**–**	***7,995***	**–**	**–**	***(32,618)***	***500***	***(13,241)***
Non-controlling interests recorded as a liabilities		–	–	–	–	–	–	–	–	1,253	319	(319)	1,253
Non-controlling interests in capital increase Elemis		–	–	–	–	–	–	–	–	–	–	–	–
Transactions with non-controlling interests in LimeLife		–	–	–	–	–	–	–	–	–	(84)	84	–
Transactions with non-controlling interests		–	–	–	–	–	–	–	–	–	(1,179)	1,179	–
Deconsolidation of L'Occitane Inc.		–	–	–	–	–	–	–	–	–	–	(1,374)	(1,374)
Transactions with non-controlling interests in South Africa		–	–	–	–	–	–	–	–	(1,590)	–	1,390	(200)
Total transaction with owners		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	***(337)***	***(944)***	***960***	***(321)***
Balance at 31 March 2021 Restated *		**1,476,964,891**	**44,309**	**342,851**	**30,959**	**7,595**	**(54,971)**	**(16,381)**	**279**	**(72,728)**	**910,922**	**78,699**	**1,271,537**

Consolidated Statement of Changes in Shareholders' Equity

In thousands of euros (except "Number of Shares")	*Notes*	Number of shares	Share capital	Additional paid-in capital	Share Based Payments	Other items	Cumul. Currency Transl. Diff.	Treasury shares	Actuarial gain/(loss)	Excess of consideration paid in transaction with non-controlling interests	Profit for the period	Non-controlling interests	TOTAL EQUITY
		Attributable to equity owners of the Company											
					Other reserves								
Balance at 31 March 2021 Restated *		**1,476,964,891**	**44,309**	**342,851**	**30,959**	**7,595**	**(54,971)**	**(16,381)**	**279**	**(72,728)**	**910,922**	**78,699**	**1,271,537**
Comprehensive income													
Profit for the year		–	–	–	–	–	–	–	–	–	242,034	(125)	241,909
Other comprehensive income													
Currency translation differences		–	–	–	–	–	46,024	–	–	–	–	4,490	50,514
Actuarial losses on defined benefit obligation		–	–	–	–	–	–	–	1,834	–	–	–	1,834
Change in FV of assets recorded at fair value through OCI		–	–	–	–	(2,047)	–	–	–	–	–	–	(2,047)
Cash flow hedges fair value (losses), net of tax		–	–	–	–	56	–	–	–	–	–	–	56
Total comprehensive income		**–**	**–**	**–**	**–**	***(1,991)***	***46,024***	**–**	***1,834***	**–**	***242,034***	***4,365***	***292,266***
Transactions with owners													
Dividends paid		–	–	–	–	–	–	–	–	–	(54,141)	–	(54,141)
Contribution from the parent		–	–	–	–	6,798	–	–	–	–	–	–	6,798
Distribution of 7,878,150 stocks options		–	–	–	(14,896)	9,513	–	14,896	–	–	–	–	9,513
Purchase of treasury shares		–	–	–	–	–	–	(13,991)	–	–	–	–	(13,991)
Employee share option: value of employee services		–	–	–	1,384	–	–	–	–	–	–	444	1,828
Total distribution by and distribution to the owners of the Company		**–**	**–**	**–**	***(6,714)***	***9,513***	**–**	***905***	**–**	**–**	***(54,141)***	***444***	***(49,993)***
Acquisition of Sol de Janeiro		–	–	–	–	–	–	–	–	–	–	26,539	26,539
Non-controlling interests recorded as a liabilities		–	–	–	–	–	–	–	–	(78)	(934)	1,012	–
Change in estimates in the valuation of the exercise price of the put options granted to non-controlling interests	(6.3)	–	–	–	–	–	–	–	–	3,064	–	–	3,064
New put options granted to non-controlling interests	(6.3)	–	–	–	–	–	–	–	–	(154,534)	–	–	(154,534)
Acquisition of non-controlling interests of Elemis	(6.1.5)	–	–	–	–	–	–	–	–	(7,701)	–	(68,878)	(76,579)
New non-controlling interests on Symbiose France	(6.1.6)	–	–	–	–	–	–	–	–	853	–	147	1,000
Increase in the percentage on interests in L'Occitane Nordic		–	–	–	–	–	–	–	–	(944)	–	944	–
Reconsolidation of L'Occitane Inc.	(6.2.1)	–	–	–	–	–	–	–	–	–	–	1,310	1,310
Total transaction with owners		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	***(159,340)***	***(934)***	***(38,926)***	***(199,200)***
Balance at 31 March 2022		**1,476,964,891**	**44,309**	**342,851**	**24,245**	**15,117**	**(8,948)**	**(15,476)**	**2,113**	**(232,068)**	**1,097,881**	**44,582**	**1,314,606**

* *See note 2.2 for details regarding the restatement as a result of an error.*

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

Year ended 31 March *In thousands of Euros*	*Notes*	***2022***	***2021*** *restated**
Cash flows from operating activities			
Profit for the year from continuing operations		241,909	153,637
Adjustments to reconcile profit for the year to net cash from operating activities			
Depreciation, amortisation and impairment	(24.3)	177,863	190,701
Tax expenses	(29.1)	53,975	41,899
Share-based payment	(19)	8,626	11,155
Unwinding of discount on lease liabilities	(8.2)	8,857	11,533
Interests (income)/expense	(27)	5,665	6,806
Change in the fair value of derivatives	(17), (28)	(1,308)	1,401
Other losses/(gains) on sale of assets, net	(31.1)	445	1,240
Net movements in provisions	(31.2)	2,620	2,878
Share of (profit)/loss from associates and joint ventures accounted for using the equity method	(11)	13,640	7,535
Other operating (income)/expenses arising from the change in the % of interests in associates and joint ventures	(11)	(20,117)	–
Deconsolidation of L'Occitane Inc.	(6.1)	–	(2,719)
Reconsolidation of L'Occitane Inc.	(6.1)	(12,873)	–
Total of non-cash items		**237,393**	**272,429**
Interests paid	(27)	(3,941)	(4,865)
Income tax paid	(29.1)	(50,523)	(28,006)
Changes in working capital			
Inventories		(20,954)	(10,780)
Trade receivables		(47,451)	(8,403)
Trade payables		(19,120)	35,148
Salaries, wages, related payroll items and other tax liabilities		4,718	25,953
Other assets and liabilities, net		(16,008)	(5,602)
Changes in working capital		**(98,815)**	**36,316**
Net cash inflow/(outflow) from operating activities		**326,023**	**429,511**
Cash flows from investing activities			
Acquisition of subsidiaries and businesses, net of cash acquired	(6.1), (6.2)	(322,356)	173
Investments in associates	(11)	(8,659)	(39,605)
Acquisition of property, plant and equipment	(7)	(31,726)	(22,582)
Acquisition of intangible assets	(10)	(8,796)	(10,353)
Acquisition of financial assets		(17,660)	(4,346)
Proceeds from sale of intangible assets and property, plant and equipment	(31.1)	1,227	2,122
Reconsolidation/(deconsolidation) of L'Occitane Inc.	(6.1)	20,874	(7,743)
Change in deposits and key money paid to lessors		995	2,975
Change in non-current receivables and liabilities		302	936
Net cash inflow/(outflow) from investing activities		**(365,799)**	**(78,423)**

Consolidated Statement of Cash Flows

Year ended 31 March *In thousands of Euros*	*Notes*	***2022***	***2021*** *restated**
Cash flows from financing activities			
Proceeds from non-controlling interests		1,000	1,997
Dividends paid to equity owners of the Company	(19.5)	(54,141)	(32,618)
Proceeds from the sale of treasury shares	(16.2)	9,513	–
Proceeds from distribution of free shares and stock options	(19.2)	(13,991)	8,222
Principal components of lease payments		(108,536)	(121,843)
Proceeds from borrowings	(20.4)	656,315	229,749
Repayments of borrowings	(20.4)	(507,499)	(182,684)
Net cash inflow/(outflow) from financing activities		**(17,339)**	**(97,177)**
Exchange gains/(losses) on cash, cash equivalents and bank overdrafts	(31.4)	(3,202)	963
Net (decrease)/increase in cash, cash equivalents and bank overdrafts		**(60,317)**	**254,874**
Cash, cash equivalents and bank overdrafts at beginning of the year		**421,216**	**166,342**
Cash and cash equivalents		*421,216*	*166,342*
Cash, cash equivalents and bank overdrafts at end of the year		**360,899**	**421,216**
Cash and cash equivalents		*360,899*	*421,216*

* *See note 2.2 for details regarding the restatement as a result of an error.*

The accompanying notes are an integral part of these consolidated financial statements.

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Notes to the Consolidated Financial Statements

1. THE GROUP

1.1. General information

L'Occitane International S.A. (the "Company") and its consolidated subsidiaries (hereinafter referred to as the "Group") design, manufacture and market, under the trademarks "L'Occitane en Provence" and "Melvita", a wide range of cosmetic products, perfumes, soaps and home fragrance products based on natural or organic ingredients.

The Group also designs and markets other ranges of home fragrance products, cosmetic products, perfumes, soaps and natural products under the trademarks "LimeLife", "ELEMIS", "Sol de Janeiro", "Erborian" and "L'Occitane au Brésil".

L'Occitane International S.A. is a 'société anonyme' organised and existing under the laws of Luxembourg and registered in the Luxembourg Trade and Commercial Register, Grand Duchy of Luxembourg under number B-80 359. The Company's address is as follows: 49, Boulevard Prince Henri, L-1724 Luxembourg.

The Group is listed on the Main Board of the Stock Exchange of Hong Kong.

These consolidated financial statements were approved by the Board of Directors for issue on 27 June 2022.

1.2. Main events of the year

Liquidity risk

During the year ended 31 March 2022, the Group continued to reimburse its borrowings:

- In July 2021, the FY2019 Term Loan was reimbursed for an amount of €275 million,
- In June 2021, the FY2021 PGE bank borrowing was reimbursed for an amount of €50.2 million.

The Group's access to liquidity was also preserved and new financings were signed (FY2022 Term loan and the FY2022 Bilateral Cash Pooling Facility). As at March 31, 2022, the total liquidity reserves (cash and cash equivalents net of bank overdrafts and undrawn borrowing facilities) amounted to €629 million.

The Group also prepared a cash projection for the period from April 2022 to March 2023 and showed no liquidity risks.

Other significant events of the year ended 31 March 2022

Sol de Janeiro

On 23 December 2021, the Group acquired 82.86% in Sol de Janeiro, based on a valuation of US$450 million, mainly funded by the Group's cash on hand for an amount of €300 million.

Founded in the US in 2015 as a results-driven premium body care brand with highly efficacious ingredients sustainably sourced from Brazil, Sol de Janeiro is one of the fastest growing premium skincare brands in North America, with cross-category success across body care, fragrance and hair care products. It sells both directly to consumers through its website and through various premium retailers across the globe.

The acquisition is in line with the Group's strategy of building a leading portfolio of premium beauty brands. Sol de Janeiro is a strategic fit for the Group in terms of brand recognition and identity, product quality, management capability, as well as growth, profitability and cash generation prospects. Sol de Janeiro's digital presence and established body care business in the US is complementary to the Group's balanced geographic strategy to build a portfolio of strong brands in all major geographic regions. Meanwhile, Sol de Janeiro is expected to leverage on the Group's international presence to expand into new markets.

The calculation of the provisional goodwill is presented in Note 6.1.1.

1. THE GROUP *(CONTINUED)*

1.2. Main events of the year *(continued)*

Other significant events of the year ended 31 March 2022 (continued)

Acquisition of minority interest of Elemis

On 28 March 2022, the Group repurchased 926 Elemis shares (corresponding to 7.72% of the total issued share capital of LOI Elemis Sarl) for a purchase price of €76.6m from Chasselas Equity S.A. These shares were sold to Chasselas Equity S.A on 6 March 2019. The percentage of interests increased from 90.9% to 98.62% (Note 37).

Chapter 11 proceedings with respect to L'Occitane Inc

During FY2021, in order to drive sustainable growth and profitability, the Group focused on addressing loss areas and increasing the efficiency of the investments. Due to the difficulties faced by the subsidiary of L'Occitane in the United States, the Group announced on 26 January 2021 that it was accelerating the restructuring of its US store portfolio enabling the Group to best position the US business for the future. These actions led to the filing of Chapter 11 proceedings in order to accelerate and facilitate the negotiations with the lessors. In the consolidated statements of income FY21, the net gain from the deconsolidation of L'Occitane Inc. was recorded in the line "Reconsolidation/deconsolidation of L'Occitane Inc." within "Other operating income (Note 25)." as follows:

In thousands of euros

Derecognition of the assets and liabilities of L'Occitane Inc. at their carrying amounts	2,727
Recognition of the investment retained in L'Occitane Inc. at its fair value	–
Reclassification to statement of income of the amounts previously recognised in other comprehensive income (currency translation differences)	3,029
Net gain from the deconsolidation of L'Occitane Inc.	**5,756**

Since 31 August 2021, the Chapter 11 proceedings is ended and the Group gained back exclusive control of L'Occitane Inc. and the entity was re-consolidated (Note 6.1).

The impact of the reconsolidation of L'Occitane Inc. as at 31 August 2021 resulted in a net gain of €12.8m, which corresponds to the difference between the fair value of L'Occitane Inc. (Note 6.1) and the carrying amount of the investment in this associate (Note 11).

From 1 April 2021 to 31 March 2022, the contribution of L'Occitane Inc. is €89.8m for net sales and a loss of €2.5m for the net result.

Investment in Livelihoods Carbon fund

During FY2022, the Group committed to invest in Livelihoods Carbon fund Sicav for a total amount of €5,000,000. Livelihoods was founded in 2008 under the leadership of Danone to restore degraded ecosystems, redevelop local economies and combat climate change. In return, it is expected to receive carbon offsets under the form of dividend in-kind until 2030.The commitment is disclosed in the commitments (Note 33). This investment is in line with the ESG (Environmental, Social and Governance) strategy of the group to reach neutrality for the entire group in 2030.

Notes to the Consolidated Financial Statements

1. THE GROUP *(CONTINUED)*

1.2. Main events of the year *(continued)*

Other significant events of the year ended 31 March 2022 (continued)

Crisis in Russia and Ukraine

On 19 May 2022 L'Occitane decided to exit from its subsidiary L'Occitane Russia. This subsidiary accounted for 3.5% of the consolidated net sales as of 31 March 2022 and 2.1% of the total assets of the Group as at 31 March 2022. On 3 June 2022 a share purchase agreement was signed between the Group and the four key directors of the subsidiary. Each of the four key directors will hold between 23% and 31% of the total shares formerly held by the Group.

The payment of the shares will be made through four installments between June 2025 and June 2028. The payment of the shares is secured by a pledge agreement signed on 3 June 2022.

There is a call option exercisable for the Group on 1 April 2025, 2026, 2027, 2028 and 2029. The exercise price is based on the fair value.

Based on these agreements, the Group will lose the exclusive control of the Russian entity and will not have any significant influence.

As of 31 March 2022, the test related to the valuation of the assets linked to the Russian subsidiary is consequently performed with regards to the present value of the receivable linked to the sale. This value depends on the capacity of the new entity to generate cash flows. Based on management's judgement, there are no indicators leading to the conclusion that the Group will not be in a position to recover this receivable. On that basis, Management concluded that there is no impairment to be recorded in the accounts on the assets of L'Occitane Russia that amount to €33 million as of 31 March 2022. A reasonable change in the main assumptions used by Management will not trigger any material impairment of the assets tested.

At the date of the loss of exclusive control on 3 June 2022, the present value of the receivable of shares (corresponding to the deferred payments to be received from the acquirer of the shares) will approximately amount to €48 million. The present value of the receivable will be calculated with a discount rate of 12.5% that takes into account the risk of the new entity to generate sufficient cash flows in the future.

This amount approximately corresponds to the net assets of L'Occitane Russia at that date (including the currency translation differences previously recorded in other comprehensive income in respect of L'Occitane Russia and the impact of elimination of the intercompany margin). Therefore no significant capital gain or loss is expected.

1. THE GROUP *(CONTINUED)*

1.3. Consideration of climate risks

The Group's current exposure to the consequences of change climate is limited. Therefore, at this stage, the impacts of the climate change on the consolidated financial statements are not significant.

The Group took the commitment to contribute to the world carbon neutrality by becoming a Carbon Net zero company by 2030. The first milestone will be to achieve Net Zero emissions on our two French production sites by 2025. The brands are also working on their own neutrality targets. At the meantime, the Group signed its first Sustainability-Linked Loan for €600 million revolving credit with a maturity on 31 March 2026 for which the terms of this financing are indexed on sustainability indicators:

- Preserving and regenerating natural
- Cultivated biodiversity
- Mitigate the climate crisis and supporting the communities in which the Group is involved.

The operating result may be impacted by prices of raw materials, the costs of production, transmission and distribution, and related costs at the end of the product's life.

The long-term effects of these changes are not quantifiable at this stage and the management considers that there are no short term effects.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. Basis of preparation and changes in accounting principles

The consolidated financial statements of the Group and the individual Company balance sheet have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and as adopted by the European Union. They are similar, for operations conducted by the Group. IFRS are available on the European Commission's website.

The consolidated financial statements have been prepared under the historical cost basis, as modified by the revaluation of certain financial assets and financial liabilities (including derivative financial instruments) at fair value.

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from these estimates. Areas involving a higher degree of judgment or complexity are disclosed in Note 4 of the consolidated financial statements.

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.1. Basis of preparation and changes in accounting principles *(continued)*

(a) New and amended standards

The Group has applied the following new and amended standards that are effective for the first time for the Group for the financial period beginning 1 April 2021:

Amendment to IFRS 16 — Leases — COVID-19-Related Rent Concessions

The Group has chosen to early adopt the amendment to IFRS 16 — Leases, which was initially adopted by the IASB (International Accounting Standards Board) on 28 May 2020 and by the European Union on 12 October 2020. The amendment was extended by one year and permits a lessee to apply the practical expedient regarding COVID-19-related rent concessions to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022 (rather than only payments originally due on or before 30 June 2021).

This amendment aims to simplify certain provisions of IFRS 16, enabling lessees to recognise concessions granted due to the health crisis on rent initially due up to the end of 2021 as negative variable lease payments (i.e., directly in the income statement), without having to assess whether the concessions were granted pursuant to contractual or legal clauses governing the performance of the lease in question. The impact on the consolidated financial statements is described in Note 24.

Other new and amended standards

Several other amendments became effective for annual reporting periods beginning on or after 1 January 2021, but do not have a material impact on the consolidated financial statements:

- Interest Rate Benchmark Reform — amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. The amendments address issues arising during the reform of benchmark interest rates including the replacement of one benchmark rate with an alternative one,
- Employee benefits — amendment to IAS 19. The amendment address the allocation of personal benefits to periods of service providing details of allocation to be taken into account for the determination of the service delivery charge. The impacts are no material for the Group.

(b) Impact of standards issued but not yet applied by the Group

There are no other standards that are not yet effective and that would be expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

(c) Change in the presentation of the consolidated statement of income

In the previous consolidated financial statements, the Group presented on separate lines of the consolidated statement of income certain elements such as the impact of the deconsolidation and reconsolidation of L'Occitane Inc., restructuring charges, and other gains losses presented for a net amount. This latter line "Other gains losses" included the following which was not significant: profit/(loss) on sale of assets, government grants, negative goodwill and other items.

The Group has decided to change the presentation of its income statement to simplify the reading of the presentation of the consolidated statement of income and helps investors and other users of financial statements to better understand the financial performance. Therefore, certain non-core operating income and expenses were grouped on two separate lines of the consolidated statement of income.

Notes 2.28 and 25 indicate the nature of items included in other operating income and other operating expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.2. Correction of error in the accounting of an associate

In 2015, the Group invested in Good Glamm Group, a non-listed company, which operates in the distribution of cosmetic products mainly in India. The initial investment amounted to €1,880,000 with a percentage of interest of 11.06% as at 31 March 2016.

Since 2015, the total amount of subscriptions of the capital increases of Good Glamm Group amounted to €17.9m. The percentage of interest increased from 11.06% as at 31 March 2016 to 33.84% as at 31 March 2020 and then decreased to 23.34% as at 31 March 2021 and then to 15.53% as at 31 March 2022.

Since the financial year ended 31 March 2016, this investment was accounted for in the consolidated balance sheet at fair value through other comprehensive income (as per IFRS 9) and no fair value adjustments had been recorded considering that it was not material based on the value of the shares subscribed by other investors together with the uncertainties of the business mode of this recently created company.

When preparing the consolidated financial statements, management has reassessed the accounting treatment of its investment considering the representation of the Group on the board of directors of Good Glamm Group. Due to the capacity of L'Occitane to appoint one director to the board of directors of Good Glamm Group, it has been considered that L'Occitane had the power to participate in the financial and operating policy decisions of Good Glamm Group. In accordance with IAS 28.6, the Group concluded that it has a significant influence on Good Glamm Group.

The consequence of this error is a reclassification of the investment in the consolidated balance sheet from 'Other non-current assets' to 'Investments accounted using the equity method'. Related share of profit from the associate attributable to the Group has been accounted for in the consolidated statement of income in 'Share of profit/(loss) from associates and joint ventures accounted for using equity method'.

According to IAS 8, this correction was applied retrospectively, and the Group corrected this error by restating each of the affected consolidated financial statements line items for the prior periods (including a presentation of the impact on the consolidated balance sheet at the beginning of the preceding comparative period which was 1 April 2020).

The error has been corrected by restating each of the affected financial statement line items for the prior periods as follows:

Consolidated Balance sheet (extract)

In thousands of Euros	**Financial year ended 31 March 2021**			**Financial year ended 1 April 2020**		
	31 March 2021 (Published)	**Increase/ (decrease)**	**31 March 2021 (Restated)**	**1 April 2020 (Published)**	**Increase/ (decrease)**	**1 April 2020 (Restated)**
Investments accounted for using the equity method	53,636	8,539	62,175	0,000	10,535	10,535
Other non-current assets	66,696	(15,880)	50,816	65,331	(14,480)	50,851
Retained earnings	**920,661**	**(7,341)**	**913,320**	**798,238**	**(3,945)**	**794,293**

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.2. Correction of error in the accounting of an associate *(continued)*

Consolidated statement of income (extract)

In thousands of Euros	Financial year ended 31 March 2021			Financial year ended 31 March 2020		
	31 March 2021 (Published)	Profit increase/ (decrease)	31 March 2021 (Restated)	31 March 2020 (Published)	Profit increase/ (decrease)	31 March 2020 (Restated)
Share of profit/(loss) from associates and joint ventures accounted for using the equity method	(4,136)	(3,399)	(7,535)	–	(2,740)	(2,740)
Operating profit	220,325	(3,399)	216,836	187,263	(2,740)	184,523
Profit for the year	**157,036**	**(3,399)**	**153,637**	**115,240**	**(2,740)**	**112,500**

There is no material impact on the Other Comprehensive Income.

2.3. Principles of consolidation

The accounts of all companies included within the scope of consolidation are closed on 31 March.

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liability incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement at the acquisition date. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date through statement of income.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in the statement of income.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.3. Principles of consolidation *(continued)*

(b) Separate financial statements

For the individual Company balance sheet as presented in Note 35, investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend and receivable.

Impairment tests are performed each year based on the value in use of each investment. The value in use is estimated using the projected cash flow based on the budget as approved by management at L'Occitane International S.A. level discounted with the WACC as at 31 March 2022. This value in use is compared to the net book value of the shares. If the value in use is lower than the net book value, a depreciation is recorded for the difference.

(c) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Put options arrangements

The Group has written put options over the equity of some of its subsidiaries which permit the holders to put their shares in the subsidiary back to the Group at their fair value on specified dates.

Puts on non-controlling interests are accounted for as follows:

- The present value of the cash payments related to the potential exercise of put options issued by the Group over non-controlling interests are accounted for as "other financial liabilities";
- The initial amount is recognised at the present value of the redemption amount within "Other financial liabilities" with a corresponding debit directly to "Equity — Excess of consideration in transactions with non-controlling interests". The change in estimates in the estimated value of the financial liability is also recorded with a corresponding adjustment to "Equity — Excess of consideration in transactions with non-controlling interests";
- In the event that the option expires unexercised, the liability is derecognised with a corresponding credit to "Equity — Excess of consideration in transactions with non-controlling interests".

When the put option is written as part of a business combination and when the control over the subsidiary is acquired, no non-controlling interests are recognised in respect of the shares subject to the put option.

Such options are subsequently measured at amortised cost, using the effective interest rate method, in order to accrete the liability up to the amount payable under the option at the date at which it first become exercisable. The charge arising is recorded as a financing cost.

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.3. Principles of consolidation *(continued)*

(d) Associates and Joint arrangements

Associates

Associates are all entities over which the Group has significant influence but not control or joint control.

This is generally the case where the Group holds between 20% and 50% of the voting rights.

Joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. Joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has joint ventures and no joint operations.

Interests in associate or joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Equity method

Under the equity method of accounting, investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income.

Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. The elimination of upstream and downstream transactions between the Group and the associates/joint ventures is as follows:

- Downstream and upstream transactions (sales from the Group to associates and joint ventures): the elimination of unrealised gains is recorded as a decrease in the investment in the joint venture and a decrease to "Share of profit/loss from associates and joint ventures accounted for using the equity method";
- Upstream transactions (sales from the associates and joint ventures to the Group): the elimination of unrealised gains is recorded as a decrease in the investment in the joint venture and a decrease to "Share of profit/loss from associates and joint ventures accounted for using the equity method".

Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs of disposal and value in use.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.3. Principles of consolidation *(continued)*

(e) Change in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Group.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss, for those which are recyclable only.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.4. Foreign currency translation

(a) Functional and presentation currency

Items included in the consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in euros.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation of items are remeasured. The exchange rates prevailing at these dates are approximated by a single rate per currency for each day (unless these rates are not reasonable approximations of the cumulative effect of the rates prevailing on the transaction dates). Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income under the line "Foreign currency gains/(losses)", except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in the statement of income as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.4. Foreign currency translation *(continued)*

(c) Group companies

None of the Group's entities has the functional currency of a hyperinflationary economy.

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

ii. Income and expenses for each statement of income are translated at an estimated monthly average exchange rate (unless this rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

iii. All resulting exchange differences are recognised in other comprehensive income.

On consolidation, foreign exchange differences arising from the translation of the net investment in foreign operations including monetary items forming part of the reporting entity's net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are included in "Cumulative currency translation differences" within shareholders' equity. When a foreign operation is sold, exchange differences recorded in equity are recognised in the statement of income as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the closing rate.

2.5. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-maker, who is responsible for allocating resources and assessing the performance of the operating segments, has been identified as the Chairman, Chief Executive Officer (CEO) and the Managing Director, who make strategic decisions.

Due to the recent business combinations with ELEMIS and LimeLife, the Group has modified the structure of its internal organisation. The Chairman, CEO and the Managing Director primarily review the Group's internal reporting in order to assess performance and allocate resources from a brand perspective. Five operating segments were identified:

- **L'Occitane en Provence** — the sale of fragrances, skincare, haircare and body and bath ranges from the L'Occitane en Provence brand.
- **ELEMIS** — the sale of skincare products by ELEMIS, a brand for distribution and innovation in the beauty and skincare sectors. Sales are mainly driven by the Sell-in channel through wholesale, e-commerce, department stores, QVC, professional spas and maritime sales.
- **LimeLife** — the sale of makeup products by LimeLife, a US-based natural skincare and personalised make-up brand. Sales are driven by the Sell-out channel through beauty guides and online presence.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.5. Segment reporting *(continued)*

- **Sol de Janeiro** — the sale of fragrances, skincare, haircare and bodycare from Sol de Janeiro brand. Sales are mainly driven by consumers through its website (sell-out) and through various premium retailers, market places and department stores (sell-in).
- **Other brands** — the sale of Erborian, L'Occitane au Brésil and Melvita skincare, makeup, floral water, beauty oils and other products. These brands mostly have the same economic characteristics, primarily in terms of type of product, customer, distribution channel (Sell-in and Sell-out), and financial performance, and they do not individually and cumulatively exceed the quantitative criteria defined in IFRS 8.

Management uses a measure of revenue and operating profit/(loss) to assess the performance of the operating segments (Note 5). Other information, including assets and liabilities per segment, are not regularly provided to the chief operating decision-maker.

2.6. Intangible assets

(a) Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units (CGUs) or Groups of CGUs, that are expected to benefit from the synergies of the combination. Each CGU or Group of CGUs to which goodwill is allocated represents the lowest level within the entity at which goodwill is monitored for internal management purposes. Goodwill is monitored at the brands level.

For the L'Occitane en Provence trademark, the goodwill relates to past acquisitions of exclusive distributors and is monitored by country.

(b) Contractual customer relationships and backlog

These assets were acquired as part of business combinations. They are recognised at fair value at the date of the acquisition. The fair value at the acquisition date is determined through the excess profit method (the value of the customer relationship or backlog is calculated based on the present value of cash flows derived from the asset after deduction of the portions of the cash flows that can be attributed to supporting and contributory assets such as trademark and net working capital). Contractual customer relationships and backlog are amortised on a straight-line basis over the average period of the expected relationship with the customer which usually ranges between 3 years and 10 years (backlog from ELEMIS).

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.6. Intangible assets *(continued)*

(c) Trademarks

Separately acquired trademarks are accounted for at historical cost. Trademarks acquired in business combinations are recognised at fair value at the acquisition date. The fair value at the acquisition date is determined through the royalty method (the value of the trademark is calculated based on the present value of the royalty stream that the business is saving by owing this asset). The acquired trademarks recognised as intangible assets relate to Melvita, Erborian, ELEMIS and Sol de Janeiro. The valuation of these assets takes into account various factors, including brand awareness and royalty rate. The Group intends to continuously renew trademarks and sell products under the acquired trademarks. There is no foreseeable limit to the period over which the trademarks are expected to generate net cash inflows for the Group. Therefore, trademarks are considered to have an indefinite useful life and are not amortised but are tested annually for impairment. An annual review is performed to determine whether events and circumstances continue to support their useful life assessment. There is no change in the commercial and marketing strategy that modify the indefinite useful commercial life.

Trademarks are allocated to CGUs for the purpose of impairment testing, corresponding to brands (see Note 2.5). The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the trademark.

(d) Computer software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on a straight-line basis over their estimated useful lives (not exceeding 5 years).

Costs directly associated with the production and testing of identifiable and unique software products controlled by the Group and that will probably generate economic benefits exceeding costs beyond one year are recognised as intangible assets. Directly attributable costs include employee costs for software development and an appropriate portion of relevant overheads. These costs are amortised on a straight-line basis over their estimated useful lives. The Group's main enterprise resource planning (ERP) tool, SAP, is amortised over 10 years.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

(e) Commercial websites

Development costs directly attributable to the design and testing of commercial websites are recognised as intangible fixed assets and are amortised over their estimated useful lives, which does not exceed 3 years.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.6. Intangible assets *(continued)*

(f) Research and development costs

Research costs are expensed when incurred.

Development costs relating to project development are recognised as an intangible asset when the following criteria are met:

- It is technically feasible to complete the project so that it will be available for use or sale;
- Management intends to complete the project and use or sell it;
- There is an ability to use or sell the project;
- It can be demonstrated how the project will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the project are available;
- The expenditure attributable to the project during its development can be reliably measured.

In view of the large number of development projects and uncertainties concerning the decision to launch products relating to these projects, the Group considers that some of these capitalisation criteria are not met and the development costs are expensed when incurred.

2.7. Property, plant and equipment

All property, plant and equipment (PP&E) are stated at historical cost less depreciation and impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to the statement of income during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other tangible assets is calculated on a straight-line basis to allocate their cost to their residual values over their estimated useful lives, as follows:

PP&E	**Estimated useful lives**
Buildings	20 years
Equipment and machinery	Between 5 and 10 years
Information system equipment and cash registers	3 years
Leasehold improvements	Between 5 and 10 years
Leasehold improvements related to stores	5 years
Furniture and office equipment	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.8. Leases

The Group leases various offices, retail stores, equipment, and vehicles. Leases are typically made of terms of 2 to 15 years (except for the flagship on the Champs-Elysées with an initial term of 24 years) but may have extension options as described below. Leases are negotiated on an individual basis and contain a wide range of different terms and conditions.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the Group under residual value guarantees;
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option, and;
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs, and
- Restoration costs.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets comprise IT equipment and small items of office furniture.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.8. Leases *(continued)*

Variable lease payments

Some property leases contain variable payment terms that are linked to sales generated from a store. For individual stores, up to 100 per cent of lease payments are on the basis of variable payment terms and there is a wide range of sales percentage applied. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base for newly established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Extension and termination options

The lease term corresponds to the non-cancellable period for which a lessee has the right to use an underlying asset, together with both:

- Periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and
- Periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

Estimation of lease terms: extension and termination options

The lease term corresponds to the non-cancellable period for which a lessee has the right to use an underlying asset, together with both:

- Periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and
- Periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

Extension and termination options are included in a number of property and equipment leases across the Group. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The Group divides the underlying assets into two categories:

- Other stores: the lease term corresponds to the initial term of the lease on the signature date, namely without taking into account any extension options, as the Group views the ability to take advantage of opportunities to relocate its stores throughout the term of the lease to be a key part of its store network management policy. Consequently, options to extend or even terminate leases are only accounted for if the Group has exercised the extension period. In the specific case of called “3-6-9”-type commercial leases in France granting the lessee an option to terminate the lease after 3 or 6 years, the Group does not consider the extension option for the same reasons;
- Other properties (offices, logistics platforms, plants): the lease term corresponds to the initial term of the lease.

Certain leases include automatic renewal clauses or have indefinite terms. The Group is unable to reliably estimate the lease term for these leases beyond their strictly contractual period. Accordingly, they are accounted for as leases with no extension option. The assessment is reviewed if a significant event or a significant change in circumstances occurs that affects this assessment and that is within the control of the lessee.

As explained in Note 2.1.a) above, the Group has chosen to early adopt the amendment to IFRS 16 — Leases, which was adopted by the IASB (International Accounting Standards Board) on 28 May 2020 and by the European Union on 12 October 2020. The impact on the consolidated financial statements is described in Note 24.

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.9. Impairment of non-financial assets

(a) Goodwill and trademarks

Goodwill and trademarks are allocated to Group of CGUs by operating segment.

CGUs to which goodwill and trademarks have been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than the carrying amount of the unit, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

(b) Other intangible assets (other than goodwill and trademarks), property, plant and equipment and right-of-use assets

Intangible assets that are subject to amortisation, property, plant and equipment and right-of-use assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. In assessing the fair value, an external valuation is obtained or management's best estimate is used to the extent the assumptions used by management reflect market expectations.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash-generating units: CGUs):

- For testing the carrying amount of the stores (mainly: right-of-use assets, architect/decorator costs, leasehold improvements, furniture), the cash-generating unit is the store;
- For corporate assets (assets other than those related to the stores and the flagship store on the Champs Elysées) where a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to an individual CGU, or otherwise to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified (country or global brand in the case of the headquarter and the flagship store on the Champs Elysées).

Intangible assets (other than goodwill and trademarks), property, plant and equipment and right-of-use assets that have been subject to impairment in the previous year are reviewed for a possible reversal of the impairment at each reporting date (Notes 7, 8 and 10). Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years.

2.10. Deposits

Deposits are recorded at their historical value. Impairment is recorded if the net present value is higher than the estimated recoverable amount. The impact of not discounting is not material.

2.11. Assets held for sale and assets directly associated with discontinued operations

Non-current assets or disposal groups are classified as assets held for sale or directly associated with discontinued operations and stated at the lower of the carrying amount and fair value less costs to sell if their carrying amount is to be recovered principally through a sale transaction rather than through a continuing use and a sale is considered highly probable.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.12. Inventories

Inventories are carried at the lower of cost or net realisable value (net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses); with cost being determined principally on the weighted average cost basis. The cost of inventories includes the cost of raw materials, direct labour, depreciation of machinery and production overheads (based on normal operating capacity). It excludes borrowing costs.

Inventories also include (a) the distribution and marketing of promotional goods that are intended to be sold to third parties and (b) miniature products, pouches and boxes that are essentially bundled and sold together with regular products.

The Group regularly reviews inventory quantities on hand for excess stock, discontinued products, obsolescence and declines in net realisable value below cost and records an allowance within "cost of sales" against the inventory balance for such declines.

2.13. Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are initially recognised at fair value and are subsequently measured at amortised cost using the effective interest method, less provision for impairment. The amount of the loss on a trade receivable is recognised in the income statement within "Distribution expenses".

2.14. Financial assets

Under IFRS 9, the Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through OCI ("FVOCI") — debt instrument;
- Fair value through OCI ("FVOCI") — equity instrument; or
- Fair value through profit or loss ("FVTPL").

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.14. Financial assets *(continued)*

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and the contractual terms of cash-flows. Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

Type of financial assets	Nature of classification	Measurement
At amortised cost		
Trade receivables	Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration (plus transactions costs that are directly attributable to the acquisition of the financial asset) that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.	These assets are subsequently measured at amortised cost using the effective cost interest method. Impairment losses are deducted. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Other financial assets at amortised cost	The Group classifies its financial assets as at amortised cost only if both of the following criteria are met: • The asset is held within a business model whose objective is to collect the contractual cash flows, and • The contractual terms give rise to cash flows that are solely payments of principal and interest.	These assets are subsequently measured at amortised cost using the effective cost interest method. Impairment losses are deducted. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gains or losses on derecognition are recognised in profit or loss (Note 25).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.14. Financial assets *(continued)*

Type of financial assets	Nature of classification	Measurement
At fair value through OCI or profit or loss		
Financial assets at fair value through other comprehensive income — Debt instruments	Debt securities for which the contractual cash flows are solely payment of principal and interest and the objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets.	At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI (movements in the carrying amount). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss (Note 25).
Financial assets at fair value through other comprehensive income — Equity instruments	On initial recognition of an equity instrument, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.	At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. The Group subsequently measures all equity instruments at fair value. Changes in the fair value of financial assets at fair value OCI. Dividends from such investments continue to be recognised in the income statement as other income when the Group's right to receive payments is established. Where the Group's management have elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment (Note 25).

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.14. Financial assets *(continued)*

Type of financial assets	Nature of classification	Measurement
Financial assets at fair value through profit or loss	All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.	At initial recognition, the Group measures a financial asset at its fair value. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss (Note 25).

Impairment of financial assets

Trade receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses that uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and the number of days past due.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 March 2022 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 120 days past due. Impairment losses on trade receivables are presented as net impairment losses within operating profit in the line "General and administrative expenses". Subsequent recoveries of amounts previously written off are credited against the same line item.

Debt investments

All of the entity's debt investments at amortised cost and FVOCI are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.15. Derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- Hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge);
- Hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge); or
- Hedges of a net investment in a foreign operation (net investment hedge).

At inception of the transaction, the Group documents the economic relationship between the hedging instruments and the hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an on-going basis, of whether the derivatives used in hedging transactions are highly effective in offsetting changes in the fair values or cash flows of hedged items.

The fair value of the various derivative instruments used for hedging purposes is disclosed in Note 17. Movements on the hedging reserve in other comprehensive income are shown in the consolidated statement of changes in shareholders' equity.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

(a) Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of income, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(b) Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gains or losses relating to the ineffective portion are recognised immediately in the statement of income within "finance income" or "finance costs" for interest derivatives and within "foreign currency gains/(losses)" for currency derivatives.

When forward contracts are used to hedge forecast transactions, the Group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in the cash flow hedge reserve within equity. The change in the forward component of the contract that relates to the hedged item is recognised within OCI in the costs of hedging reserve within equity. In some cases, the Group may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains or losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedge reserve within equity.

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.15. Derivative financial instruments and hedging activities *(continued)*

(b) Cash flow hedges

Amounts accumulated in equity are reclassified to the statement of income in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in the statement of income within "finance income" or "finance costs".

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of income. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the statement of income within "finance income" or "finance costs" for interest derivatives and within "foreign currency gains/(losses)" for currency derivatives.

(c) Net investment hedge

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges.

Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the statement of income within "foreign currency gains/(losses)".

Gains and losses accumulated in equity are included in the statement of income when the foreign operation is partially divested or sold.

The Group does not use net investment hedges.

(d) Derivatives at fair value through profit and loss

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of these derivative instruments are recognised immediately in the statement of income within "finance income", "finance costs" or "foreign currency gains/(losses)".

2.16. Cash and cash equivalents

Cash and cash equivalents include cash in hand, short-term deposits and other short-term highly liquid investments with original maturities of three months or less.

Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

2.17. Share capital

Ordinary shares are classified as equity. There are no preference shares.

Incremental costs directly attributable to the issuance of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group's entity purchases the Group's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Group's equity owners. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Group's equity owners.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.18. Dividend distribution

Dividend distribution to the Group's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Group's shareholders.

2.19. Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year of less. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.20. Provisions

Within the normal framework of their activities, the Group and its subsidiaries are subject to various forms of litigation and legal proceedings. The Group sets aside a provision based on its past experience and on facts and circumstances known at the balance sheet date. Provisions for customer and warranty claims, dismantling and restoring obligations, restructuring costs and legal claims are recognised when:

- The Group has a present legal or constructive obligation as a result of past events;
- It is probable that an outflow of resources will be required to settle the obligation;
- And the amount has been reliably estimated.

If any, restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Provision for costs of dismantling and restoring

When the lease agreement includes an obligation to restore the leased property into original condition at the end of the lease term or to compensate for dilapidation, a provision for the estimated discounted costs of dismantling and restoring or settlement is recorded over the length of the lease.

Depending upon the nature of the obligation in the lease agreement, it may be considered that the alterations occurred when entering the lease. In this case the liability is immediately recorded at the inception of the lease and the same amount is included in right-of-use assets. This item is then depreciated over the lease term.

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.21. Employee benefits

(a) Pension obligations

The Group operates various pension schemes under both defined-benefit and defined-contribution plans:

- A defined-benefit plan is a pension plan that defines an amount of pension benefits that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation;
- A defined-contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. In a defined-contribution plan, the Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Defined-benefit plans

The only significant regime with defined benefits concerns the retirement indemnities in France. The employees receive a lump sum varying according to their seniority and other components of the collective agreement governing their employment.

The liability recognised in the balance sheet in respect of defined-benefit pension plans is the present value of the defined-benefit obligation at the balance sheet date. The defined-benefit obligation is calculated annually using the projected unit credit method. The present value of the defined-benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Actuarial gains and losses resulting from experience adjustments and changes in the actuarial assumptions that are used to calculate the obligations (excluding the estimated return on plan assets) are fully recognised within "Other comprehensive income" in the period in which they arise (see Note 2.1).

Past-service costs are recognised immediately in the statement of income.

Defined-contribution plans

For defined-contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised in employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Other post-employment obligations

The Group does not provide any other post-employment obligations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.21. Employee benefits *(continued)*

(c) Share-based payment

L'Occitane Groupe S.A., the parent of the Company, operates a number of share-based payment plans granted to employees of the Group and its subsidiaries.

The Group has also authorised free share and share option plans over its own equity instruments, whose characteristics are described in Note 19.3.

Equity settled share-based payment

The fair value of the employee services received in exchange for equity instruments granted is recognised as an expense over the vesting period.

The total amount of the expense is determined by reference to the fair value of the equity instruments granted:

- Including any market performance conditions (for example, an entity's share price);
- Excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- Including the impact of any non-vesting conditions (for example, the requirement for employees to save or hold shares for a specific period of time).

Non-market vesting conditions are included in assumptions about the number of equity instruments that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the Group revises its estimates of the number of equity instruments that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the statement of income, with a corresponding adjustment to equity in other reserves.

The market conditions are taken into account in the valuation of the option at the grant date and are not updated for the subsequent closings. The number of shares expected to vest is estimated based on the non-market vesting conditions.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the equity instruments are exercised.

The grant by the parent company of share-based payments over its equity instruments to the employees of the Company or subsidiaries in the Group is treated as a capital contribution from the parent company. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as a share-based payment expense, with a corresponding effect in equity attributable to the equity owners of the Company as a "contribution from the parent".

(d) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: a) when the Group can no longer withdraw the offer of those benefits; and b) when the entity recognises costs for a restructuring within the scope of IAS 37 and involves the payment of termination benefits.

In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.21. Employee benefits *(continued)*

(e) Profit-sharing and bonus plans

The Group recognises a provision where legally, or contractually obliged or where there is a past practice that has created a constructive obligation.

(f) Employee leave entitlements

Employee entitlements to annual leave are recognised when they are accrued. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

2.22. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of income over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. If there is no evidence that some or all of the facility will likely be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.23. Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's business. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating intraGroup transactions.

Revenue for sales invoiced when the transfer of control has not occurred is deferred in the balance sheet under the "deferred revenue" line, in "other current liabilities".

Revenue is recognised as follows:

(a) Sales of goods — retail (Sell-out channel)

The Group operates a chain of retail stores. Revenue from the sale of goods is recognised when the Group sells a product to the customer at the store.

Payment of the transaction price is due immediately when the customer purchases the products.

It is not the Group's policy to sell its products to end retail customers with a right of return. However, in some countries, the entity may retain an insignificant risk of ownership through a retail sale when a refund is offered or when return goods are accepted if the customer is not satisfied. Revenue in such cases is recognised at the time of the sale provided the entity can reliably estimate future returns and the Group recognises a liability in "Other current liabilities" for returns against revenue based on previous accumulated experience and other relevant factors.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.23. Revenue recognition *(continued)*

(b) Sales of goods — wholesale and distributors (Sell-in channel)

Sales are recognised when control of the products has transferred, i.e., when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

The products are sometimes sold with conditional discounts. Sales are recorded based on the price specified in the sales contracts/invoices, net of the estimated conditional discounts.

No element of financing is deemed present as the sales are made with a credit term of maximum 90 days.

When the customer has a right to return the product within a given period, the Group is obliged to refund the purchase price. A refund liability for the expected refunds to customers is recognised as adjustment to "net sales" in "Other current liabilities".

(c) Sale of gift cards

In some regions, in the ordinary course of the Group's business, the Group sells gift cards. The revenue is recognised when the customer redeems the gift cards for buying goods (the product is delivered to the customer).

As long as customers do not redeem the cards, the revenue for sales is deferred in the balance sheet.

Gift cards exceeding the validity period are recognised in the statement of income.

(d) Loyalty programme

The Group accounts for award credits as a separately identifiable component of the sales transaction(s) in which they are granted. The fair value of the consideration received or receivable in respect of the initial sale is allocated between the components, i.e., the goods sold (revenue) and the award credits granted (deferred revenue). The allocation is made by reference to the relative standalone values of the components, i.e., the amounts for which each component could be sold separately.

The fair value of the award credits is estimated by reference to the discount that the customer would obtain when redeeming the award credits for goods. The nominal value of this discount is reduced to take into account:

- Any discount that would be offered to customers who have not earned award credits from an initial sale;
- The proportion of award credits that are expected to be forfeited by customers.

The Group recognises revenue in respect of the award credits in the periods, and reflecting the pattern, in which award credits are redeemed. The amount of revenue recognised is based on the number of award credits that have been redeemed relative to the total number expected to be redeemed.

The part of the consideration allocated to goods sold is recorded in Gross sales of products in the income statement and the deferred revenue is recorded in "Other current liabilities" in the balance sheet.

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.23. Revenue recognition *(continued)*

(e) Consideration paid to distributors

In some cases, the Group can enter into arrangements with distributors where payments are made to compensate for certain promotional actions.

As such payments cannot usually be separated from the supply relationship, the Group recognises the consideration paid as a deduction of revenue.

2.24. Distribution expenses

The line "Distribution expenses" in the statement of income includes expenses relating to stores, mainly: employee benefits, rent and occupancy, depreciation and amortisation, freight on sales, promotional goods, credit card fees, maintenance and repair, telephone and postage, travel and entertainment, doubtful receivables, start-up costs and closing costs.

Distribution promotional goods include testers and bags and are expensed when the Group has access to those items.

Distribution expenses also include the amortisation of the ELEMIS backlog over 10 years.

2.25. Marketing expenses

The line "Marketing expenses" in the statement of income includes mainly the following expenses: employee benefits, advertising expenses and promotional goods.

Marketing promotional goods include press kits, gifts with purchases, samples, commercial brochures and decoration items used to prepare the windows and are expensed when the Group has access to those items.

2.26. Research and development expenses

The line "Research and development expenses" in the statement of income mainly corresponds to employee benefits and professional fees.

2.27. Start-up and pre-opening costs of stores

Start-up costs and pre-opening costs of the stores are expensed when incurred under "Distribution expenses" in the statement of income. These costs mainly include broker and/or lawyer fees, rent paid before the opening date, travel expenses relating to the opening team.

2.28. Other operating income and other operating expenses

(a) Other operating income

The other operating income notably include the following:

- The impact of the deconsolidation/reconsolidation of subsidiaries;
- The capital gain arising from the change in the percentage of interests in associates and joint ventures;
- The net profit on sale of assets;
- The excess of the fair value of acquired net assets over the cost of an acquisition (negative goodwill).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.28. Other operating income and other operating expenses *(continued)*

(b) Other operating expenses

The other operating expenses notably include the following:

- The dilution loss arising from the change in the percentage of interests in associates and joint ventures;
- The restructuring expenses;
- The net loss on sale of assets.

(c) Government grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the income statement over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are first deferred in non-current liabilities and then classified as a reduction of the fixed asset when it is put in service. Grants are then credited to the income statement on a straight-line basis over the expected lives of the related assets.

2.29. Foreign currency gains/(losses)

The line "foreign currency gains/(losses)" in the statement of income relates to:

- Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the year-end translation of the exchange rates of monetary assets and liabilities denominated in foreign currencies (Note 2.4 (b)). These foreign currency gains and losses are mainly related to the financing of the subsidiaries;
- Gains or losses arising from changes in the fair value of the foreign exchange derivatives at fair value through profit and loss (Note 2.15 and Note 17);
- Gains or losses arising from the ineffective portion of changes in the fair value of foreign exchange derivatives that are designated as hedging instruments (Note 2.15 and Note 17).

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.30. Income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, no deferred income tax is accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax asset against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity of different taxable entities where there is an intention to settle the balances on a net basis.

2.31. Earnings per share

Basic earnings per share are calculated by dividing the profit attributable to equity owners of the Group by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Group and held as treasury shares.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

3. FINANCIAL RISK MANAGEMENT

3.1. Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

(a) Market risk

Foreign exchange risk

The Group conducts its distribution activities worldwide. Sales made by the subsidiaries are denominated in their local currency. The production sites are located in France and a major part of the production and purchasing costs is therefore denominated in EUR for L'Occitane en Provence. For ELEMIS, LimeLife and Sol of Janeiro the cost of goods sold is denominated in GBP and USD, respectively. The Group is thus exposed to foreign exchange risk on its commercial transactions, whether known or forecasted.

As at 31 March 2022, the exposure to foreign exchange risk on the consolidated balance sheet is as follows:

In thousands of euros	EUR	JPY	HKD	USD	GBP	CNY	BRL	TWD	CHF	CAD	Other	Total
Trade receivables	32,223	17,744	9,436	39,520	29,678	35,626	11,794	4,712	334	923	17,633	199,623
Other current receivables	37,172	510	284	12,376	5,248	6,729	9,430	379	207	622	9,978	82,935
Cash and cash equivalents	162,142	22,883	2,458	32,504	62,313	22,723	3,679	1,071	1,397	5,715	44,014	360,899
Monetary assets	**231,537**	**41,137**	**12,178**	**84,400**	**97,239**	**65,078**	**24,903**	**6,162**	**1,938**	**7,260**	**71,625**	**643,457**
Borrowings	652,056	–	–	–	5,792	–	–	3,997	3,896	–	5,189	670,930
Trade payables	71,409	12,563	3,657	33,889	37,301	30,174	4,476	1,531	702	2,908	11,293	209,903
Social and tax liabilities	47,973	5,613	4,687	12,055	3,981	6,833	6,627	1,256	47	248	15,487	104,807
Monetary liabilities	**771,438**	**18,176**	**8,344**	**45,944**	**47,074**	**37,007**	**11,103**	**6,784**	**4,645**	**3,156**	**31,969**	**985,640**
Gross exposure in the statement of financial position	**(539,901)**	**22,961**	**3,834**	**38,456**	**50,165**	**28,071**	**13,800**	**(622)**	**(2,707)**	**4,104**	**39,656**	**(342,183)**

As at 31 March 2021, the exposure to foreign exchange risk on the consolidated balance sheet was as follows:

In thousands of euros	EUR	JPY	HKD	USD	GBP	CNY	BRL	TWD	CHF	CAD	Other	Total
Trade receivables	23,892	19,356	4,285	16,487	19,424	25,335	6,545	4,180	358	519	14,957	135,338
Other current receivables	28,018	147	519	4,054	4,139	3,695	6,748	294	13	(256)	5,427	52,798
Cash and cash equivalents	263,923	22,308	2,022	23,153	47,187	10,153	1,265	906	2,258	3,117	44,924	421,216
Monetary assets	**315,833**	**41,811**	**6,826**	**43,694**	**70,750**	**39,183**	**14,558**	**5,380**	**2,629**	**3,380**	**65,308**	**609,352**
Borrowings	482,111	–	–	20,896	4,460	–	–	2,212	5,962	879	5,594	522,114
Trade payables	14,937	13,468	11,454	13,380	38,110	36,947	4,699	4,753	1,139	2,821	19,950	161,658
Social and tax liabilities	49,234	9,645	4,068	5,987	2,615	4,115	3,677	1,057	51	251	12,839	93,539
Monetary liabilities	**546,282**	**23,113**	**15,522**	**40,263**	**45,185**	**41,062**	**8,376**	**8,022**	**7,152**	**3,951**	**38,383**	**777,311**
Gross exposure in the statement of financial position	**(230,449)**	**18,698**	**(8,696)**	**3,431**	**25,565**	**(1,879)**	**6,182**	**(2,642)**	**(4,523)**	**(571)**	**26,925**	**(167,959)**

Notes to the Consolidated Financial Statements

3. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.1. Financial risk factors *(continued)*

(a) Market risk (continued)

Foreign exchange risk *(continued)*

The Group invoices its subsidiaries in their local currencies, whenever possible, in order to centralise foreign exchange risk at the Group level. The Group's foreign exchange risk is split between trading operations related to commercial transactions with subsidiaries and financing operations related to intercompany financing.

Commercial transactions

The Group treasury's risk management policy is to hedge systematically the transaction risk (amounts invoiced) at a minimum of 80%.

The economic risk (amounts forecasted) is hedged depending on market conditions and anticipations from management. All decisions to hedge economic risk are formally approved by the Group CFO.

The Group uses forward contracts to hedge the main part of its foreign risk exposure and currency options on a maximum of 40% of its exposure on its main currencies (USD, GBP, JPY, CNY and RUB). All decisions to use foreign exchange derivatives based products are formally approved by the Group CFO.

The Group only designates the spot component of foreign currency forwards in hedge relationships. The spot component is determined with reference to relevant spot market exchange rates. The differential between the contracted forward rate and the spot market exchange rate is defined as the forward points. It is discounted, where material.

The intrinsic value of foreign currency options is determined with reference to the relevant spot market exchange rate. The differential between the contracted strike rate and the discounted spot market exchange rate is defined as the time value. It is discounted, where material.

Financing operations

The Group's risk management policy is to maximise natural hedging using multicurrency bank facilities whenever possible.

For those currencies not covered by multicurrency bank facilities, the Group's risk management policy is to finance subsidiaries in their local currencies, whenever possible, and to hedge the corresponding exposure for a maximum hedging cost of 7%.

During the financial years ended 31 March 2022 and 2021, if the euro had weakened/strengthened by 10% in comparison to the currencies listed below with all other variables held constant, equity, net sales and post-tax profit for the year would have been higher/lower as illustrated below:

In thousands of euros	**Currency translation differences (other comprehensive income)**		**Net sales**		**Profit of the year**	
31 March	***2022***	***2021***	***2022***	***2021***	***2022***	***2021***
USD	88,569	45,732	27,316	25,543	5,959	(2,041)
JPY	13,679	10,367	20,603	21,527	9,180	5,636
HKD	(6,988)	12,670	(9,793)	10,928	(7,746)	12,282
CNY	26,172	17,659	32,799	26,364	19,611	12,562
GBP	49,032	34,355	23,480	17,622	11,943	(124)

The above sensitivity does not take into consideration the effect of a higher/lower euro on the fair market value of the foreign currency derivative instruments and on realised exchange gains and losses. The fair value of these derivatives at year-end is not material.

3. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.1. Financial risk factors *(continued)*

(a) Market risk (continued)

Cash flow and fair value interest rate risk

The Group's cash is currently invested in short-term treasury deposits to take advantage of any increase in euro interest rates.

The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. An analysis of the borrowings by category of rate is provided in Note 20.3.

The Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. These swaps have the economic effect of converting borrowings from floating rates to fixed rates. Under the interest rate swaps, the Group agrees with other parties to exchange, at specified intervals, the differences between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional amounts.

In accordance with the financial covenants described in Note 20.2, the margin of certain bank borrowings is liable to change.

Based on the simulations performed, on 31 March 2022 and 2021, if interest rates had been 50 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings (Note 27).

In thousands of euros	***2022***	***2021***
Sensitivity of finance costs	1,091	1,970
Sensitivity of finance income	401	375
Sensitivity of the post-tax profit	212	334

The impact of sensitivity of the equity would be the same as the impact on the post-tax profit, except for the effects mentioned below for derivatives.

The above sensitivity takes into consideration the impact of the interest rate derivatives existing at 31 March 2022 and 2021 on the interest expense but does not take into consideration the effect of a higher/lower interest rate on the fair market value of the derivatives designed to manage the cash flow interest risk floating-to-fixed interest rate swaps. The fair value of these derivatives at period end is not material.

Price risk

The Group is not significantly exposed to commodity price risk.

The Group is exposed to price risk arising from investments in financial assets such as equity, fixed income, private equity, property or multi-asset funds. Investments are made in accordance with the limits and rules set by the Financial Investments Policy.

The amounts recognised in the consolidated statement of income or in the consolidated statement of comprehensive income in relation to the investments held by the Group are disclosed in Note 3.3.

Notes to the Consolidated Financial Statements

3. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.1. Financial risk factors *(continued)*

(b) Credit risk

Credit risk is managed on a Group basis, except where it relates to accounts receivable balances. Each local entity is responsible for monitoring and analysing the credit risk of its customers. Standard payment and delivery terms and conditions are offered. Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments, carried at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVPL), derivative financial instruments and deposits with bank and financial institutions, as well as credit exposures to wholesale and retail customers.

The Group has no significant concentrations of credit risk for customers:

- For customers in the Sell-in and B-to-B activities, sales are made with credit terms generally between 60 and 90 days. The Group maintains adequate allowances for potential credit losses and monitors the solvency of its counterparts. As at 31 March 2022 and 2021, the Group did not have any significant concentrations of business conducted with a particular customer that could, if suddenly eliminated, severely impact its operations;
- For customers in the Sell-out activities, the Group's sales to end customers are made in cash or via major credit cards and no credit terms are generally granted. When the Sell-out sales are generated in department stores, a credit term is granted to the department store until the cash is transferred to the Group. This credit term is generally from 30 to 90 days;
- All significant cash deposits are made with major financial institutions with an investment grade rating and are invested in fixed-term deposits with negotiated terms and conditions and interest rates, or in mutual funds. The Group has temporary exposure to non-investment grade institutions on payments made by customers in certain countries, until the related amounts to investment grade institutions. Cash and cash equivalents and derivative financial instruments are concentrated with a few independently rated parties with a minimum rating of "BBB-" (investment Grade) except in countries rated below BBB-.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of its underlying businesses, the Group aims to maintain flexibility in funding by keeping committed credit lines available.

During the full year ended 31 March 2022, the Group continued to reimburse its borrowings:

- In June 2021, the FY2021 PGE bank borrowing was reimbursed for an amount of €50.2 million;
- In July 2021, the FY2019 Term Loan was reimbursed for an amount of €275 million.

There were new bank borrowings:

- In December 2021, a new FY2022 Term Loan was signed for an amount of €300 million;
- In June 2021, a new FY2022 Bilateral Cash Pooling Facility was signed for an amount of €50 million.

3. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.1. Financial risk factors *(continued)*

(c) Liquidity risk (continued)

Management monitors rolling forecasts of the Group's liquidity reserve (comprising undrawn borrowing facilities and cash and cash equivalents) based on expected cash flows. The liquidity reserves as at 31 March 2022 are as follows:

31 March	***2022***	***2021***
In thousands of euros		
Cash and cash equivalents and bank overdrafts	360,899	421,216
Undrawn borrowing facilities (Note 20.3)	268,177	443,272
Liquidity reserves	**629,076**	**864,488**

Surplus cash held by the Group is invested in call accounts, certificates of deposit, money market funds and securities or any other financial assets authorised by the Financial Investments Policy.

The repayment of certain bank borrowings depends on a financial covenant (Note 20.2).

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows:

In thousands of euros	**Less than 1 year**	**Between 1 and 2 years**	**2 and 5 years**	**Over 5 years**	**Total**
Borrowings (Note 20)	289,611	2,749	373,245	5,325	670,930
Trade payables (Note 22)	209,903	–	–	–	209,903
Lease liabilities (Note 8.2)	93,722	65,812	88,800	25,898	274,232
Interests payments on borrowings	3,267	3,099	3,348	70	9,784
Total on 31 March 2022	**596,503**	**71,660**	**465,393**	**31,293**	**1,164,849**
Borrowings (Note 20)	502,506	2,729	8,758	8,121	522,114
Trade payables (Note 22)	158,781	–	–	–	158,781
Lease liabilities (Note 8.2)	78,650	58,599	80,034	77,444	294,727
Interests payments on borrowings	1,110	597	365	103	2,175
Total on 31 March 2021	**741,047**	**61,925**	**89,157**	**85,668**	**977,797**

The interest payments on borrowings are based on existing interest rates as at 31 March 2022. The net book value is close to the fair value.

Notes to the Consolidated Financial Statements

3. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.2. Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, such that it can continue to provide returns for equity owners and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to equity owners, return capital to equity owners, issue new shares or sell assets to reduce debt.

3.3. Fair value estimate

Fair value of financial instruments

The table below presents the net book value and fair value of some of the Group's financial instruments, with the exception of cash, trade receivables and trade payables as well as accrued expenses (their carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values given their short maturities):

	31 March 2022		***31 March 2021*** *Restated**	
In thousands of euros	**Net book value**	**Fair value**	**Net book value**	**Fair value**
Assets				
Financial assets at fair value through other comprehensive income (FVOCI) [(a)]	33,117	33,117	17,503	17,503
Derivative financial instruments [(a)]	1,931	1,931	72	72
Total assets	**35,048**	**35,048**	**17,575**	**17,575**
Liabilities				
Floating rate	670,930	670,930	522,114	522,114
Total borrowings	**670,930**	**670,930**	**522,114**	**522,114**
Derivative financial instruments [(a)]	1,208	1,208	713	713
Other financial liabilities [(a)]	171,865	171,865	18,671	18,671
Total liabilities	**173,073**	**173,073**	**19,384**	**19,384**

* *See note 2.2 for details regarding the restatement as a result of an error.*

(a) The fair value of financial instruments was determined as indicated below.

3. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.3. Fair value estimate *(continued)*

Fair value measurement hierarchy

IFRS 13 for financial instruments requires the disclosure of fair value measurements by level according to the following fair value measurement hierarchy:

- Quoted prices in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (level 2);
- Inputs for the asset or liability that are not based on observable market data (i.e., unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities that are measured at fair value:

	31 March 2022				***31 March 2021*** *restated**			
In thousands of euros	**Level 1**[(a)]	**Level 2**[(b)]	**Level 3**[(c)]	**Total**	**Level 1**[(a)]	**Level 2**[(b)]	**Level 3**[(c)]	**Total**
Assets								
Derivatives at fair value (Note 17)	–	1,931	–	1,931	–	72	–	72
Financial assets at fair value through other comprehensive income (FVOCI) (Note 13)	9,079	24,038	–	33,117	–	17,503	–	17,503
Total assets	**9,079**	**25,969**	**–**	**35,048**	**–**	**17,575**	**–**	**17,575**
Liabilities								
Derivatives at fair value (Note 17)	–	1,208	–	1,208	–	713	–	713
Other financial liabilities	–	–	171,865	171,865	–	–	18,671	18,671
Total liabilities	**–**	**1,208**	**171,865**	**173,073**	**–**	**713**	**18,671**	**19,384**

* *See note 2.2 for details regarding the restatement as a result of an error.*

(a) The fair value of financial instruments traded in active markets (such as equity securities) is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry Group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

(b) The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by external counterparties using methods and assumptions that are based on market conditions existing at each balance sheet date. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the balance sheet date. If all significant inputs required to measure the fair value of an instrument are observable, the instrument is included in level 2.

(c) If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There were no transfers between the levels of the fair value hierarchy in the year ended 31 March 2022. No changes were made to any of the valuation techniques applied as at 31 March 2022.

Notes to the Consolidated Financial Statements

3. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.3. Fair value estimate *(continued)*

Fair value measurements using financial instruments traded in active markets (level 1)
On 10 May 2021, the Group acquired shares in Carbios S.A. which is specialised in recycling plastic and packaging products for an initial amount of €10,000,000 (less than 3% of the total shares). This investment is measured at fair value through other comprehensive income.

Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability (level 2).
The following table presents the change in level 2 instruments for the period ended 31 March 2022:

In thousands of euros	Balance as at 31 March 2021	Disposals	Acquisitions	Gain/(loss) recognized in other comprehensive income	Balance as at 31 March 2022
Financial assets at fair value through other comprehensive income (FVOCI) (Note 13)					
SCPI FI Commerce (Real estate investment fund)	9,520	–	–	–	9,520
Truffle investment	4,939	–	6,600	(1,126)	10,413
Other investments	3,044	–	1,061	–	4,105
Total assets (level 2)	**17,503**	**–**	**7,661**	**(1,126)**	**24,038**

Equity investments at fair value through other comprehensive income mainly correspond to the investments in:

- Real estate investment fund (SCI Fi Commerce) for an amount of €9,520,000,
- Truffle investments funds for an amount of €10,413,000.

Fair value measurements using significant unobservable inputs (level 3)
The following table presents the change in level 3 instruments for the years ended 31 March 2022 and 31 March 2021:

In thousands of euros	Balance as at 31 March 2021	Disposals	Acquisitions	Unwinding of discount	Gain/(loss) recognized in other comprehensive income	Balance as at 31 March 2022
Other financial liabilities (Note 6.3)	18,671	–	154,534	1,724	(3,064)	171,865
Total Liabilities (level 3)	**18,671**	**–**	**154,534**	**1,724**	**(3,064)**	**171,865**

The financial assets at fair value through other comprehensive income correspond to other investments representing 14 investments with individual investments of which 12 are lower than €200,000. For all the investments the percentage of voting shares is lower than 20%. Those other investments are held indirectly by L'Occitane Innovation Lab and Fund Empire and the Group elected to measure those investments at fair value through other comprehensive income in accordance with IFRS 9.

3. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.3. Fair value estimate *(continued)*

***Fair value measurements using significant unobservable inputs (level 3)** (continued)*

The other financial liabilities correspond to the put options granted by the Group to non-controlling interests:

- Put option on Sol de Janeiro non-controlling interests for €150,463,000,
- Put option on Elemis non-controlling interests for €15,435,000,
- Put on symbiose Cosmetics France non-controlling interest for €4,071,000,
- Put on L'Occitane GmbH non-controlling interests for €1,896,000.

Fair value of other financial instruments (unrecognised)

The Group also has a number of financial instruments (bank borrowings) that are not measured at fair value in the balance sheet. For the majority of these instruments, the fair values are not materially different from their carrying amounts, since the interest receivable/payable is either close to current market rates or the instruments are short term in nature.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group makes estimates and judgements concerning the future. The resulting accounting estimates, by definition, rarely equal the related actual results.

Estimates are used for, but not limited to, depreciation, amortisation and impairment of non-current assets (Notes 2.6, 2.7 and 2.8), allocation of the excess of the cost of an acquisition over the carrying value of the net assets acquired to contractual customer relationship and backlog (Note 2.6), indefinite life of trademarks (Note 2.6), measurement of lease liabilities (Note 2.8), valuation of inventories (Note 2.12), allowance of inventories (Note 2.12), measurement of provisions (Note 2.20), allowance of trade receivables (Note 2.13), revenue recognition (Note 2.23), current and deferred income taxes (Note 2.30), fair value of the derivative instruments (Note 2.15), valuation of share-based payments (Note 19.3), valuation of put options (Note 6.3) contingencies (Note 32), fair value of the Group's investment in L'Occitane Inc. (Note 6.1) and the purchase price for L'Occitane Inc. and Sol de Janeiro (note 6.1).

Estimates and judgments are continually assessed and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are explained below.

Notes to the Consolidated Financial Statements

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(CONTINUED)*

4.1. Impairment test of non-current assets

Impairment test for intangible assets (including goodwill and trademarks), property, plant and equipment and right-of-use assets are performed in accordance with the accounting policy presented in Note 2.9.

Goodwill and trademarks are allocated to operating segments defined as one or several brands under the responsibility of a dedicated management team.

The recoverable amounts of the Group of cash-generating units (CGUs) monitored at brand level have been determined on the basis of value-in-use calculations.

Value-in-use is determined with respect to projected future cash flows, taking into account the time value of money and the specific risks attributable to the CGUs. Future cash flow projections are based on medium-term budgets and plans. These plans are drawn up for a period of 4 to 5 years. Cash flows beyond the five-year period are extrapolated using the estimated long-term growth rates stated below. These long-term growth rates are determined consistently with the strategy to operate the trademark and with the analysis of the forecasts included in industry reports specific to the industry in which each CGU operates.

The Covid-19 pandemic disrupted production and commercial operations, leading to a decrease in the Group's revenue and profit from recurring operations in the period. Nevertheless, although the effects of the decrease in levels of business travel and tourism will still be felt for some time, the Group believes that its activities will not be significantly affected over the long term.

Main key assumptions used for value-in-use calculations of the recoverable values of the main goodwill and trademarks are as follows:

31 March 2022 *in millions of euros*		**Elemis**	**LimeLife**	**Melvita**	**Sol de Janeiro**
Business plan time frame in years		4	5	5	5
Net sales annual growth rate over the plan		27.3%	32.7%	21.0%	60.0%
Budgeted EBITDA over the plan (*)		24.1%	6.8%	10.7%	22.3%
Long term growth rate		2.1%	2.0%	1.4%	2.1%
Post-tax discount rate		8.7%	8.5%	8.2%	8.5%
Carrying amounts	*Goodwill*	538	169	36	253
	Trademark	284	–	14	163
	Other items	67	21	9	(17.6)*
Recoverable value		1,279	255	80	397
Headroom available		390	64	21	219

(*) Mainly composed by the deferred tax assets recognized on the trademark for €36.3m (Note 6.1)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(CONTINUED)*

4.1. Impairment test of non-current assets *(continued)*

31 March 2021 *in millions of euros*		**Elemis**	**LimeLife**	**Melvita**
Business plan time frame in years		4	4	5
Net sales annual growth rate over the plan		28.0%	25.2%	18.1%
Budgeted EBITDA over the plan		30.7%	11.4%	12.9%
Long term growth rate		2.1%	2.0%	1.4%
Post-tax discount rate		8.3%	8.2%	7.8%
Carrying amounts	*Goodwill*	514	113	36
	Trademark	243	–	14
	Other items	64	15	11
Recoverable value		1,202	376	79
Headroom available		381	248	17

(*) Average % of EBITDA over the 4-year or 5-year plan

Assumptions	**Approach used to determining values**
Net sales annual growth rate ("CAGR")	Average annual growth rate over the plan based on past performance, management's expectations of market development, undergoing strategic positioning, current industry trends and including long-term inflation forecasts for each region. The projected annual growth rate can be higher than the historical performance and current average industry trends due to the expected effects of strategic positioning measures implemented and the international development of brands.
Budgeted EBITDA	This financial indicator corresponds to operating profit plus net charges to depreciation and amortisation. Due to the IFRS 16 impacts, budgeted EBITDA does not include the lease expenses. Weighted EBITDA is expressed as a percentage of net sales over the forecast period. Budgeted EBITDA is based on past performance and management's expectations for the future, taking into account business development strategies for each country and distribution channel/sub-channel (Sell-out: retail, online sales; Sell-in: distributors, travel retail, market places).
Long term growth rate	Weighted average growth rate used to extrapolate cash flows beyond the budget period. The growth rates are consistent with forecasts in view of the country mix, the rise in the cost of raw materials and inflation.
Post-tax discount rate	WACC per country in which the trademark is exploited. This reflects the specific risks relating to the relevant segments and the countries in which the Group operates.

Notes to the Consolidated Financial Statements

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(CONTINUED)*

4.1. Impairment test of non-current assets *(continued)*

Assumptions	Approach used to determining values
Terminal value	The sustainable long-term cash flow was assumed to be the extrapolation of the estimated cash flow of the: • FY26 plan ELEMIS; • FY27 plans for Melvita,LimeLife and Sol de Janeiro.
Other assumptions	Management has determined other assumptions such as working capital requirements (inventory turnover ratio, DSO and DPO) and annual capital expenditure based on the historical experience of Management and the planned strategy.
Headroom	Headroom is calculated as the difference between the recoverable value and all the assets used by the Group to operate the trademark: goodwill, trademark net of the corresponding deferred tax liability, right-of use assets, PP&E and working capital.

Sensitivity analysis

The recoverable amount of the ELEMIS, LimeLife, Melvita and Sol de Janeiro CGUs would equal its carrying amount if the key assumptions were to change individually as follows:

	ELEMIS	LimeLife	Melvita	Sol de Janeiro
CAGR	23.4%	30.5%	19.7%	48.7%
% of EBITDA for each year of the business plan decreased by	5.6 points	2.1 points	2.2 points	7.8 points
WACC	11.6%	10.4%	10.4%	11.8%
Long-term growth rate	–1.6%	–0.5%	–1.4%	–2.5%

For L'Occitane en Provence, the estimated value in use significantly exceeds the carrying amount of goodwill to such an extent that no reasonably possible change in any of the key assumptions would eliminate the headroom.

4.2. Depreciation and amortisation periods

The Group's main intangible assets and property, plant and equipment with a definite useful life relate to the stores. Right-of-use assets are depreciated on a straight-line basis in accordance with the accounting policy presented in Note 2.8. They are tested for impairment in accordance with the accounting policy presented in Note 2.9.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(CONTINUED)*

4.3. Allowance on inventories

The Group regularly reviews inventory quantities on hand for excess inventory, discontinued products, obsolescence and declines in net realisable value below cost and records an allowance against the inventory balance for such declines.

When the annual inventory count takes place on a date different from the closing date, the quantity on hand is adjusted to take into account the shrinkage rate (after deduction of non-recurring differences) over the period between the date of the stocktaking and the balance sheet date.

4.4. Other financial liabilities

The Group has several put options on non-controlling interests resulting from business combinations and other transactions with minority shareholders. The liabilities resulting from the put options are estimated based on the contractual formula mainly using the EBITDA or EBIT (estimated based on the plan for the company without the effects of IFRS 16) for the determination of the price. The value is discounted reflecting the current market assessments of the time value and the risk specific to the liabilities.

For the new put option recorded in FY22 for Sol de Janeiro see Note 6.3.

4.5. Business combinations

The accounting for acquisition during the year included estimated values for acquired assets, liabilities, and, in particular, newly recognised intangible assets. This valuation process was supported by external experts and incorporated assumptions relating to future profit growth rates, EBIT margins and other commercial considerations. Useful economic lives have also been estimated for these new assets. Changes to the estimates formed, including both through the finalisation of provisional values and through prospective changes to useful economic lives of assets, may result in changes to balance sheet and income statement values resulting from the acquisition.

4.6. Income tax

The Group is subject to income tax in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income tax. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such a determination is made.

Notes to the Consolidated Financial Statements

5. SEGMENT INFORMATION

For accounting policies related to segment information, see Note 2.5.

5.1. Operating segments

Management measures profit or loss for each operating segment according to its operating profit/(loss). Operating segment information is as follows:

31 March 2022 *In thousands of euros*	L'Occitane en Provence	ELEMIS	LimeLife	Sol de Janeiro	Other brands	Total
Net sales	**1,360,991**	**226,317**	**70,733**	**26,081**	**97,236**	**1,781,358**
In % of total	*76.4%*	*12.7%*	*4.0%*	*1.5%*	*5.5%*	*100%*
Gross profit	**1,154,563**	**167,507**	**51,325**	**18,176**	**71,844**	**1,463,415**
% of net sales	*84.8%*	*74.0%*	*72.6%*	*69.7%*	*73.9%*	*82.2%*
Distribution expenses	(563,867)	(46,575)	(48,265)	(2,224)	(37,436)	(698,367)
Marketing expenses	(194,463)	(48,764)	(3,654)	(8,101)	(25,849)	(280,831)
Research & development expenses	(14,570)	(1,595)	(577)	(92)	(2,073)	(18,907)
General and administrative expenses	(131,060)	(18,853)	(8,155)	(7,324)	(7,609)	(173,001)
Share of profit/(loss) from associates and joint ventures	(13,640)	–	–	–	–	(13,640)
Other operating income	38,990	4	–	–	130	39,124
Other operating expenses	(6,779)	(206)	–	–	(94)	(7,079)
Operating profit/(loss)	**269,174**	**51,518**	**(9,326)**	**435**	**(1,087)**	**310,714**
% of net sales	*19.8%*	*22.8%*	*(13.2%)*	*1.7%*	*(1.1%)*	*17.4%*

31 March 2021 *Restated** *In thousands of euros*	L'Occitane en Provence	ELEMIS	LimeLife	Other brands	Total
Net sales	**1,194,227**	**158,910**	**102,155**	**82,553**	**1,537,845**
In % of total	*77.7%*	*10.3%*	*6.6%*	*5.4%*	*100%*
Gross profit	**1,021,218**	**116,970**	**78,462**	**60,484**	**1,277,134**
% of net sales	*85.5%*	*73.6%*	*76.8%*	*73.3%*	*83%*
Distribution expenses	(537,492)	(28,116)	(63,974)	(36,572)	(666,154)
Marketing expenses	(159,237)	(30,115)	(3,639)	(20,781)	(213,772)
Research & development expenses	(13,545)	(1,464)	–	(2,376)	(17,385)
General and administrative expenses	(118,128)	(14,707)	(9,032)	(5,970)	(147,837)
Share of profit/(losses) from joint operations	(7,535)	–	–	–	(7,535)
Other operating income	7,365	–	–	–	7,365
Other operating expense	(11,656)	(1,761)	1	(1,565)	(14,980)
Operating profit/(loss)	**180,990**	**40,808**	**1,818**	**(6,780)**	**216,836**
% of net sales	*15.4%*	*25.7%*	*1.8%*	*(8.2%)*	*14.3%*

* *See note 2.2 for details regarding the restatement as a result of an error.*

There are no significant inter-segment transfers or transactions.

5. SEGMENT INFORMATION *(CONTINUED)*

5.2. Geographic areas

(a) Net sales by location

Net sales allocated based on the location of the invoicing subsidiary are as follows:

31 March	***2022***		***2021***	
In thousands of euros	**Total**	**In % of total**	**Total**	**In % of total**
China	327,994	*18.4%*	263,642	*17.1%*
United States	251,725	*14.1%*	242,101	*15.7%*
Japan	206,034	*11.6%*	215,273	*14.0%*
United Kingdom	197,461	*11.1%*	154,445	*10.0%*
Hong Kong	118,884	*6.7%*	94,589	*6.2%*
France	96,011	*5.4%*	86,688	*5.6%*
Luxembourg	73,471	*4.1%*	43,633	*2.8%*
Russia	62,586	*3.5%*	50,966	*3.3%*
Taiwan	51,530	*2.9%*	47,464	*3.1%*
Brazil	48,261	*2.7%*	34,452	*2.2%*
Other geographic areas	347,401	*19.5%*	304,592	*19.8%*
Net sales	**1,781,358**	***100.0%***	**1,537,845**	***100.0%***

(b) Non-current assets by location

The following table shows the breakdown of non-current assets by location, allocated based on the location of the subsidiary owning the asset.

	Year ended 31 March					
	2022			***2021***		
In thousands of euros	**Property, plant and equipment**	**Right-of-use assets**	**Intangible assets**	**Property, plant and equipment**	**Right-of-use assets**	**Intangible assets**
United States	12,451	50,167	4 44,410	1,685	2,040	2 70,550
Japan	6,002	23,144	399	7,380	23,283	237
China	6,852	6,995	757	5,621	8,267	540
United Kingdom	7,662	22,819	3,652	6,733	23,691	3,271
Hong Kong	5,986	15,270	–	5,369	18,211	–
France	59,920	18,896	16,166	71,870	1 11,156	17,216
Luxembourg	810	9,399	20,087	980	11,616	22,627
Russia	1,667	12,935	337	1,987	13,486	202
Brazil	10,893	16,236	785	9,365	9,362	464
Taiwan	1,034	2,964	110	1,056	2,622	58
Other geographic areas	15,447	86,109	652	18,301	77,537	784
Total	**128,724**	**264,934**	**487,355**	**130,347**	**301,271**	**315,949**

Notes to the Consolidated Financial Statements

6. INFORMATION RELATING TO GROUP STRUCTURE

6.1. For the year ended 31 March 2022

6.1.1 Acquisition of Sol de Janeiro

On 23 December 2021, the Group acquired 82,86% of Sol de Janeiro for a total consideration of €378.7m (see also Note 6.3 for put options granted to the minority shareholders).

Consideration for the acquisition in millions of euros

The breakdown of the consideration was as follows:

Cash paid	330,877
Ordinary shares issued	–
Contingent consideration	–
Percentage of interests	82.86%
Net identifiable assets acquired by the Group	154,799
Provisional goodwill	**202,618**

Assets acquired and liabilities assumed

ASSETS *In thousands of euros*	**Carrying amount — 31 December 2021**	**Fair value adjustment**	**Fair value**
Property, plant and equipment, net	0.9	–	0.9
Intangible assets, net	1.1	156.7	157.8
Deferred income tax assets	2.7	–	2.7
Other non-current receivable	0.3	–	0.3
Non-current assets	**5.0**	**156.7**	**161.7**
Inventories	20.2	–	20.2
Trade receivable	5.9	–	5.9
Other current assets	6.3	–	6.3
Cash and cash equivalents	8.7	–	8.7
Current assets	**41.1**	**–**	**41.1**
Total assets	**46.0**	**156.7**	**202.7**
LIABILITIES *In thousands of euros*			
Deferred income tax liabilities	–	35.3	35.3
Non-current liabilities	**–**	**35.3**	**35.3**
Trade payables	9.3	–	9.3
Social and tax liabilities	0.4	–	0.4
Other current liabilities	3.0	–	3.0
Current liabilities	**12.7**	**–**	**12.7**
Total liabilities	**12.7**	**35.3**	**47.9**
Net identifiable assets acquired	33.3	121.4	154.8
Deduct: non-controlling interests	(5.7)	(20.8)	(26.5)
Add: goodwill	–	–	202.6
Net assets acquired	**27.6**	**100.6**	**330.9**

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.1. For the year ended 31 March 2022 *(continued)*

6.1.1 Acquisition of Sol de Janeiro (continued)

Assets acquired and liabilities assumed *(continued)*

The Group recognises non-controlling interests in an acquired entity at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

The goodwill is attributable to a strategic fit for the Group in terms of brand recognition and identify, product quality, management capability, as well as growth, profitability, and cash generation prospects. The acquisition is in line with the Group's strategy to building a leading portfolio of premium beauty brands.

Purchase price allocation and fair value adjustments

When recognised the above assets and liabilities, a purchase price allocation was performed where identifiable assets and liabilities of Sol de Janeiro were measured at fair value as at 31 December 2021.

The fair value adjustments are as follows:

- The fair value of the trademark is estimated based on the royalty method with a net royalty rate of 7.7% and a post-tax discount rate of 10.3%, including a tax amortisation benefit effect;
- Deferred tax liabilities were recognized on the fair value adjustment of the trademark.

As of 31 March 2022, the above fair values had been determined on a provisional basis. The net identifiable assets acquired are based on the net book value of assets and liabilities as at 31 December 2021.

The impact between the acquisition date as at 23 December 2021 and the consolidation as from 31 December 2021 is not material.

Contribution to net sales and profit

The acquired business contributed to the Group's net sales and profit for the period from 31 December 2021 to 31 March 2022 are respectively €26.1m and €2.0m.

If the acquisition had occurred on 1 April 2021, consolidated unaudited pro-forma revenue and profit for the year ended 31 March 2022 would have been €90.5m and €15.5m respectively.

Acquisition-related costs

The acquisition-related costs amounted to €2.9m and were recognised as administrative expenses. The acquisition costs comprise the insurance costs amounted to €0.5m and corresponds to the liabilities guarantee clause covered by the insurer and paid by the Company.

Notes to the Consolidated Financial Statements

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.1. For the year ended 31 March 2022 *(continued)*

6.1.2 L'Occitane Inc. Chapter 11 proceedings

Context

On 14 January 2021, the Board of Directors approved the decision to file Chapter 11 proceeding with respect to L'Occitane Inc. The case was filed on 26 January 2021 before the bankruptcy court of New Jersey (the "court"). The aim of proceedings was to facilitate the negotiation of lease arrangements with lessors. The goal was to reach a consensual plan under which general unsecured creditors (mainly lessors) would agree to accept payment of less than the full amount of the liabilities. There was no plan to liquidate the subsidiary.

The Group owned 100% of L'Occitane Inc. However, based on the legal restrictions applicable to Chapter 11 proceedings, the operational activities of L'Occitane Inc. were managed through motions that must be validated by the Court. Motions granted by the Court to L'Occitane Inc. to operate the business could have been overturned by the same Court. The Group no longer controlled the relevant activities. Consequently, the exclusive control of L'Occitane Inc. was lost as soon as bankruptcy proceedings were filed. L'Occitane Inc. has been deconsolidated at the date of filing of the proceedings with the Court (26 January 2021). Subsequently to the derecognition of the assets and liabilities of L'Occitane Inc. the Group's investment in L'Occitane Inc. was recorded using the equity method.

As of 31 August 2021, the proceedings for Chapter 11 was closed by the Court and this date was considered as the effective date for the reconsolidation of L'Occitane Inc. since the Court does not have any control on L'Occitane Inc. Therefore, at this date, the Group L'Occitane gained back the exclusive control of the subsidiary, which has been consolidated in the consolidated financial statements of the Group.

In the consolidated financial statements, the impact of the operations of L'Occitane Inc. is presented as follows:

- As an investment accounted for using the equity method from 1 April 2021 to 31 August 2021. The net loss in the consolidated financial statements of income amounts to €8.9m and is presented within "Share of profit/(loss) from associates and joint ventures accounted for using the equity method" (Note 11);
- As a subsidiary consolidated through full integration method for the month from September 2021. The net sales and the net profit from September 2021 to March 2022 amounts to €89.7 million and €2.5 million.

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.1. For the year ended 31 March 2022 *(continued)*

6.1.2 L'Occitane Inc. Chapter 11 proceedings (continued)

Fair value of the Group's investment in L'Occitane Inc.

As at 31 August 2021, the Group remeasured the fair value of L'Occitane Inc. for an amount of €0 million which includes a creditor current account with the Group for €19,942,000 considered as part of the net debt.

The key underlying hypothesis for the estimation of the nil fair value of L'Occitane Inc. are as follows:

- The enterprise value was estimated in a range of $40.0 million–$44.9 million based on the discounted cash flow (DCF) method (weight of 50%) and the public companies multiples method (weight of 50%);
- For the DCF method, the annual growth rate (CAGR) and the EBIT margin were estimated at 2% and 2.5%. The WACC used was 9.5 %. The terminal value takes into account a long-term growth of 2% in line with the inflation forecast data for the United States.
- For the public companies multiples method, the revenue multiple applicable is estimated in a range of 0.23x–0.27x and the EBIT multiple applicable is estimated in a range of 10.6x–11.6x.
- Net debt was decreased from the enterprise value for an amount of $42.3 million to take into account the intercompany loan, cash, the normalization of the net working capital and the cash-outs related to the finalization of Chapter 11 proceedings (accounts payable to landlords, rejected part of accounts payable to landlords and professional fees).

Notes to the Consolidated Financial Statements

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.1. For the year ended 31 March 2022 *(continued)*

6.1.2 L'Occitane Inc. Chapter 11 proceedings (continued)

Reconsolidation of the assets acquired and liabilities assumed of L'Occitane Inc.

The fair value of the investment in L'Occitane Inc. amounting to € 0 million is considered as the acquisition price.

As at 31 August 2021, the following assets and liabilities of L'Occitane Inc. were recognized as a result of the reconsolidation as follows:

ASSETS *In thousands of euros*	**Carrying amount — 31 August 2021**	**Fair value adjustment**	**Provisional fair value**
Property, plant and equipment, net	12.3	–	12.3
Intangible assets, net	0.3	–	0.3
Right-of-use assets	55.3	–	55.3
Deferred income tax assets	14.1	–	14.1
Other non-current receivable	0.6	–	0.6
Non-current assets	**82.5**	**–**	**82.5**
Inventories	16.1	–	16.1
Trade receivable	5.9	–	5.9
Current income taxes	0.9	–	0.9
Other current assets	3.8	–	3.8
Cash and cash equivalents	20.9	–	20.9
Current assets	**47.5**	**–**	**47.5**
Total assets	**130.1**	**–**	**130.1**
LIABILITIES *In thousands of euros*			
Borrowings	–	–	–
Lease liabilities	45.0	–	45.0
Other non-current liabilities	0.3	–	0.3
Non-current liabilities	**45.3**	**–**	**45.3**
Trade payables	50.3	–	50.3
Social and tax liabilities	3.4	–	3.4
Borrowings	19.9	–	19.9
Lease liabilities	12.6	–	12.6
Other current liabilities	3.7	–	3.7
Provisions	0.1	–	0.1
Current liabilities	**90.1**	**–**	**90.1**
Total liabilities	**135.4**	**–**	**135.4**
Net acquired	**(5.3)**	**–**	**(5.3)**
Minority shareholders	1.3	–	1.3
Fair value of L'Occitane	–	–	–
Goodwill	**6.6**	**–**	**6.6**

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.1. For the year ended 31 March 2022 *(continued)*

6.1.2 L'Occitane Inc. Chapter 11 proceedings (continued)

Purchase price allocation and fair value adjustments

When recognised the above assets and liabilities, a purchase price allocation was performed where identifiable assets and liabilities of L'Occitane Inc. were measured at fair value as at 31 August 2021.

The fair value adjustments are as follows:

- L'Occitane Inc. does not own any trademarks;
- Customer relationships (Sell-In distribution channel): given that there are no long-term exclusive distribution agreements, the fair value is deemed to be insignificant;
- Right-of-use assets were measured at an amount equal to the recognised liability. Due to the renegotiation of the lease terms with the landlords during the Chapter 11 proceedings, the new terms reflect the market terms and no fair value adjustment was necessary;
- The deferred taxes assets were recognised based on the tax planning taking into account the Group's transfer pricing policy;
- The lease liability is measured according to IFRS 16 and recognised as if lease contracts were new leases as at 31 August 2021.

The goodwill resulting from this business combination is attributable to future synergies, mainly thanks to the acquisition of a reorganised stores network with renegotiated leases arrangements.

There was no deductible goodwill for tax purposes.

6.1.3 Investment in Carbios

On 10 May 2021, the Group acquired shares in Carbios S.A. which is specialised in recycling plastic and packaging products for an initial amount of €10,000,000 and representing less than 3% of the total shares (Note 3.3).

6.1.4 Investment in L'Occitane Middle East

On 1 October 2021, the Group invested an additional amount of €4,924,138 in L'Occitane Middle East to develop the activity in Dubai. The percentage of interests remained stable at 51%.

Notes to the Consolidated Financial Statements

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.1. For the year ended 31 March 2022 *(continued)*

6.1.5 Acquisition of minority interest of Elemis

On 28 March 2022, the Group repurchased 926 Elemis shares (corresponding to 7.72% of the total issued share capital of LOI Elemis Sarl) for a purchase price of €76.6 million from Chasselas Equity S.A. These shares were sold to Chasselas Equity S.A on 6 March 2019. After this acquisition, the percentage of interests increased from 90.9% to 98.62%.

The Group recognised a decrease in non-controlling interests and a decrease in equity attributable to owners of the Group. The effect of this acquisition is summarized as follows:

In thousands of euros	***31 March 2022***
Carrying amount of non-controlling interests acquired	68,878
Consideration paid to non-controlling interests	76,579
Excess of consideration paid recognised in the transactions with non-controlling interests reserve within equity (attributable to owners of the Group)	**(7,701)**

6.1.6 New minority interest on Symbiose France

On 16 December 2021, the general manager of Symbiose France acquired 2.21% (corresponding to 31 shares) of Symbiose France for a purchase price of €1 million. The percentage of interests decreased from 100% to 97.79%.

The Group recognised an increase in non-controlling interests and an increase in equity attributable to owners of the Group. The effect of this acquisition is summarized as follows:

In thousands of euros	***31 March 2022***
Carrying amount of non-controlling interests sold	147
Consideration received from non-controlling interests	1,000
Excess of consideration received recognised in the transactions with non-controlling interests reserve within equity (attributable to owners of the Group)	**853**

A put option was granted to the minority shareholder and general manager of Symbiose France and amounted to €4,071,000. The put option can be exercised in 2025.

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.2. For the year ended 31 March 2021

6.2.1. L'Occitane Inc. Chapter 11 filing

Change in the control of L'Occitane Inc.

On 14 January 2021, the Board of Directors approved the decision to file Chapter 11 proceeding with respect to L'Occitane Inc. The Group owned 100% of L'Occitane Inc. However, based on the legal restrictions applicable to Chapter 11 proceedings, the operational activities of L'Occitane Inc. were managed through motions that must be validated by the Court. Consequently, the Group no longer controlled the relevant activities. The exclusive control of L'Occitane Inc. was lost as soon as bankruptcy proceedings were filed. L'Occitane Inc. had been therefore deconsolidated at the date of filing of the proceedings with the court.

The Group had been still involved in the management of L'Occitane Inc. and maintained significant influence over the subsidiary:

- The Group was the sole shareholder of L'Occitane Inc.;
- The marketing strategy was defined at Group level;
- The Group was the owner of the trademark and the exclusive supplier of goods;
- The financing of L'Occitane Inc.'s operations was ensured by the Group;
- L'Occitane Inc. still run the business, albeit under the Court's supervision.

Subsequently to the derecognition of the assets and liabilities of L'Occitane Inc. the Group's investment in L'Occitane Inc. was recorded using the equity method.

Notes to the Consolidated Financial Statements

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.2. For the year ended 31 March 2021 *(continued)*

6.2.1. L'Occitane Inc. Chapter 11 filing (continued)

Derecognition of the assets and liabilities of L'Occitane Inc.

As at 31 January 2021 (the five days between the date of the filing and the end of month were assessed by management as not significant), the following assets (including goodwill) and liabilities of L'Occitane Inc. had been derecognized:

ASSETS *In thousands of Euros*	***31 January 2021***
Property, plant and equipment	16.4
Right-of-use assets	71.4
Goodwill	5.8
Intangible assets	0.2
Deferred income tax assets	13.3
Other non-current assets	0.6
Non-current assets	**107.7**
Inventories	13.7
Trade receivables	6.5
Other current assets	1.1
Cash and cash equivalents	7.7
Current assets	**29.0**
Total assets	**136.7**
Borrowings	–
Lease liabilities	66.5
Other non-current liabilities	0.3
Non-current liabilities	**66.8**
Trade payables	22.5
Salaries and tax liabilities	4.5
Current income tax liabilities	–
Borrowings	19.9
Lease liabilities	17.9
Provisions	–
Other current liabilities	4.0
Current liabilities	**68.8**
Total liabilities	**135.6**
Non controlling interests AVL	1.3
Net assets	**2.4**

Prior to the deconsolidation of the subsidiary, no impairment test or review of the amortization schedule and the residual value of the non-current assets of L'Occitane Inc. had been required.

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.2. For the year ended 31 March 2021 *(continued)*

6.2.1. L'Occitane Inc. Chapter 11 filing (continued)

Fair value of the Group's investment in L'Occitane Inc.

As at 31 January 2021, the Group determined the fair value of L'Occitane Inc. for a nil amount with the assistance of an external advisor. The key underlying hypotheses for the estimation of the fair value of L'Occitane Inc. were as follows:

- The enterprise value was estimated in a range of $43.3 million–$48.1 million based on the discounted cash flow (DCF) method (weight of 50%) and the public companies multiples method (weight of 50%);
- For the DCF method, the annual growth rate (CAGR) and the EBIT margin were estimated at 5.6% and 2.5%. The WACC used was 9.5%. The terminal value took into account a long term growth of 2% in line with the inflation forecast data for the United States.
- For the public companies multiples method, the revenue multiple applicable was estimated in a range of 0.27x–0.32x and the EBIT multiple applicable was estimated in a range of 10.6x–12.8x.
- Net debt was decreased from the enterprise value for an amount of $45.8 million to take into account the intercompany loan, cash, the normalization of the net working capital and the cash-outs related to the Chapter 11 proceedings (accounts payable to landlords, rejected part of accounts payable to landlords, closing stores termination fees, professional fees).

Gain resulting from the loss of control of L'Occitane Inc.

The gain recorded in the line "Reconsolidation/deconsolidation of L'Occitane Inc." within "Other operating income" (Note 25) in the consolidated statement of income had been analysed as follows:

In thousands of euros

Derecognition of the assets and liabilities of L'Occitane Inc. at their carrying amounts	2,727
Recognition of the investment retained in L'Occitane Inc. at its fair value	–
Reclassification to statement of income of the amounts previously recognised in other comprehensive income (currency translation differences)	3,029
Net gain from the deconsolidation of L'Occitane Inc.	**5,756**

The derecognition of the assets and liabilities of L'Occitane Inc. at their carrying amounts also included consolidation entries accounting for a gain of €3,704,000 (mainly the elimination of intercompany margin).

The loss from L'Occitane Inc. from 1 February 2021 to 31 March 2021 had been presented within "Share of profit/(losses) from associates and joint ventures accounted for using the equity method" in the consolidated statement of income (see Note 11).

The other impacts of the Chapter 11 filing, including the restructuring costs, were presented within "Restructuring expenses" in the consolidated statement of income (Note 26).

External fees (lawyers, real estate broker, financial advisors) corresponding to the services rendered before the Chapter 11 filing were expensed for an amount of €2,336,000 in "Restructuring expenses" within "Other operating expenses" in the consolidated statement of income" (Note 25, 26). External fees corresponding to services rendered after 31 January 2021 were recorded for an amount of €1,025,000 in the share of profit/(loss) from L'Occitane Inc. (Note 11).

Notes to the Consolidated Financial Statements

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.2. For the year ended 31 March 2021 *(continued)*

6.2.1. L'Occitane Inc. Chapter 11 filing (continued)

Notional purchase price allocation

A notional purchase price allocation was performed where identifiable assets and liabilities of L'Occitane Inc. were measured at fair value as at 31 January 2021.

A purchase price allocation was performed to estimate the fair value of the shares hold by L'Occitane International S.A. The fair value amounted to a nil amount.

The fair value adjustments were as follows:

- The existing goodwill was not considered as an identifiable asset but directly included as the residual value between the fair value of the Group's investment in L'Occitane Inc. and the fair value of the net assets acquired of L'Occitane Inc.;
- L'Occitane Inc. did not own any trademarks;
- Customer relationships (Sell-In distribution channel): given that there were no long term exclusive distribution agreements, the fair value was deemed to be insignificant;
- For 25 stores closed when L'Occitane Inc. entered Chapter 11, no right-of-use assets were attached to the related leases;
- Right-of-use assets were measured at an amount equal to the recognised liability and adjusted to reflect any unfavourable terms of the lease relative to market terms. This led to reducing the amount of the right-of-use asset compared to the lease liability for an amount of €10,599,000. This analysis was performed notably based on a range of market rental expenses proposed by a real estate broker;
- The deferred taxes assets were recognised based on the tax planning taking into account the current reorganisation and restructuring of L'Occitane Inc and based on the Group's transfer pricing policy;
- The lease liability was measured according to IFRS 16 and recognised as if lease contracts were new leases as at 31 January 2021.

6.2.2. Creation of a joint venture in the Middle East region

On 17 October 2019, the Group signed a letter of intent with the current distributor for the Middle East region to create a new company "L'Occitane Middle East" that is owned by L'Occitane International S.A. for 51% and by the distributor for 49%. The shareholder and distribution agreements were signed on 3 June 2020. The consideration paid for the 51% amounts to €10,103,000 and the acquisition costs were nil.

The joint venture agreement required unanimous consent from all parties for the main relevant activities. The Group therefore determined that it had a joint control over this entity which requires the equity method for the measurement of the shares.

As at 31 March 2021, the Group share in L'Occitane Middle East's loss was recognised in the consolidated statement of income within "Share of profit/(losses) from joint ventures accounted for using the equity method" for an amount of €100,000.

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.2. For the year ended 31 March 2021 *(continued)*

6.2.3. Transaction with 86 Café Retail

As at 1 August 2020, the Group acquired 95% of 86 Café Retail from L'Occitane Groupe S.A. (parent company of L'Occitane International) for a total acquisition costs of €10,000, accounted for under IFRS 3. This subsidiary operated the café in the flagship store on the Champs Elysées in Paris.

In millions of euros	**Value as at 1 August 2020**	**Fair value adjustment**	**Provisional fair value**
Net equity acquired	(1.4)	–	(1.4)
Borrowings with L'Occitane International	2.5	–	2.5
Net identifiable assets acquired	1.1	–	1.1
Acquisition price	0.6	–	0.6
Excess of the fair value of acquired net assets over the cost of an acquisition (Note 25)	0.6	–	0.6

A pre-existing relationship via a current account between L'Occitane International and 86 Café Retail for a net amount of €645,000 was taken into account in the acquisition price.

The above badwill had been recognised within "Other operating income" (Note 25) in the consolidated statements of income. The new subsidiary generated a loss for the period in an amount of €664,000.

6.2.4. Investment in Capsum

As at 12 January 2021, the Group acquired 26% of Capsum for a total acquisition cost of €27,946,593. This entity is specialised in encapsulation in the cosmetic sector and co-develops and manufactures products with tailor-made formulas for established cosmetic brands.

As the Group has a significant influence in Capsum the investment was accounted for using the equity method (Note 11).

6.2.5. Transaction with South Africa minority shareholder

As at 8 December 2020, the Group acquired 25% of the interest hold by the minority shareholder in L'Occitane South Africa for a purchase price of €200.000. The Group now owns 100% of the interests in the subsidiary.

Notes to the Consolidated Financial Statements

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.3. Other financial liabilities

The other financial liabilities correspond mainly to put option arrangements. The following put options have been granted by the Group to non-controlling interests:

In thousands of euros	% of interests of minority shareholders with put options	31 March 2021	Increase	Change in estimates in the valuation of the exercise price	Unwinding of discount (note 23)	31 March 2022
Put on Sol de Janeiro non-controlling interests	17.3%	–	150,463	–	–	150,463
Put on ELEMIS non-controlling interests	1.4%	14,143	–	(258)	1,550	15,435
Put on Symbiose France non-controlling interests	2.2%	–	4,071	–	–	4,071
Put on L'Occitane GmbH non-controlling interests	30%	4,528	–	(2,806)	174	1,896
Total other financial liabilities	**–**	**18,671**	**154,534**	**(3,064)**	**1,724**	**171,865**

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.3. Other financial liabilities *(continued)*

The following table summarises the quantitative information about the significant unobservable inputs used in the measurement of the present value of the redemption amount of the main puts options granted to non controlling interests:

in thousands of euros	**Present value of the redemption amount**		**Unobservable inputs**	**Range of inputs**		**Relationship of unobservable inputs to value**
	31 March 2021	***31 March 2022***		***31 March 2021***	***31 March 2022***	
Put on Sol de Janeiro non-controlling interests	–	150,463	Discount rate	–	1%	Increasing the discount rate by 100 basis points and decreasing the annual EBITDA growth rate by 100 basis points would decrease the fair value by €8,270,000.
			Annual EBITDA growth rate	–	17%–27%	Decreasing the discount rate by 100 basis points and increasing the annual EBITDA growth rate by 100 basis points would increase the fair value by €8,828,000.
Put on Elemis non-controlling interests	14,143	15,435	Discount rate	10.7%	0.7%	Increasing the discount rate by 100 basis points and decreasing the annual EBITDA growth rate by 100 basis points would decrease the fair value by €305,000.
			Annual EBITDA growth rate	Same unobservable inputs as the ones used in the Elemis business plan and disclosed in note 4.1.		Decreasing the discount rate by 100 basis points and increasing the annual EBITDA growth rate by 100 basis points would increase the fair value by €311,000.

Notes to the Consolidated Financial Statements

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.3. Other financial liabilities *(continued)*

in thousands of euros	Present value of the redemption amount		Unobservable inputs	Range of inputs		Relationship of unobservable inputs to value
	31 March 2021	*31 March 2022*		*31 March 2021*	*31 March 2022*	
Put on Symbiose Cosmetics non-controlling interests	–	4,071	Discount rate	–	1%	Increasing the discount rate by 100 basis points and decreasing the annual EBITDA growth rate by 100 basis points would decrease the fair value by €270,000.
			Annual EBITDA growth rate	–	17%–27%	Decreasing the discount rate by 100 basis points and increasing the annual EBITDA growth rate by 100 basis points would increase the fair value by €296,000.
Put on L'Occitane GmbH non-controlling interests	4,528	1,896	Discount rate	0.7%	0.7%	Increasing the discount rate by 100 basis points and decreasing the annual EBITDA growth rate by 100 basis points would decrease the fair value by €92,000.
			Annual EBITDA growth rate	2%–4%	3%–5%	Decreasing the discount rate by 100 basis points and increasing the annual EBITDA growth rate by 100 basis points would increase the fair value by €97,000.

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.3. Other financial liabilities *(continued)*

Assumptions	Approach used to determine values
Discount rate	Reflect current market assessments of the time value and the risk specific to the liabilities.
Time periods	Management assumed exercise of the put option as from the beginning of the exercisable period.
Annual EBITDA growth factor	Estimated based on the plan for the company without the effects of IFRS 16.
Annual EBIT growth factor	Estimated based on the plan for the company without the effects of IFRS 16.
Put option arrangement in Sol de Janeiro	The put option granted to the Sol de Janeiro non controlling interests can be exercised at different periods with an exercise price based on the multiple of the EBIT (between 20x and 17x). Under certain circumstances of departure of the minority shareholder, the multiple is decreased with a minimum of X17. This contingent consideration arrangement in which the payment is decreased if employment terminates for specific reasons corresponds to a remuneration for post-combination services recorded as a social liability and recognised as a remuneration expense over the vesting period of 3 years (Note 24).

Notes to the Consolidated Financial Statements

7. PROPERTY, PLANT AND EQUIPMENT

7.1. Year ended 31 March 2022

As at 31 March 2022, property, plant and equipment can be analysed as follows:

In thousands of euros	Land	Buildings	Machinery and equipment	Other PP& E	Leasehold and improvements related to the stores	Other PP&E related to stores	PP&E in progress	Total
Cost as of 31 March 2021	**3,246**	**59,169**	**67,828**	**105,793**	**127,170**	**32,737**	**5,417**	**401,360**
Additions	35	41	2,737	8,184	13,295	2,982	3,457	30,731
Disposals	–	–	(320)	(4,599)	(17,734)	(5,097)	(124)	(27,874)
Acquisition of subsidiaries	–	–	457	2,627	7,413	2,704	–	13,201
Other movements	–	722	574	(1,757)	3,172	456	(3,353)	(186)
Exchange differences	195	1,094	449	2,892	3,499	1,200	105	9,434
Cost as of 31 March 2022	**3,476**	**61,026**	**71,725**	**113,140**	**136,815**	**34,982**	**5,502**	**426,666**
Accum. Depreciation as of 31 March 2021	–	**(28,129)**	**(44,894)**	**(82,845)**	**(89,889)**	**(25,256)**	**–**	**(271,013)**
Depreciation	–	(3,805)	(6,516)	(13,434)	(16,483)	(5,414)	–	(45,652)
Impairment loss	–	–	–	–	(3,784)	–	–	(3,784)
Reversal of impairment loss	–	–	–	41	1,144	–	–	1,185
Disposals	–	–	275	4,607	16,999	4,965	–	26,846
Acquisition of subsidiaries	–	–	–	–	–	–	–	–
Other movements	–	–	(6)	(1,280)	1,052	(4)	–	(238)
Exchange differences	–	(120)	(196)	(1,259)	(2,880)	(831)	–	(5,286)
Accum. depreciat. as of 31 March 2022	**–**	**(32,054)**	**(51,337)**	**(94,170)**	**(93,841)**	**(26,540)**	**–**	**(297,942)**
Net book value as of 31 March 2022	**3,476**	**28,972**	**20,388**	**18,970**	**4 2,974**	**8,442**	**5,502**	**128,724**

The additions of the period mainly relate to 80 stores openings and refurbishments for €13,295,000.

The disposals of the period mainly relate to 110 store closures.

Excluding non-cash items, total cash additions amount to €31,726,000.

7. PROPERTY, PLANT AND EQUIPMENT *(CONTINUED)*

7.2. Year ended 31 March 2021

As at 31 March 2021, property, plant and equipment can be analysed as follows:

In thousands of euros	Land	Buildings	Machinery and equipment	Other PP&E	Leasehold improvements related to the stores	Other PP&E related to stores	PP&E in progress	Total
Cost as of 31 March 2020	**3,371**	**59,904**	**65,477**	**118,734**	**164,037**	**50,140**	**8,027**	**469,690**
Additions	–	–	1,909	5,898	7,348	1,620	5,542	22,316
Disposals	–	–	(264)	(7,925)	(9,657)	(3,995)	(502)	(22,343)
Acquisition of subsidiaries	–	–	65	57	2,726	–	–	2,848
Deconsolidation of L'Occitane Inc.	–	–	(506)	(10,285)	(36,479)	(14,092)	(2,348)	(63,710)
Other movements	–	–	1,472	1,322	1,387	422	(5,189)	(586)
Exchange differences	(125)	(735)	(325)	(2,007)	(2,192)	(1,358)	(113)	(6,855)
Cost as of 31 March 2021	**3,246**	**59,169**	**67,828**	**105,793**	**127,170**	**32,737**	**5,417**	**401,360**
Accum. depreciation as of 31 March 2020	**–**	**(24,366)**	**(38,474)**	**(83,190)**	**(109,323)**	**(33,832)**	**–**	**(289,185)**
Depreciation	–	(3,794)	(6,872)	(14,690)	(19,601)	(6,163)	–	(51,120)
Impairment loss	–	–	–	–	(519)	–	–	(519)
Reversal of impairment loss	–	–	–	18	928	–	–	946
Disposals	–	–	205	7,235	8,984	3,712	–	20,135
Acquisition of subsidiaries	–	–	–	(29)	(1,356)	–	–	(1,385)
Deconsolidation of L'Occitane Inc.	–	–	487	6,502	29,835	10,180	–	47,004
Other movements	–	–	(372)	1	105	(5)	–	(272)
Exchange differences	–	31	133	1,309	1,058	852	–	3,383
Accum. depreciat. as of 31 March 2021	**–**	**(28,129)**	**(44,894)**	**(82,845)**	**(89,889)**	**(25,256)**	**–**	**(271,013)**
Net book value as of 31 March 2021	**3,246**	**31,040**	**22,934**	**22,948**	**37,281**	**7,481**	**5,417**	**130,347**

The additions of the period mainly relate to 61 stores openings and refurbishments for €7,348,000.

The disposals of the period mainly relate to 145 store closures.

Excluding non-cash items, total cash additions amount to €22,582,000.

Notes to the Consolidated Financial Statements

7. PROPERTY, PLANT AND EQUIPMENT *(CONTINUED)*

7.3. Classification of the depreciation of PP&E in the statement of income

Depreciation of the Group's property, plant and equipment has been charged to the consolidated statement of income as follows:

31 March *In thousands of euros*	***2022***	***2021***
Cost of goods sold	10,189	11,987
Distribution expenses	29,251	32,656
Marketing expenses	114	108
Research and development expenses	890	904
General and administrative expenses	5,208	5,465
Depreciation expenses	**45,652**	**51,120**

7.4. Impairment tests of property, plant and equipment

31 March *In thousands of euros*	***2022***	***2021***
Accumulated impairment provision as of the beginning of the year	**(3,701)**	**(8,235)**
Impairment provision	(3,784)	(519)
Reversal of impairment provision (used)	125	527
Reversal of impairment provision (unused)	1,060	419
Deconsolidation of L'Occitane Inc.	–	3,943
Acquisition of subsidiaries	(154)	–
Exchange differences	(25)	164
Accumulated impairment provision as of 31 March	**(6,479)**	**(3,701)**

Property, plant and equipment are allocated to the Group's cash-generating units (CGUs) and are tested for impairment as described in Note 2.7.

An impairment loss amounting to €3,784,000 as at 31 March 2022 and €519,000 as at 31 March 2021 has been recorded within "cost of sales" and "distribution expenses" to adjust the carrying amount of certain fixed assets related to the factory and the stores.

The reversal of used impairment provisions corresponds to stores that are closed.

8. LEASES

This note provides information on leases where the Group is a lessee.

8.1. Right-of-use assets

Amounts recognised in the consolidated balance sheet

Changes in right-of-use assets can be analysed as follows:

In thousands of euros	**Stores**	**Offices**	**Other**	**Total**
Net book value as at 31 March 2021	**243,271**	**47,815**	**10,185**	**301,271**
Additions	88,919	6,424	12,995	108,338
Disposals and change in estimated lease term	(92,594)	(1,176)	(767)	(94,537)
Depreciation (Note 24.3)	(73,524)	(16,868)	(5,723)	(96,115)
Reconsolidation of L'Occitane Inc. (Note 6.1)	44,875	8,399	2,004	55,278
Impairment loss net of reversals (note 24.3)	(17,768)	–	–	(17,768)
Exchange differences	6,796	1,607	64	8,467
Net book value as at 31 March 2022	**199,975**	**46,201**	**18,758**	**264,934**

During the year ended 31 March 2022, the additions mainly relate to new stores (€6,665,000) and other effects such as the extension or renewal of contracts or new offices (€101,673,000).

The impairment loss net of reversals is mainly linked to the change in the estimated lease term for the flagship store on the Champs-Elysées, Paris, France. When the Group had entered into the lease agreement, considering the existence of an option to extend the lease and the characteristics of this store (premium location) and the amount of initial investments, the Group was reasonably certain to exercise that option. Therefore the lease term initially corresponded to the initial term of the lease on the signature date (12 years) taking into account an extension period (12 years). Due to the poor performance of that store, the Group reassessed the lease term for a shorter period.

The key money for the flagship store on the Champs-Elysées is pledged for an amount of €15,599,273 as security for the FY2019 Long-Term Loan.

Amounts recognized in the consolidated statement of income

The consolidated statement of income shows the following amounts relating to leases:

31 March 2022 *In thousands of euros*	**Stores**	**Offices**	**Other**	**Total**
Distribution expenses	(73,524)	–	–	(73,524)
General and administrative expenses	–	(16,868)	(5,723)	(22,591)
Depreciation expenses	**(73,524)**	**(16,868)**	**(5,723)**	**(96,115)**

Notes to the Consolidated Financial Statements

8. LEASES *(CONTINUED)*

8.1. Right-of-use assets *(continued)*

Impairment tests for right-of-use assets

Period ended 31 March	***2022***	***2021***
In thousands of euros		
Accumulated impairment as of the beginning of year	**(9,792)**	**(5,764)**
Impairment loss	(19,923)	(10,193)
Reversal of impairment loss (used)	2,155	591
Deconsolidation of L Occitane Inc	–	5,367
Other movement	–	154
Exchange differences	(1)	53
Accumulated impairment provision as of March	**(27,561)**	**(9,792)**

Right-of-use assets are allocated to the Group's cash-generating units (CGUs) and are tested for impairment as described in Note 2.8. Note 4.1 describes the key assumptions used for the value-in-use calculations.

An impairment loss amounting to €6,646,000 as at 31 March 2022 has been recorded within "Distribution expenses" to adjust the carrying amount of certain right-of-use assets related to stores.

The reversal of used impairment provisions corresponds to stores that are closed.

8.2. Lease liabilities

Amounts recognised in the consolidated balance sheet

Maturities of lease liabilities can be analysed as follows:

In thousands of euros	***2022***	***2021***
Within 1 year	93,722	78,538
Between 1 and 2 years	65,812	58,599
Between 2 and 5 years	88,800	80,034
Over 5 years	25,898	77,556
Period ended 31 March	**274,232**	**294,727**

The total cash outflow for leases for the year ended 31 March 2022 was €108,536,000.

Amounts recognised in the consolidated statement of income

The consolidated statement of income shows the following amounts relating to leases:

In thousands of euros	***31 March 2022***
Interest expense (included in finance cost)	8,861
Expense related to short-term leases (included in distribution expenses)	5,956
Expense related to leases of low-value assets that are not shown above as short-term leases (included in cost of goods sold and administrative expenses)	8
Expense related to variable lease payments not included in lease liabilities (included in distribution expenses)	74,119
Total	**88,944**

9. GOODWILL

Goodwill is monitored by management at the level of the trademarks (Note 2.9).

9.1. Change in goodwill and breakdown

Change in goodwill can be analysed as follows:

In thousands of Euros		31 March 2020	Additions	Other	Deconsolidation of L'Ocitane Inc.	Exchange differences	31 March 2021	Additions	Reconsolidation of L'Occitane Inc.	Exchange differences & Other	31 March 2022
Elemis		514,910	–	10,738	–	(1,347)	524,301	–	–	13,355	537,656
Sol de Janeiro		–	–	–	–	–	–	202,618	–	6,260	208,878
LimeLife		121,336	–	–	–	(7,944)	113,392	–	–	6,362	119,754
L'Occitane [a]											
of which:	*Russia*	25,385	–	–	–	(609)	24,776	–	–	(695)	24,081
	Japan	21,833	–	–	–	(1,854)	19,979	–	–	(779)	19,200
	Malaysia	9,454	–	–	–	(253)	9,201	–	–	386	9,587
	Norway	4,356	–	–	–	660	5,016	–	–	147	5,163
	United States	6,174	–	–	(5,791)	(383)	–	–	6,620	372	6,992
	Other countries	21,163	–	–	–	(300)	20,863	–	–	1,000	21,863
Melvita		35,931	–	–	–	–	35,931	–	–	–	35,931
Erborian		2,384	–	–	–	–	2,384	–	–	–	2,384
Total cost		**762,926**	**–**	**10,738**	**(5,791)**	**(12,030)**	**755,843**	**202,618**	**6,620**	**26,408**	**991,489**
Accumulated impairment loss		(1,000)	–	–	–	–	(1,000)	–	–	–	(1,000)
Total cost		**761,926**	**–**	**10,738**	**(5,791)**	**(12,030)**	**754,843**	**202,618**	**6,620**	**26,408**	**990,489**

(a) Goodwill related to L'Occitane en Provence relates to past acquisitions of exclusive distributors in the above-mentioned countries.

9.2. Goodwill impairment testing

The key assumptions and sensibility analysis are disclosed in Note 4.1.

Notes to the Consolidated Financial Statements

10. INTANGIBLE ASSETS

10.1. Year ended 31 March 2022

Intangible assets include:

- Acquired trademarks with indefinite useful lives (Sol de Janeiro, Elemis, Melvita);
- Internally used software, including enterprise resource planning (ERP) systems, point-of-sale systems, etc.

Changes in intangible assets can be analysed as follows:

In thousands of euros	Websites	Trademarks	Software	Contractual customer relation ships	Intangible assets in progress	Other intangible assets	Total
Cost as of 31 March 2021	**56**	**259,155**	**73,321**	**33,191**	**6,102**	**23,456**	**395,281**
Additions	141	27	3,858	–	4,495	275	8,796
Disposals	(446)	(637)	(3,661)	(334)	(1)	–	(5,079)
Acquisition of subsidiaries	–	157,761	41	–	106	148	158,056
Other movements	1,069	–	2,684	–	(5,076)	1,539	216
Exchange differences	(1)	18,538	749	1,710	49	46	21,091
Cost as of 31 March 2022	**819**	**434,844**	**76,992**	**34,567**	**5,675**	**25,464**	**578,361**
Accumulated amortisation and impairment as of 31 March 2021	**(7)**	**(611)**	**3**	**(59,274)**	**(8,586)**	**(10,857)**	**(79,332)**
Amortisation	(183)	–	(8,731)	(3,478)	–	(3,337)	(15,729)
Disposals	446	624	3,476	334	–	–	4,880
Other movements	(603)	–	698	–	–	–	95
Exchange differences	(1)	–	(446)	(453)	–	(20)	(920)
Accumulated amortisation and impairment as of 31 March 2022	**(348)**	**13**	**(5,000)**	**(62,871)**	**(8,586)**	**(14,214)**	**(91,006)**
Net book value as of 31 March 2022	**471**	**434,857**	**71,992**	**(28,304)**	**(2,911)**	**11,250**	**487,355**

Additions mainly concerned:

- Assets in progress for €4,495,000 related mainly to software.
- Software for an amount of €3,858,000.

10. INTANGIBLE ASSETS *(CONTINUED)*

10.2. Year ended 31 March 2021

Intangible assets include:

- Acquired trademarks with indefinite useful lives;
- Internally used software, including enterprise resource planning (ERP) systems, point-of-sale systems, etc.

Changes in intangible assets can be analysed as follows:

In thousands of euros	Websites	Trademarks	Software	Contractual customer relationships	Intangible assets in progress	Other intangible assets	Total
Cost as of 31 March 2020	**9**	**276,216**	**68,746**	**35,272**	**5,935**	**20,523**	**406,701**
Additions	47	–	3,750	–	5,673	883	10,353
Disposals	–	–	(947)	–	(230)	–	(1,177)
Deconsolidation of L'Occitane Inc.	–	(854)	–	(219)	(72)	(1,145)	
Other movements	–	–	3,121	–	(5,156)	2,091	56
Exchange differences	(0)	(17,061)	(494)	(2,081)	99	31	(19,506)
Cost as of 31 March 2021	**56**	**259,155**	**73,321**	**33,191**	**6,102**	**23,456**	**395,281**
Accumulated amortisation and impairment as of 31 March 2020	**(0)**	**(611)**	**–**	**(51,129)**	**(5,371)**	**(8,013)**	**(65,124)**
Amortisation	(7)	–	–	(10,185)	(3,406)	(2,854)	(16,452)
Disposals	–	–	–	945	–	–	945
Deconsolidation of L'Occitane Inc.	–	–	–	854	–	52	906
Exchange differences	0	–	3	241	191	(42)	393
Accumulated amortisation and impairment as of 31 March 2021	**(7)**	**(611)**	**3**	**(59,274)**	**(8,586)**	**(10,857)**	**(79,332)**
Net book value as of 31 March 2021	**49**	**258,544**	**73,324**	**(26,083)**	**(2,484)**	**12,599**	**315,949**

Additions mainly concerned:

- Assets in progress for €5,673,000 related mainly to software.
- Software for an amount of €3,750,000.

Notes to the Consolidated Financial Statements

10. INTANGIBLE ASSETS *(CONTINUED)*

10.3. Classification of the amortisation of intangible assets in the consolidated statement of income

Amortisation of intangible assets has been charged to the statement of income as follows:

31 March *In thousands of euros*	***2022***	***2021***
Cost of goods sold	12	13
Distribution expenses	4,775	4,219
Marketing expenses	288	496
Research and development costs	–	13
General and administrative expenses	10,654	11,711
Amortisation expenses	**15,729**	**16,452**

10.4. Impairment tests of intangible assets

Intangible assets are allocated to the Group's cash-generating units (CGUs) as described in Note 2.9 and tested for impairment. Note 4.1 describes the key assumptions used for the value in use calculation.

31 March *In thousands of euros*	***2022***	***2021***
Accumulated impairment provision as of the beginning of the year	**(27)**	**(27)**
First-time application of IFRS 16	–	–
Impairment provision	–	–
Reversal of impairment provision	–	–
Exchange differences	–	–
Accumulated impairment provision as of 31 March	**(27)**	**(27)**

11. JOINT VENTURES AND ASSOCIATES

The Group has 51% interest in "L'Occitane Middle East" (joint venture), 100% in L'Occitane Inc. (associate) for the period from 1 April 2021 to 31 August 2021 as disclosed in Note 6.1.2, 26% in CAPSUM (associate) and 15.53% in Good Glamm Group.

11.1. Interests in associates and joint ventures

The amounts disclosed for interests in associates and joint ventures are as follows:

In thousands of euros **Name of entity**	**Place of business**	**% of ownership interest**	**Nature of relationship**	**Measurement method**	**Share of profit/(loss) FY22**	**Carrying amount FY22**
L'Occitane Inc. (6.1)	USA	100%	Associate	Equity method	(8,920)	–
Good Glamm Group	India	15.53%	Associate	Equity method	(5,019)	24,677
L'Occitane Middle East	Middle East	51%	Joint Venture	Equity method	678	15,890
CAPSUM	Europe/USA	26%	Associate	Equity method	(379)	26,672
Total Investments in associates and joint ventures					**(13,640)**	**67,239**

The carrying amount of equity-accounted investments has changed as follows:

	L'Occitane Middle East	**Capsum**	**Good Glamm Group** *Restated**	**L'Occitane Inc.**
31 March 2021 *Restated**	9,624	28,091	8,539	15,921
Increase in capital	4,924	–	–	–
Capital gain, net of the dilution in the interest (Note 25)	–	–	20,117	–
Profit/(loss) for the period	678	(379)	(5,019)	(8,920)
Currency translation effects	664	–	1,040	68
Reconsolidation (Note 6.1.2)	–	–	–	(7,069)
Change in controlling interests	–	(1,040)	–	–
31 March 2022	**15,890**	**26,672**	**24,677**	**–**

Notes to the Consolidated Financial Statements

11. JOINT VENTURES AND ASSOCIATES *(CONTINUED)*

11.1. Interests in associates and joint ventures *(continued)*

See note 2.2 for details regarding the restatement as a result of an error.
In the €15,921,000, the loans granted by the Group to L'Occitane Inc. are considered to be part of the Group's net investment in that subsidiary.

The share of profit/(loss) from equity-accounted joint ventures is recorded in the line 'share of profit/(loss) from associates and joint ventures accounted for using the equity method' in the consolidated statement of income.

For Good Glamm Group, the dilution loss is calculated by comparing the carrying value of the disposed interest to the L'Occitane's share of the proceeds received for the new shares issued by the associate of joint venture. This dilution loss is recorded in the line 'Other operating expenses' of the consolidated statement of income (Note 25).

The exchange difference arising from the conversion of the associates and joint venture from their functional currency to the Group's presentation currency is recorded in the Group's other comprehensive income: €664,000 for L'Occitane Middle East, €1,040,000 for Good Glamm Group and €68,000 for L'Occitane Inc.

11.2. Summary balance sheet for associates and joint ventures

In thousands of euros **Reconciliation of carrying amounts**	**L'Occitane Middle East** ***31 March 2022***	**CAPSUM** ***31 March 2022***	**Good Glamm Group** ***31 March 2022***
Net assets	**3,232**	**25,987**	**169,765**
Group's share in %	51%	26%	15.53%
Group's share in thousands of euros	1,648	6,757	26,365
Notional goodwill	14,242	19,915	(1,688)
Carrying amount	**15,890**	**26,672**	**24,677**

11. JOINT VENTURES AND ASSOCIATES *(CONTINUED)*

11.3. Summary statement of comprehensive income for associates and joint ventures

31 March 2022 *In thousands of euros*	L'Occitane Middle East	CAPSUM	Good Glamm Group
Net sales	22,798	38,707	30,273
Cost of sales	(9,356)	(32,643)	(11,606)
Gross profit	**13,442**	**6,064**	**18,667**
Distribution expenses	(2,866)	(2,526)	–
Marketing expenses	(3,690)	–	–
General and administrative expenses	(4,026)	(4,534)	(42,154)
Other gains/(losses), net	(1,004)	(10)	(2,199)
Other financial interests	(164)	–	(2,675)
Income tax expense	–	(454)	–
Profit/(loss) for the period	**1,692**	**(1,460)**	**(28,361)**
Other comprehensive income	–	–	–
Total comprehensive income	**1,692**	**(1,460)**	**(28,361)**

The statement of income of Good Glamm Group is presented by nature. Therefore all the operating expenses were classified in only one line of the above income statement.

11.4. Summary of balance sheet statement for associates and joint ventures

Summarised balance sheet *In thousand of euros*	L'Occitane Middle East ***31 March 2022***	Capsum ***31 March 2022***	Good Glamm Group ***31 March 2022***
Current assets			
Cash and cash equivalents	2,188	812	113,458
Other current assets	10,124	19,550	40,558
Total current assets	**12,312**	**20,362**	**154,016**
Non-current assets	12,505	53,719	68,445
Current liabilities	(8,084)	(25,668)	(14,708)
Non-current liabilities	(13,501)	(22,426)	(37,988)
Net assets	**3,232**	**25,987**	**169,765**

11.5. Commitments and contingent liabilities in respect of associates and joint ventures

There are no commitments to provide funding for joint venture and associate capital and no contingent liabilities (contingent liabilities incurred jointly with other investors or liabilities for which the Group is severally liable).

Notes to the Consolidated Financial Statements

12. INTERESTS IN OTHER ENTITIES

The summary financial information for each subsidiary that has non-controlling interests (NCI) material to the Group is set out below.

The materiality of non-controlling interests was determined based on a mix of quantitative and qualitative factors, notably the percentage of the subsidiary's contribution in the Group's consolidated financial statements, the amount of the non-controlling interests at year-end, and the importance of the subsidiary to the Group's strategy.

The amounts disclosed for each subsidiary are before inter-company eliminations.

Summary balance sheet

	31 March 2022			*31 March 2021*	
In thousands of euros	**LimeLife**	**ELEMIS**	**Sol de Janeiro**	**LimeLife**	**ELEMIS**
Current assets	42,237	198,468	385,597	29,466	134,439
Current liabilities	50,168	51,380	354,910	31,967	40,027
Net current assets/(liabilities)	**(7,931)**	**147,088**	**30,687**	**(2,501)**	**94,412**
Non-current assets	131,604	841,968	379,515	118,779	815,089
Non-current liabilities	7,228	54,725	39,367	5,394	48,450
Net non-current assets/(liabilities)	**124,376**	**787,243**	**340,148**	**113,385**	**766,639**
Net assets/(liabilities)	**116,445**	**934,331**	**370,835**	**110,884**	**861,051**
% of interests owned by the Group	58.0%	90.9%	82.9%	58.6%	90.9%
Accumulated non-controlling interests	3,433	12,371	28,307	5,594	73,946

Summary statement of comprehensive income

	31 March 2022			*31 March 2021*	
In thousands of euros	**LimeLife**	**ELEMIS**	**Sol de Janeiro**	**LimeLife**	**ELEMIS**
Revenue	71,103	206,860	25,487	101,535	148,447
Profit/(loss) for the year	**(7,372)**	**44,988**	**1,964**	**(615)**	**30,988**
Other comprehensive income/(expense)	6,797	28,184	11,109	(8,595)	(17,413)
Total comprehensive income/(expense)	**(575)**	**73,172**	**13,073**	**(9,210)**	**13,575**

Other comprehensive income is mainly related to currency translation adjustments on goodwill, trademarks and intangible assets.

Other comprehensive income for LimeLife mainly relates to currency translation adjustments on goodwill.

12. INTERESTS IN OTHER ENTITIES *(CONTINUED)*

Summary statement of cash flows

	31 March 2022			*31 March 2021*	
In thousands of euros	**LimeLife**	**ELEMIS**	**Sol de Janeiro**	**LimeLife**	**ELEMIS**
Cash flows from operating activities	(13,747)	10,769	(3)	6,224	45,530
Cash flows from investing activities	(368)	(7,993)	8,017	(1,532)	(35,046)
Cash flows from financing activities	18,261	(5,027)	3,285	(3,339)	(4,467)
Net increase/(decrease) in cash and cash equivalents	**4,146**	**(2,251)**	**11,299**	**1,353**	**6,017**

The cash flows from investing activities for ELEMIS relate to cash transferred to L'Occitane International S.A.

13. OTHER NON-CURRENT ASSETS

Other non-current assets can be analysed as follows:

31 March	***2022***	***2021***
In thousands of euros		*Restated**
Deposits	24,800	24,763
Equity investments at fair value through other comprehensive income (FVOCI) (Note 3.3)	33,117	17,503
Tax receivables	7,315	6,848
Other	2,546	1,702
Other non-current assets	**67,778**	**50,816**

* *See note 2.2 for details regarding the restatement as a result of an error.*

14. INVENTORIES

Inventories can be analysed as follows:

31 March	***2022***	***2021***
In thousands of euros		
Raw materials and supplies	37,480	25,037
Finished goods and work in progress	249,304	189,815
Inventories, gross	**286,784**	**214,852**
Less, allowance	(23,622)	(15,992)
Inventories	**263,162**	**198,860**

The increase in inventories mainly relate to the reconsolidation of L'Occitane Inc. (€16,136,000) and the acquisition of Sol de Janeiro (€ 22,312,000).

Notes to the Consolidated Financial Statements

15. TRADE RECEIVABLES

Trade receivables can be analysed as follows:

31 March *In thousands of euros*	***2022***	***2021***
Trade receivables, gross	204,939	139,320
Less, allowance for doubtful accounts	(5,316)	(3,982)
Trade receivables	**199,623**	**135,338**

The carrying amounts of the Group's trade receivables approximate their fair value. At the balance sheet date, there is no concentration of credit risk with respect to trade receivables, as the Group has a large number of customers, located internationally. The maximum exposure to credit risk at each balance sheet date is the fair value of receivables set out above. The Group does not hold any collateral as security.

The trade receivables ageing analysis report is as follows:

31 March *In thousands of euros*	***2022***	***2021***
Current and past due within 3 months	191,999	133,161
3 to 6 months	7,872	2,321
6 to 12 months	2,337	1,746
Over 12 months	2,731	2,092
Trade receivables, gross	**204,939**	**139,320**

Movements in the Group's provision for impairment on trade receivables are as follows:

31 March *In thousands of euros*	***2022***	***2021***
At beginning of the year	(3,982)	(2,674)
Provision for impairment	(1,891)	(3,410)
Reversal of impairment	1,301	1,707
Reclassification	–	497
Deconsolidation of L'Occitane Inc.	–	8
Acquisition of Sol de Janeiro	(554)	–
Exchange differences	(190)	(110)
At end of the year	**(5,316)**	**(3,982)**

The creation and release of a provision for impaired receivables has been included in distribution expenses.

15. TRADE RECEIVABLES *(CONTINUED)*

The ageing of the provision for impaired receivables by due date is as follows:

31 March	***2022***	***2021***
In thousands of euros		
Within 3 months	1,349	1,060
3 to 6 months	1,343	849
6 to 12 months	725	714
Over 12 months	1,899	1,359
Impaired receivables	**5,316**	**3,982**

The individually impaired receivables relate to wholesalers in unexpectedly difficult economic situations.

The ageing analysis of trade receivables by due date that were past due but not impaired as at 31 March 2022 and 2021 is as follows:

31 March	***2022***	***2021***
In thousands of euros		
Within 3 months	28,907	9,358
3 to 6 months	6,527	1,472
6 to 12 months	1,612	1,032
Over 12 months	833	734
Trade receivables past due but not impaired	**37,879**	**12,596**

These trade receivables relate to a number of customers for whom there is no significant financial difficulty based on past experience. The overdue amounts can be recovered.

The Group considers that there is no recoverability risk on these past due receivables.

16. OTHER CURRENT ASSETS

The following table presents details of other current assets:

	31 March 2022	***31 March 2021***
In thousands of euros		
Value added tax receivable and other taxes and social items receivable	23,095	16,836
Prepaid expenses [(a)]	21,515	18,907
Income tax receivable	10,844	3,894
Advance payments to suppliers	12,168	10,331
L'Occitane Middle East current account	7,112	–
Other current assets	8,201	2,830
Total other current assets	**82,935**	**52,798**

(a) The income tax receivable relates to down payments of income tax that are higher than the final income tax expense expected to be paid for the year.

Notes to the Consolidated Financial Statements

17. DERIVATIVE FINANCIAL INSTRUMENTS

17.1. Analysis of derivative financial instruments

Derivative financial instruments can be analysed as follows:

In thousands of euros	***31 March 2022***		***31 March 2021***	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Foreign exchange derivatives at fair value through profit and loss	1,931	1,208	72	657
Sub-total derivative financial instruments at fair value through profit and loss	**1,931**	**1,208**	**72**	**657**
Interest rate derivatives at fair value through other comprehensive income	–	–	–	56
Sub-total derivative financial instruments designated as hedging instruments	**–**	**–**	**–**	**56**
Current portion of derivative financial instruments	**1,931**	**1,208**	**72**	**713**

Derivatives for trading derivatives are classified as a current asset or liability. The fair value of a derivative designated as hedging instrument is classified as a non-current asset or liability if the remaining maturity of the hedged item is more than 12 months and, as a current asset or liability, if the maturity of the hedged item is less than 12 months.

The hedged highly probable forecast transactions denominated in foreign currencies are expected to occur at various dates over the next 12 months. Gains and losses recognised in the hedging reserve in other comprehensive income on forward foreign exchange contracts designated as hedging instruments as of the end of the period will be recognised in the statement of income in the period or periods during which the hedged forecast transaction will affect the statement of income. This is generally within the 12 months from the balance sheet date.

The change in the fair value of derivatives at fair value through profit and loss is recognised in the statement of income within "Finance income"/"Finance costs" for interest derivatives and within "Foreign currency gains/(losses)" for currency derivatives.

17.2. Derivatives at fair value through profit and loss

The change in fair value related to derivatives at fair value through profit and loss is as follows:

31 March *In thousands of euros*	***2022***	***2021***
— within 'foreign currency gains/(losses)' for currency derivatives (Note 28)	1,308	(1,401)
Total change in the fair value of derivatives at fair value through profit and loss: gains/(losses)	**1,308**	**(1,401)**

17. DERIVATIVE FINANCIAL INSTRUMENTS *(CONTINUED)*

17.3. Derivatives designated as hedging instruments

The derivatives designated at fair value through other comprehensive income are disclosed in Note 17.

17.4. Notional amounts of derivatives

The notional principal amounts of the outstanding forward foreign exchange derivatives are as follows:

31 March *In thousands of euros*	***2022***	***2021***
Sale of currencies		
CNY	51,971	23,371
USD	29,810	10,376
HKD	23,931	7,147
JPY	13,947	2,819
GBP	9,161	2,799
RUB	8,586	3,249
MXN	4,597	3,573
THB	2,653	2,681
AUD	1,494	470
SGD	799	–
NOK	578	268
CZK	312	77
PLN	256	174
ZAR	204	69
HUF	200	60
SEK	92	111
Purchase of currencies		
CNY	6,056	–
HUF	57	–
MXN	308	–

Notes to the Consolidated Financial Statements

18. CASH AND CASH EQUIVALENTS

The following table presents details of cash and cash equivalents:

31 March *In thousands of euros*	***2022***	***2021***
Cash at bank and on hand	358,230	419,319
Cash equivalents	2,669	1,897
Cash and cash equivalents	**360,899**	**421,216**

Cash equivalents include highly liquid investments in short-term bank deposits.

The effective interest rates on cash at bank and in hand are as follows:

	2022	***2021***
Cash in euros	Eonia or Euribor + margin	Eonia or Euribor + margin
Cash in foreign currencies	Local market rate + margin	Local market rate + margin

The effective interest rates on cash equivalents are as follows:

	2022	***2021***
Cash equivalents in euros (short-term bank deposits)	Euribor/Local market rate	Euribor/Local market rate

19. CAPITAL AND RESERVES

L'Occitane International S.A. is a *société anonyme* incorporated in the Grand Duchy of Luxembourg. The Company's authorised capital is €1,500,000,000 of which €44,309,000 was issued as at 31 March 2022. At the same date, 72.28% of the Company's share capital was held by L'Occitane Groupe S.A., incorporated in Luxembourg ("LOG" or the "parent company"). CIME S.C.A. is the ultimate parent company, incorporated in Luxembourg.

All of the Company's issued shares are fully paid up and bear the same rights and obligations.

19.1. Share capital and additional paid-in capital

Changes in the number of shares, share capital and additional paid-in capital are as follows (in thousands of euros, except for the number of shares):

	Number of shares	**Share capital**	**Additional paid-in capital**
At 31 March 2021	**1,476,964,891**	**44,309**	**342,851**
At 31 March 2022	**1,476,964,891**	**44,309**	**342,851**

19.2. Treasury shares

As at 31 March 2021, the Company held 10,286,970 shares in treasury and the aggregate price of the purchased shares was deducted from equity as "Treasury shares reserve" for an amount of €16,381,000.

As at 31 March 2022, the Company holds 6,829,070 shares in treasury and the aggregate price of the purchased shares is deducted from equity as "Treasury shares reserve" for an amount of €15,476,000.

19. CAPITAL AND RESERVES *(CONTINUED)*

19.3. Share-based payment

The Company grants three types of share-based payment: (ii) share-based payments related to LOI equity instruments, (iii) share-based payments related to LimeLife equity instruments and (iv) share-based payments related to LOG equity instruments.

(i) Fair value of options granted

The fair value at grant date is independently determined using an adjusted form of the Black-Scholes model which includes a Monte Carlo simulation model that takes into account the exercise price, the term of the option, the share price at grant date, the expected dividend yield, the risk-free interest rate for the term of the option, and the correlations and volatilities of the peer group companies.

(ii) Main characteristics and detail of the plans with LOI instruments

Stock options

The stock option plans can be summarised as follows:

	31 March 2022		*31 March 2021*	
	Average exercise price in HKD per share option	**Number of options**	**Average exercise price in HKD per share option**	**Number of options**
At the beginning of the period	15.94	12,512,350	15.94	19,535,672
Exercised during the period	15.69	(5,544,450)	15.61	(4,945,400)
Cancelled/Lapsed during the period	15.12	(271,300)	21.73	(2,077,922)
At the end of the period	**14.63**	**6,696,600**	**15.94**	**12,512,350**

The cancelled stock options relate to employees who left the Company before the end of the vesting period.

Stock options outstanding at the end of the periods have the following vesting dates and exercise prices:

			Number of share options	
Grant date	**Vesting date**	**Exercise price**	***31 March 2022***	***31 March 2021***
26 October 2012	26 October 2016	HKD23.60	–	–
28 November 2012	29 November 2016	HKD24.47	–	–
4 December 2013	4 December 2017	HKD17.62	–	1,254,250
23 February 2015	23 February 2019	HKD19.22	–	238,000
21 March 2016	21 March 2020	HKD14.36	520,500	1,711,250
02 February 2017	02 February 2021	HKD15.16	1,473,350	4,337,050
29 March 2018	29 March 2022	HKD14.50	4,702,750	4,971,800
Total			**6,696,600**	**12,512,350**

Notes to the Consolidated Financial Statements

19. CAPITAL AND RESERVES *(CONTINUED)*

19.3. Share-based payment *(continued)*

(ii) Main characteristics and detail of the plans with LOI instruments (continued)

Free shares

The free share plans can be summarised as follows:

	31 March 2022		*31 March 2021*	
	Average fair value in HKD per free share	**Number of free shares**	**Average fair value in HKD per free share**	**Number of free shares**
At the beginning of the period	14.50	3,360,300	14.50	3,371,400
Vested during the period	14.50	(2,333,700)	–	–
Forfeited during the period	14.50	(1,026,600)	14.50	(11,100)
At the end of the period	**–**	**–**	**14.50**	**3,360,300**

Free shares outstanding at the end of the years have the following expiry dates and exercise prices:

			Number of free shares	
Grant date	**Vesting date**	**Exercise price**	***31 March 2022***	***31 March 2021***
29 March 2018	29 March 2022	–	–	3,360,300
Total		**–**	**–**	**3,360,300**

(iii) Main characteristics and detail of the plans with LimeLife equity instruments

L'Occitane International S.A. granted rights to LimeLife equity instruments to LimeLife's minority shareholders. This free share plan is based on a presence condition for a four-year period, starting from 12 December 2017. There are no performance criteria.

This plan can be summarised as follows:

	31 March 2022		*31 March 2021*	
	Average fair value in EUR per free shares	**Number of free shares**	**Average fair value in EUR per free shares**	**Number of free shares**
As at 1 April	6.4	1,266,891	6.4	844,594
Vested during the year	6.4	422,297	6.4	422,297
As at 31 March	**6.4**	**1,689,188**	**6.4**	**1,266,891**

19. CAPITAL AND RESERVES *(CONTINUED)*

19.3. Share-based payment *(continued)*

(iii) Main characteristics and detail of the plans with LimeLife equity instruments (continued)

		Number of free shares	
Grant date	**Vesting date**	***31 March 2022***	***31 March 2021***
12 December 2017	12 December 2018	422,297	422,297
12 December 2017	12 December 2019	422,297	422,297
12 December 2017	12 December 2020	422,297	422,297
12 December 2017	12 December 2021	422,297	422,297
Total		**1,689,188**	**1,689,188**

The assessed fair value at the grant date of the shares was determined based on the enterprise value of LimeLife (through discounted future cash flows) as at 12 December 2017.

(iv) Main characteristics and detail of the plans with LOG equity instruments

LOG, the parent company of L'Occitane International S.A., granted rights to its own equity instruments to L'Occitane International S.A. and to its subsidiaries' employees.

(v) Total share-based payment expense

During the years ended 31 March 2021 and 31 March 2022, the share-based payment expense recognised within employee benefits was as follows:

In thousands of euros	***2022***	***2021***
LOI equity instruments	772	2,470
LOG equity instruments	6,798	7,478
LimeLife instruments	1,056	1,207
Social charges	983	1,240
Total (note 24)	**9,609**	**12,395**

As at 31 March 2022, an amount of €444,000 had been recorded as share-based payments for the minority shareholders of LimeLife.

The total remaining share-based payment expense to be recognised within the future employee benefits is as follows:

In thousands of euros	***2022***	***2021***
LOI equity instruments	–	2,050
LOG equity instruments	7,230	9,660
LimeLife instruments	–	469
Total	**7,230**	**12,179**

19.4. Distributable reserves

On 31 March 2022, the distributable reserves of L'Occitane International S.A. amounted to €839,965,536 (€758,631,786 as at 31 March 2021).

Notes to the Consolidated Financial Statements

19. CAPITAL AND RESERVES *(CONTINUED)*

19.5. Dividend per share

On 29 September 2021, the Annual Shareholder's Meeting approved the distribution of €54,189,000, namely €0.03687 per share (excluding 9,576,670 treasury shares), which was paid on 22 October 2021.

19.6. Additional paid in capital

Additional paid in capital includes:

- The additional paid in capital recognised in the individual Company financial statements;
- The effect of valuing, at market value, the shares issued in exchange of acquisitions;
- The difference between the carrying amount net of tax and the nominal amount of the compound financial instruments converted to equity on 26 February 2007.

19.7. Currency translation differences

Over the period ended 31 March 2022, currency translation differences are mainly composed of currency translation differences from subsidiaries with a functional currency in USD, RUB and BRL, mainly on goodwill and some non-current assets.

20. BORROWINGS

Borrowings can be analysed as follows:

In thousands of euros	***31 March 2022***	***31 March 2021***
FY2022 Term loan	300,354	–
FY2021 Revolving facility	64,604	36,821
FY2021 PGE Bank borrowing (COVID)	–	50,203
FY2021 Affiliates borrowing (COVID)	–	996
FY2020 NEU CP facility	282,800	135,000
FY2019 Term loan	–	275,000
FY2019 Long-term loan	15,602	17,598
FY2012 bank borrowing	3,571	4,286
Other bank borrowings	3,996	2,197
Bank overdraft	3	13
Total	**670,930**	**522,114**
(Deduct) current portion:		
FY2022 Term loan	(354)	–
FY2021 Revolving facility	275	(36,821)
FY2021 PGE Bank borrowing (COVID)	–	(50,203)
FY2021 Affiliates borrowing (COVID)	–	(544)
FY2020 NEU CP facility	(282,800)	(135,000)
FY2019 Term loan	–	(275,000)
FY2019 Long-term loan	(2,018)	(1,999)
FY2012 bank borrowing	(714)	(715)
Other bank borrowings	(3,997)	(2,197)
Bank overdraft	(3)	(13)
Total current portion	**(289,611)**	**(502,492)**
Total non-current portion	**381,319**	**19,622**

20. BORROWINGS *(CONTINUED)*

20.1. Maturity of non-current borrowings

For the years ended 31 March 2022 and 2021, the maturity of non-current borrowings, excluding the current portion, can be broken down as follows:

In thousands of euros	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**	**Total**
FY2022 Term loan	–	300,000	–	300,000
FY2021 Revolving Facility	–	64,879	–	64,879
FY2019 Long-term loan	2,035	6,223	5,326	13,584
FY2012 bank borrowing	714	2,142	–	2,856
Maturity at 31 March 2022	**2,749**	**373,244**	**5,326**	**381,319**
FY2021 Affiliates borrowings (COVID)	–	452	–	452
FY2019 Long-term loan	2,015	6,163	7,421	15,599
FY2012 bank borrowing	714	2,143	714	3,571
Maturity at 31 March 2021	**2,729**	**8,758**	**8,135**	**19,622**

20.2. Credit facility agreements

FY2022 Term loan

On 21 December 2021, the Company signed a Term Loan Agreement for an amount of €300,000,000 with a three-year maturity. An amount of €300,000,000 equivalent was drawn as at 31 March 2022.

The FY2022 Term Loan Agreement includes a repricing option.

The interest rates depend on the above-described leverage ratio calculated annually after the consolidated financial statements of the Group are issued. The interest rate is repriced in line with the change in the ratio, as follows:

Leverage ratio	**Repricing**
Ratio higher than 2.5	Euribor + Margin
Ratio between 2.0 and 2.5	Euribor + Margin — 0.25
Ratio between 1.5 and 2.0	Euribor + Margin — 0.45
Ratio between 1.0 and 1.5	Euribor + Margin — 0.55
Ratio between 0.5 and 1.0	Euribor + Margin — 0.65
Ratio lower than 0.5	Euribor + Margin — 0.75

During the year ended 31 March 2022, the interest rate was based on Euribor + Margin — 0.55

Notes to the Consolidated Financial Statements

20. BORROWINGS *(CONTINUED)*

20.2. Credit facility agreements *(continued)*

FY2022 Term loan (continued)

The FY2022 Term Loan Agreement is subject to a financial covenant: if the Company fails to maintain its leverage ratio below a given level, this will trigger a default event and the early repayment of the loan. The leverage ratio, which is based on the Group's annual consolidated financial statements, is calculated by dividing consolidated net debt by EBITDA. For the measurement of this ratio, the following definitions are used:

Consolidated net debt	Current and non-current borrowings (including finance leases and other commitments but excluding lease commitments within the scope of IFRS 16, long-term employee benefits, raw materials commitments and grants to a foundation) — cash and cash equivalents
EBITDA	Operating profit before depreciation, amortisation and impairment and before net movements in provisions (excluding the impact of IFRS 16)

The leverage ratio must be lower than 2.5. The covenant was respected as at 31 March 2022.

The directly attributable transaction costs related to the issuance of this FY2022 Term Loan Agreement amounted to €1,550,000. As this financing is a term loan, the fees were capitalised as a deferred charge and amortised over the term of the loan.

FY2022 Bilateral Cash Pooling Facility

On 30 June 2021, the Company signed an unsecured bilateral cash pooling facility in US Dollars (USD) for an amount up to USD 50 million with a one-year maturity and an option for an automatic extension on an annual basis. The facility was not automatically extended and cancelled as at 31 March 2022. As a consequence no amount was drawn as at 31 March 2022.

The FY2022 Bilateral Cash Pooling Facility includes a repricing option.

The interest rates depend on the below-described leverage ratio calculated annually after the consolidated financial statements of the Group are issued. The interest rate is repriced in line with the change in the ratio, as follows:

Leverage ratio	**Repricing**
Ratio higher than 2.5	Euribor/Libor + Margin
Ratio between 2.0 and 2.5	Euribor/Libor + Margin — 0.25
Ratio between 1.5 and 2.0	Euribor/Libor + Margin — 0.45
Ratio between 1.0 and 1.5	Euribor/Libor + Margin — 0.55
Ratio between 0.5 and 1.0	Euribor/Libor + Margin — 0.65
Ratio lower than 0.5	Euribor/Libor + Margin — 0.75

During the year end 31 March 2022, the interest rate was based on Euribor + Margin — 0.75.

The margin is always increased by 15 bps if the FY2022 Bilateral Cash Pooling Facility is drawn in USD.

20. BORROWINGS *(CONTINUED)*

20.2. Credit facility agreements *(continued)*

***FY2022 Bilateral Cash Pooling Facility** (continued)*

The FY2022 Bilateral Cash Pooling Facility is subject to a financial covenant: if the Company fails to maintain its leverage ratio below a given level, this will trigger a default event and the early repayment of the loan. The leverage ratio, which is based on the Group's annual consolidated financial statements, is calculated by dividing consolidated net debt by EBITDA. For the measurement of this ratio, the following definitions are used:

Consolidated net debt	Current and non-current borrowings (including finance leases and other commitments but excluding lease commitments within the scope of IFRS 16, long-term employee benefits, raw materials commitments and grants to a foundation) — cash and cash equivalents
EBITDA	Operating profit before depreciation, amortisation and impairment and before net movements in provisions (excluding the impact of IFRS 16)

The leverage ratio must be lower than 2.5 (and can be temporarily extended to 3.0 twice in the event of a business combination). The covenant is calculated on an annual basis. The covenant is respected for the fiscal year ended 31 March 2022.

FY2021 Revolving Credit Facility

On 31 March 2021, and to refinance both the FY2015 Revolving Credit Facility and the FY2021 Revolving Facility (COVID-19), the Company signed an unsecured multi-currency revolving facility agreement for an amount of €600 million with a five-year maturity and an option to extend for two additional years. The first extension for one additional year till 31st March 2027 has been activated on 28th February 2022. An amount of €64,604,162 had been drawn as at 31 March 2022.

The FY2021 Revolving Credit Facility includes a repricing option.

The interest rates depend on the below-described leverage ratio calculated annually after the consolidated financial statements of the Group are issued. The interest rate is repriced in line with the change in the ratio, as follows:

Leverage ratio	**Repricing**
Ratio higher than 2.5	Euribor + Margin
Ratio between 2.0 and 2.5	Euribor + Margin — 0.25
Ratio between 1.5 and 2.0	Euribor + Margin — 0.45
Ratio between 1.0 and 1.5	Euribor + Margin — 0.55
Ratio between 0.5 and 1.0	Euribor + Margin — 0.65
Ratio lower than 0.5	Euribor + Margin — 0.75

During the year ended 31 March 2022, the interest rate was based on Euribor/Libor + Margin — 0.75.

The margin is increased by 15 bps if the Revolving Credit Facility is drawn in USD.

Notes to the Consolidated Financial Statements

20. BORROWINGS *(CONTINUED)*

20.2. Credit facility agreements *(continued)*

FY2022 Bilateral Cash Pooling Facility (continued)

A bonus of 1 bp can be obtained for each of 4 CSR (corporate social responsibility) KPIs:

- Traceability of plants used in the products;
- Use of renewable electricity;
- Direct Suppliers CSR rating;
- B-Corp certification (will be applicable in FY23).

The FY2021 Revolving Credit Facility is subject to a financial covenant: if the Company fails to maintain its leverage ratio below a given level, this will trigger a default event and the early repayment of the loan. The leverage ratio, which is based on the Group's annual consolidated financial statements, is calculated by dividing consolidated net debt by EBITDA. For the measurement of this ratio, the following definitions are used:

Consolidated net debt	Current and non-current borrowings (including finance leases and other commitments but excluding lease commitments within the scope of IFRS 16, long-term employee benefits, raw materials commitments and grants to a foundation) — cash and cash equivalents
EBITDA	Operating profit before depreciation, amortisation and impairment and before net movements in provisions (excluding the impact of IFRS 16)

The leverage ratio must be lower than 2.5 (and can be temporarily extended to 3.0 twice in the event of a business combination). The covenant is respected for the fiscal year ended 31 March 2022.

The directly attributable transaction costs related to the issuance of this FY2021 Revolving Credit Facility Agreement amounted to €2,848,561. As there is no evidence that some or all the facility will likely be drawn down, the fees were capitalized as a deferred charge and amortized over the term of the facility.

FY2021 PGE Bank Borrowing (COVID-19)

To address the impact of the COVID-19 crisis impact on its operations, on 12 June 2020, Laboratoire M&L signed a new term loan, 90% guaranteed by the French State ("Prêt Garanti par l'Etat", PGE), for an amount of €50 million with a one-year initial maturity, and an extension option for up to a five years (June 2026).

The FY2021 PGE Bank Borrowing was not subject to any financial covenant.

As at 31 March 2022, the PGE was fully reimbursed.

FY2020 NEU CP facility

On 17 October 2019, the Group signed a programme to issue of short-term marketable debt instrument ("NEU CP") on a commercial paper market in the eurozone governed by the Banque de France. The total amount available is €300,000,000.

Multiple short-term marketable debt instruments were drawn during the year.

As at 31 March 2022, the balance amounts to €282,800,000 for a weighted average rate of -0.23% for initial maturities comprising between 6 and 266 days.

20. BORROWINGS *(CONTINUED)*

20.2. Credit facility agreements *(continued)*

FY2019 Term Loan

On 31 January 2019, the Company signed a Term Loan Agreement for an amount of €300,000,000 with a three-year maturity related to the ELEMIS acquisition. The full amount of €300,000,000 was drawn as at 31 March 2019. An amount of €25,000,000 was reimbursed during the year ended 31 March 2021.

On July 2021, the FY2019 Term Loan was fully reimbursed for a total outstanding amount of €275,000,000.

As at 31 March 2022, the FY2019 Term Loan was fully reimbursed.

FY2019 Long-Term Loan

On 4 September 2018, the Group signed a long-term loan agreement for an amount of €22.5 million with an 11-year maturity and that can be drawn by M&L Distribution France. As at 31 October 2018, the bank borrowing was fully drawn. This loan is repaid quarterly and four repayments were made in June 2021, September 2021, December 2021 and March 2022, for amounts of €497,082, €498,287, €499,495 and €500,707 respectively. As at 31 March 2022, the outstanding amount is €15,599,273.

The interest rate of the Long-Term Loan is 0.97% (fixed rate).

The FY2019 Long-Term Loan is secured by a pledge over business assets related to the 86 Champs-Elysées flagship store in Paris.

FY2012 bank borrowing

On 20 June 2011, the Group signed a bank borrowing agreement for an amount of €10.0 million with a 15-year maturity. The borrowing can only be drawn by Laboratoires M&L (formerly known as L'Occitane S.A.).

This loan is repaid annually and one repayment was made in December 2021, for amount of €714,286. As at 31 March 2022, the outstanding amount is €3,571,429.

The interest rate of the bank borrowing is based on Euribor 3M + margin.

The FY2012 bank borrowing is secured by a pledge over the land and building acquired by Laboratoires M&L to build the new logistics platform in Manosque, France.

20.3. Borrowing facilities

The Group has the following undrawn borrowing facilities:

31 March *In thousands of euros*	***2022***	***2021***
Floating rate:		
— Expiring within one year	15,856	15,080
— Expiring beyond one year	252,321	428,192
Fixed rate:		
— Expiring within one year	–	–
— Expiring beyond one year	–	–
Total	**268,177**	**443,272**

Notes to the Consolidated Financial Statements

20. BORROWINGS *(CONTINUED)*

20.4. Changes in borrowing cash flows

The Group recognised the changes arising from cash flows and non-cash changes:

In thousands of Euros	***31 March 2021***	**Cash Flow** **Proceeds**	**Repayments**	***31 March 2022***
FY2022 Term Loan	–	300,354	–	300,354
FY2021 Revolving facility	36,821	64,604	(36,821)	64,604
FY2021 PGE bank borrowing (COVID)	50,203	–	(50,203)	–
FY2021 Affiliates borrowing (COVID)	996	–	(996)	–
FY2020 NEU CP Facility	135,000	282,800	(135,000)	282,800
FY2019 Term loan	275,000	–	(275,000)	–
FY2019 Long term loan	17,598	–	(1,996)	15,602
FY2012 bank borrowing	4,286	–	(715)	3,571
Other bank borrowings	2,197	8,557	(6,758)	3,996
Bank overdrafts	13	–	(10)	3
Total	**522,114**	**656,315**	**(507,499)**	**670,930**

21. OTHER CURRENT AND NON-CURRENT LIABILITIES

Other current and non-current liabilities include the following:

31 March *In thousands of euros*	***2022***	***2021***
Retirement indemnities	12,135	13,146
Long term employment benefits	1,068	976
Provisions for dismantling and restoring	8,390	7,746
Grants to a foundation	–	75
Other	1,359	1,313
Total non current liabilities	**22,952**	**23,256**
Grants to a foundation	172	166
Deferred revenue [(a)]	19,014	17,083
Sale of ELEMIS minority shareholders	77,409	–
Provisions for dismantling and restoring	2,019	1,749
Right to return goods	2,145	1,359
Total current liabilities	**100,759**	**20,357**

(a) Deferred revenue relates to (i) sales for which the transfer of control and related risks has not occurred at the year-end; and (ii) the fair value of the consideration received allocated to the award credits granted for any loyalty programmes.

21. OTHER CURRENT AND NON-CURRENT LIABILITIES *(CONTINUED)*

21.1. Provision for retirement benefits

Subsidiaries of the Group generally contribute to the national pension system, which is a defined-contribution obligation. The expense recognised in connection with those defined-contribution plans is classified in "social security" within "employee benefits" (Note 24).

In addition to these defined-contribution plans, a defined-benefit plan exists in France. A lump-sum payment is made on the date the employee reaches retirement age, such award being determined for each individual based upon factors such as years of service and projected final salary. There are no plan assets.

Amounts recognised in the balance sheet and in the statement of income

The amounts recognised in the balance sheet are determined as follows:

31 March *In thousands of euros*	***2022***	***2021***
Present value of unfunded obligations	12,135	13,146
Liability in the balance sheet	**12,135**	**13,146**

Movements in the defined benefit obligation over the year are as follows:

31 March *In thousands of euros*	***2022***	***2021***
Beginning of the year	13,146	12,168
Current service cost	1,634	1,279
Past service cost	–	1,105
Interest cost	60	126
Change in IAS19	(1,347)	–
Actuarial (gains)/losses	(1,073)	(1,399)
Exchange differences	(34)	16
Benefits paid	(251)	(149)
End of year	**12,135**	**13,146**

The amounts recognised in the income statement are as follows:

31 March *In thousands of euros*	***2022***	***2021***
Current service cost	1,634	1,279
Interest cost	60	126
Total included in employee benefit expenses (note 24)	**1,694**	**1,405**

Notes to the Consolidated Financial Statements

21. OTHER CURRENT AND NON-CURRENT LIABILITIES *(CONTINUED)*

21.1. Provision for retirement benefits *(continued)*

Main assumptions

The principal actuarial assumptions used were as follows:

31 March	***2022***	***2021***
In %		
Discount rate	1.80	0.70
Inflation rate	2.00	1.70
Future salary increases	3.00	2.50
Retirement age (in number of years)	62–65	62–65

The discount rate is set with reference to corporate bond yield: iBoxx Euro zone AA rated corporate bonds + 10 years.

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory. Mortality assumptions for France (the most important country in terms of employee headcount) are based on the following table: Insee TD/TV 2009-11.

Assumptions regarding employee turnover are based on historical statistics recorded by the French subsidiaries in previous years.

The sensitivity of the overall pension liability to changes in the principal assumptions is not material: an increase/decrease by 0.25% in the discount rate would result in an increase/decrease by €320,000 in the defined-benefit obligation.

21.2. Provision for dismantling and restoring costs

As at 31 March 2022, provisions for dismantling and restoring costs are as follows:

		Charged/(credited) to the statement of income						
In thousands of euros	***31 March 2021***	**Provisions recorded in the statement of income**	**Unused amounts reversed**	**Used during the year**	**Provisions recorded as a component of PP&E**	**Reclassification**	**Exchange differences**	***31 March 2022***
Provisions recorded over the lease term	3,844	440	(19)	119	–	–	127	4,511
Provisions recorded at inception	5,651	196	–	181	–	–	(130)	5,898
Total	**9,495**	**636**	**(19)**	**300**	**–**	**–**	**(3)**	**10,409**

22. TRADE PAYABLES

The credit terms granted by suppliers to the production and distribution subsidiaries were generally between 80 and 110 days and between 30 and 60 days, respectively.

The ageing analysis of trade payables by due date at the respective balance sheet dates is as follows:

31 March *In thousands of euros*	***2022***	***2021***
Current and past due within 3 months	204,349	156,259
Past due from 3 to 6 months	1,272	1,639
Past due from 6 to 12 months	1,093	2,555
Past due over 12 months	3,189	1,205
Trade payables	**209,903**	**161,658**

23. PROVISIONS

As at 31 March 2022 provisions can be analysed as follows:

		Charged/(credited) to the statement of income					
In thousands of euros	***31 March 2021***	**Additional provisions**	**Unused amounts reversed**	**Used during the year**	**Acquisition of subsidiaries**	**Exchange differences**	***31 March 2022***
Employee-related disputes [(a)]	962	70	(44)	(418)	94	91	755
Commercial claims [(b)]	471	853	–	(130)	–	(46)	1,148
Tax risks	244	43	–	(114)	–	63	236
Total	**1,677**	**966**	**(44)**	**(662)**	**94**	**108**	**2,139**

(a) Employee-related disputes relate mainly to disputes with employees with respect to employee benefits or potential claims from social security authorities.

(b) Commercial claims relate mainly to claims from distributors.

In management's opinion, after taking appropriate legal advice, these legal claims will not give rise to any significant loss beyond the amounts provisioned at each balance sheet date.

No reimbursement is expected in connection with these provisions and accordingly no corresponding asset was recognised.

The provisions reversed unused are mainly due to certain risks reaching the end of the applicable limitation period.

Notes to the Consolidated Financial Statements

24. EXPENSES BY NATURE

24.1. Breakdown of expenses by nature

Expenses by nature include the following amounts:

31 March *In thousands of euros*	***2022***	***2021***
Employee benefit expenses [(a)]	423,705	371,992
Rent and occupancy [(b)]	109,546	89,229
Raw materials and consumables used	230,066	208,968
Change in inventories of finished goods and work in progress	(23,505)	(18,495)
Advertising costs [(c)]	228,104	167,182
Auditor's remuneration [(d)]	1,751	1,798
Professional fees [(e)]	172,951	160,115
Depreciation, amortisation and impairment (note 24)	177,863	190,701
Transportation expenses	99,673	76,060
Other expenses [(f)]	68,895	58,309
Total cost of sales, distribution expenses, marketing expenses, research and development expenses and general and administrative expenses *	**1,489,049**	**1,305,859**

(a) *Employee benefits include wages, salaries, bonuses, share-based payment, social security, post-employment benefits and temporary staff expenses. Due to the Covid-19 crisis, several subsidiaries received grants or subsidies from local governments for a total amount of €20,991,000 that was recorded as a decrease in employee benefit expenses in 2021.*

(b) *The rent and occupancy amount as at 31 March 2022 mainly includes variable lease payments based on sales for €74,119,000, rent and occupancy costs relating to short-term leases for €5,956,000 and low-value leases for €8,000. This amount also includes €3,423,000 of rent concessions recorded as negative variable rents (Note 2.1).*

(c) *Advertising costs also include all promotional goods gifted to customers with no obligation to purchase products. The increase is mainly explained by China, Elemis and Sol de Janeiro,*

(d) *Auditor's remuneration relates to audit services for €1,677,400 (€1,452,000 for the financial year ended 31 March 2021) and audit related services for €707,537 (€346,000 for the financial year ended 31 March 2021).*

(e) *Professional fees mainly include payments made to warehouse management companies, marketing agencies and lawyers.*

(f) *Other expenses notably include travel out-of-pocket expenses, IT services, telephone and postage. The increase is mainly explained by travel expenses which were impacted by COVID-19 in FY2021 and IT services.*

*** *The total impact of L'Occitane Inc. for the period ended 31 March 2021 in the total of expenses was €95,732,000.*

24. EXPENSES BY NATURE *(CONTINUED)*

24.2. Workforce and employee benefits

Employee benefits include the following amounts:

31 March *In thousands of euros*	***2022***	***2021***
Wages, salaries and bonus	332,468	295,106
Share-based payment (Note 19.3)	9,609	12,395
Social security	76,117	62,058
Remuneration for post-combination services granted to non-controlling interests (Note 6.3)	501	–
Post employment benefits (Note 21.1)	1,694	1,405
Other	3,316	1,028
Total employee benefits	**423,705**	**371,992**
Workforce (full time equivalent)	**9,042**	**8,733**

Wages, salaries and bonus includes the cost of temporary staff.

The Group's workforce is expressed as the number of employees at the end of the year.

24.3. Breakdown of depreciation, amortisation and impairment

Depreciation, amortisation and impairment include the following:

In thousands of euros	***31 March 2022***	***31 March 2021***
Depreciation of property, plant and equipment (Note 7.3)	45,652	51,120
Impairment of property, plant and equipment (Note 7.4)	3,784	519
Impairment reversal of property, plant and equipment (Note 7.4)	(1,185)	(946)
Depreciation of right-of-use assets (Note 8.1)	96,115	113,954
Impairment of right-of-use assets (Note 8.1)	17,768	9,602
Amortisation of intangible assets (Note 10)	15,729	16,452
Depreciation, amortisation and impairment	**177,863**	**190,701**

The variation is mainly explained by the impact of the deconsolidation of L'Occitane Inc. The total of depreciation, amortisation and impairment for L'Occitane Inc. was €12,049,000 as at March 2022 (€25,433,000 as at March 2021).

Notes to the Consolidated Financial Statements

25. OTHER OPERATING INCOME/EXPENSES

Other income/expenses, net are detailed as follows:

31 March *In thousands of euros*	***2022***	***2021*** *Restated**
Reconsolidation/deconsolidation of L'Occitane Inc.	12,873	5,756
Capital gain arising from the change in the % of interests in associates and joint ventures (Note 11.1)	25,062	–
Government grants [(a)]	1,044	1,115
Excess of the fair value of acquired net assets over the cost of an acquisition (negative goodwill) [(b)]	145	494
Other operating income	**39,124**	**7,365**
Restructuring expenses (Note 26)	(1,448)	(13,246)
Loss on sale of assets (Note 31.1)	(590)	(1,719)
Dilution loss arising from the change in the % of interests in associates and joint ventures (Note 11.1)	(4,945)	–
Other items	(96)	(15)
Other operating expenses	**(7,079)**	**(14,980)**

(a) Government grants corresponds to grants on research and development costs and on employee profit-sharing schemes.

(b) This was related in FY21 to 86 Café Retail acquisition during the year.

26. RESTRUCTURING EXPENSES

The restructuring expenses break down as follows:

31 March *In thousands of euros*	***2022***	***2021***
Employee termination benefits of the global restructuring plan	(73)	(10,910)
Fees in connection with the Chapter 11 case of L'Occitane Inc.	(1,375)	(2,336)
Total restructuring expenses	**(1,448)**	**(13,246)**

The employee termination benefits as of March 2021 relate to the restructuring plan for approximately 10% of the corporate headcount within L'Occitane subsidiaries.

27. FINANCE INCOME AND FINANCE COSTS

Finance income and finance costs break down as follows:

31 March *In thousands of euros*	***2022***	***2021***
Interest on cash and cash equivalents	1,908	2,847
Finance income	**1,908**	**2,847**
Interest expense	(5,845)	(7,707)
Interest and finance expenses paid/payable for lease liabilities (Note 8.2)	(8,857)	(11,533)
Unwinding of discount on other financial assets (Note 6.3)	(1,728)	(1,946)
Impairment of financial assets	–	–
Finance costs	**(16,430)**	**(21,186)**
Finance costs, net	**(14,522)**	**(18,339)**

Interest expense relates to bank borrowings, current accounts with non-controlling interests and related parties (excluding financing from parent) and bank overdrafts.

28. FOREIGN CURRENCY GAINS/(LOSSES)

Foreign currency gains/(losses) break down as follows:

31 March *In thousands of euros*	***2022***	***2021***
Foreign exchange differences	(1,616)	(1,560)
Fair value gains/(losses) on derivatives (Note 17)	1,308	(1,401)
Foreign currency gains/(losses)	**(308)**	**(2,961)**

Foreign exchange differences mainly correspond to:

- Unrealised net foreign exchange losses: €420,000 (net losses amounting to €2,557,000 for the year ended 31 March 2021);
- Realised net foreign exchange gains: €112,000 (net gains amounting to €5,517,000 for the year ended 31 March 2021).

Notes to the Consolidated Financial Statements

29. INCOME TAX EXPENSE

29.1. Income tax expense

Income tax expense breaks down as follows:

31 March *In thousands of euros*	***2022***	***2021***
Current income tax	(60,160)	(44,227)
Deferred income tax	6,185	2,328
Total tax income expense	**(53,975)**	**(41,899)**

Reconciliation between the reported income tax expense and the theoretical amount that would arise using a standard tax rate is as follows:

31 March *In thousands of euros*	***2022***	***2021***
Profit before tax and share of profit/(loss) from joint ventures accounted for using the equity method	289,410	203,071
Income tax calculated at corporate tax rate *(Luxembourg tax rate of 24.94% as at 31 March 2022 and 2021)*	(72,179)	(50,646)
Effect of different tax rates in foreign countries	24,491	19,228
Changes in tax rates	(268)	(79)
Effect of unrecognized tax assets	(3,919)	(2,819)
Expenses not deductible for taxation purposes	(945)	(5,072)
Provision for tax risks	(142)	–
Effect of unremitted tax earnings	(916)	(2,509)
Minimum tax payments	(97)	(2)
Income tax expense	**(53,975)**	**(41,899)**

29. INCOME TAX EXPENSE *(CONTINUED)*

29.2. Components of deferred income tax assets and liabilities

Nature of deferred income tax assets and liabilities

Net deferred income tax assets recorded at 31 March 2022 and 2021 break down as follows:

In thousands of euros	***2022***	***2021***
ASSETS		
Intercompany margin in inventory	31,412	22,893
Excess tax basis over carrying amount of PP&E	14,028	9,170
Tax losses carried forward	22,519	16,704
Lease liabilities	7,368	6,627
Employee benefits	7,110	5,144
Promotional goods expensed	3,848	2,962
Inventory valuation	6,591	3,406
Loyalty programmes	2,662	2,491
New tax regulation	269	265
Other temporary differences	11,298	5,710
Total assets	**107,105**	**75,372**
To be recovered after more than 12 months	*46,349*	*35,449*
To be recovered within 12 months	*60,756*	*39,923*
LIABILITIES		
Identified trademarks in business combinations (Note 6)	(79,222)	(40,856)
Goodwill tax amortization	(20,825)	(13,521)
Income tax on unremitted earnings (Note 29.4)	(7,718)	(7,836)
Derivative financial instruments	(244)	–
Other temporary differences	(1,287)	(91)
Total liabilities	**(109,296)**	**(62,304)**
To be recovered after more than 12 months	*(101,334)*	*(34,477)*
To be recovered within 12 months	*(7,962)*	*(27,827)*
Deferred income tax, net	**(2,191)**	**13,068**
Deferred income tax assets	*94,005*	*65,854*
Deferred income tax liabilities	*(96,196)*	*(52,786)*

Recognition of deferred income tax assets

Deferred income tax assets are recognised to the extent that the realisation of the related benefit through the future taxable profits is probable.

On 31 March 2022, the Group had tax losses of €172,811,000 to be carried over, generating a potential deferred income tax asset of €45,266,000. On 31 March 2021, these figures were €129,426,000 and €32,344,000 respectively.

The deferred income tax assets that were not recognised at 31 March 2022, amount to €22,519,000 (€15,640,000 at 31 March 2021) and mainly related to Brazil.

Notes to the Consolidated Financial Statements

29. INCOME TAX EXPENSE *(CONTINUED)*

29.3. Movements in deferred tax assets and liabilities, net

Movements in deferred tax assets and liabilities, net during the year were as follows:

31 March *In thousands of euros*	***2022***	***2021***
At the beginning of the year	**13,068**	**34,500**
(Charged)/credited to income (Note 29.1)	6,185	2,328
(Charged)/credited to equity (Note 29.5)	(564)	(171)
Reconsolidation/deconsolidation of L'Occitane Inc.	14,078	(13,133)
Acquisition of subsidiaries	(32,543)	–
Other [(a)]	–	(10,738)
Exchange differences	(2,415)	282
At the end of the year	**(2,191)**	**13,068**

The tax value of the ELEMIS intangible assets that are deductible from the taxable result in the United States were adjusted during the year ended March 31, 2021. This adjustment resulted in additional deferred tax liabilities for the trademark for an amount of €10,738,000. The goodwill related to Elemis was accordingly modified to take into account this adjustment.

29.4. Income tax on unremitted earnings

Deferred income taxes on the unremitted earnings of the Group's foreign subsidiaries and associates are provided for unless the Group intends to indefinitely reinvest the earnings in the subsidiaries. The Group does intend to indefinitely reinvest unremitted earnings of its foreign subsidiaries in most jurisdictions.

For certain subsidiaries for which the Group does not intend to indefinitely reinvest unremitted earnings in these foreign jurisdictions, the corresponding distribution of earnings may trigger taxes. Therefore, the Group provides for deferred income taxes on these earnings where distribution would trigger taxes. The corresponding deferred tax liability amounts to €7,718,000 at 31 March 2022 and €7,836,000 at 31 March 2021.

29.5. Income tax on components of other comprehensive income

The tax (charge)/credit relating to components of other comprehensive income is as follows:

	31 March 2022			***31 March 2021***		
In thousands of euros	**Before tax**	**Tax (charge)/ credit**	**After tax**	**Before tax**	**Tax (charge)/ credit**	**After tax**
Cash flow hedges fair value gains/(losses) (Note 17)	1,890	–	1,890	596	–	596
Actuarial gains/(losses) on defined-benefit obligation (Note 21.1)	2,398	(564)	1,834	404	(171)	233
Currency translation differences	50,485	–	50,485	(36,846)	–	(36,846)
Other comprehensive income	**54,773**	**(564)**	**54,209**	**(35,846)**	**(171)**	**(36,017)**

30. EARNINGS PER SHARE

The Group applies the rules governing earnings per share as described in Note 2.31 above.

30.1. Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity owners of the Company by the weighted average number of ordinary shares outstanding during the period, excluding ordinary shares purchased by the Group and held as treasury shares (Note 19.2).

31 March	***2022***	***2021*** *Restated**
Profit for the year attributable to equity holders of the Company *(in thousands of euros)*	**242,034**	**151,180**
Weighted average number of ordinary shares in issue [(a)]	1,470,135,821	1,466,677,921
Basic earnings per share *(in € per share)*	**0.165**	**0.103**

* *See note 2.2 for details regarding the restatement as a result of an error.*

(a) Treasury shares are deducted from total shares in issue for the purposes of calculating earnings per share.

30.2. Diluted earnings per share

The Group has two categories of dilutive potential ordinary shares: share options and free shares. For the share options, a calculation is performed to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	2022	***2021*** *Restated**
Profit for the year attributable to equity holders of the Company *(in thousands of euros)*	**242,034**	**151,180**
Weighted average number of ordinary shares in issue [(a)]	1,470,135,821	1,466,677,921
Adjustment for share options	3,017,232	1,167,450
Adjustment for free shares	–	2,933,794
Weighted average number of ordinary shares for diluted earnings per share in issue	1,473,153,053	1,470,779,165
Diluted earnings per share *(in € per share)*	**0.164**	**0.103**

* *See note 2.2 for details regarding the restatement as a result of an error.*

(a) Treasury shares are deducted from total shares in issue for the purposes of calculating earnings per share.

Notes to the Consolidated Financial Statements

31. SUPPLEMENTAL DISCLOSURE ON CASH FLOW INFORMATION

31.1. Proceeds from sale of assets

In the consolidated statement of cash flows, proceeds from the sale of assets comprise the following:

	2022				*2021*			
31 March *In thousands of euros*	**Intangible assets**	**Property, plant and equipment**	**Right-of-use assets**	**Total**	**Intangible assets**	**Property, plant and equipment**	**Right-of-use assets**	**Total**
Disposals – Cost	5,079	27,874	2,391	35,344	1,177	22,343	1,651	25,171
Disposals – Accumulated depreciation and amortisation	(4,880)	(26,846)	(1,801)	(33,527)	(945)	(20,135)	(250)	(21,330)
Net book value (Note 7 and 10)	**199**	**1,028**	**590**	**1,817**	**232**	**2,208**	**1,401**	**3,841**
Profit/(loss) on sale of assets (Note 25)	73	(809)	146	(590)	(210)	(1,264)	(245)	(1,719)
Proceeds from sale of assets	**272**	**219**	**736**	**1,227**	**22**	**944**	**1,156**	**2,122**

Profit/(loss) on the sale of assets is presented within "Other operating income/expenses" in the consolidated statement of income (Note 25).

31.2. Net movement in provisions

In the consolidated statement of cash flows, net movement in provisions recorded in the consolidated statement of income comprises the following:

31 March *In thousands of euros*	*Notes*	***2022***	***2021***
Employee-related disputes	(23)	(392)	136
Commercial claims	(23)	723	242
Tax risks	(23)	(71)	(70)
Dismantling and restoring	(21.2)	917	1,251
Retirement benefits	(21.1)	1,443	1,256
Other		–	63
Net movement in provisions		**2,620**	**2,878**

31.3. Other non-cash items

The Group has granted share-based payments as described in Note 19.3.

31.4. Effects of exchange rate fluctuations on the net increase/(decrease) in cash and cash equivalents

The effects of exchange rate fluctuations as stated in the consolidated statement of cash flows include the following:

- The translation at the closing exchange rate of foreign currency cash and cash equivalents;
- The exchange rate effect of the movement in foreign currency cash and cash equivalents from the average exchange rate to the closing exchange rate;
- The exchange movements on intragroup transactions not settled at year end.

31.5. Cash flows reported on a net basis

In accordance with IAS 7.23, proceeds from and repayments of borrowings in which the turnover is quick, the amounts are large and the maturities are short are reported on a net basis in the consolidated statement of cash flows.

32. CONTINGENCIES

32.1. Legal proceedings

The Group is subject to legal proceedings, claims, taxes, custom, employee-related and other disputes arising in the ordinary course of business. Management does not expect that the ultimate costs to resolve these other matters will have a material adverse effect on the Group's consolidated financial position, statement of income or cash flows.

32.2. Other contingent liabilities

The Group has contingent liabilities in respect of bank, other guarantees and other matters arising in the ordinary course of business. It is not anticipated that any material liabilities will arise from the contingent liabilities. All guarantees given by the Group are described in Note 33.

33. COMMITMENTS

33.1. Capital and other expenditure commitments

Capital and other expenditure contracted at the balance sheet date but not yet incurred is as follows:

31 March *In thousands of euros*	***2022***	***2021***
Property, plant and equipment	4,746	1,241
Intangible assets	20	83
Raw materials	6,717	2,299
Total	**11,483**	**3,623**

The amounts as at 31 March 2022 and 31 March 2021 mainly relate to the plants in France.

33.2. Other commitments

31 March *In thousands of euros*	***2022***	***2021***
Pledge over property (land and buildings)	19,171	21,884
Total	**19,171**	**21,884**

The Group has also committed to invest up to €20,000,000 in an investment fund named Truffle Capital (maturity of 5 years with renewal option of 2 years). The Group has already invested a cumulated amount of €13,000,000.

During FY2022, the Group committed to invest in Livelihoods Carbon fund Sicav for a total amount of €5,000,000. Livelihoods was founded in 2008 under the leadership of Danone to restore degraded ecosystems, redevelop local economies and combat climate change. In return, it is expected to receive carbon offsets under the form of dividend in-kind until 2030.

Notes to the Consolidated Financial Statements

34. TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties are described below.

34.1. Key management compensation

Key management is composed of the directors (executive and non-executive Board members of the Company) and senior management.

Director's emoluments

Directors are the Board members. Directors' emoluments expensed during the year can be analysed as follows:

31 March 2022 *In thousands of euros*	Salaries and other benefits in kind	Employer's contribution to a retirement benefit scheme	Bonus	Directors fees	Share-based payments	Services	Total
Executive directors							
Reinold Geiger [(a)]	–	–	150	–	–	697	847
André Hoffmann [(b)]	618	–	278	–	–	–	896
Yves Blouin	428	70	115	–	121	–	734
Thomas Levilion	385	94	150	–	127	–	756
Séan Harrington	544	–	805	–	32	–	1,381
Karl Guénard	116	31	120	–	14	–	281
Non-executive director							
Martial Lopez	–	–	–	10	–	–	10
Independent Non-executive directors							
Mark Broadley	–	–	–	45	5	–	50
Pierre Milet [(c)]	18	–	–	–	–	–	18
Valérie Bernis	–	–	–	30	5	–	35
Jackson Ng	–	–	–	39	5	–	44
Betty Liu [(c)]	–	–	–	–	–	–	–
Total	**2,091**	**195**	**1,618**	**142**	**309**	**697**	**5,052**

(a) Reinold Geiger is the Chairman.

(b) André Hoffman is the Chief Executive Officer.

(c) Pierre Milet has been replaced by Betty Liu on 1st March 2022.

34. TRANSACTIONS WITH RELATED PARTIES *(CONTINUED)*

34.1. Key management compensation *(continued)*

Director's emoluments (continued)

31 March 2021 *In thousands of euros*	Salaries and other benefits in kind	Employer's contribution to a retirement benefit scheme	Bonus	Directors fees	Share-based payments	Services	Total
Executive directors							
Reinold Geiger [(a)]	–	–	250	–	–	772	1,022
André Hoffmann	472	1	209	–	–	–	682
Yves Blouin [(b)]	96	15	56	–	–	–	167
Thomas Levilion	382	77	190	–	418	–	1,067
Séan Harrington [(c)]	480	–	681	–	–	–	1,161
Karl Guénard	115	30	53	–	86	–	284
Non-executive director							
Martial Lopez	–	–	–	19	–	–	19
Independent Non-executive directors							
Mark Broadley	–	–	–	50	–	–	50
Pierre Milet	–	–	–	28	–	–	28
Valérie Bernis	–	–	–	28	–	–	28
Jackson Ng	–	–	–	43	–	–	43
Total	**1,545**	**123**	**1,439**	**168**	**504**	**772**	**4,551**

(a) Reinold Geiger is the Chairman and Chief Executive Officer.

(b) Yves Blouin was appointed as an executive director and Group Managing Director on 14 January 2021.

(c) Séan Harrington was appointed as an executive Director on 30 September 2020.

There is no defined benefit obligation for directors.

Notes to the Consolidated Financial Statements

34. TRANSACTIONS WITH RELATED PARTIES *(CONTINUED)*

34.1. Key management compensation *(continued)*

Directors' material interests in transactions, arrangements or contracts

There were no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, at the end of the year or in place at any time during the year.

Five highest paid individuals

The five highest paid individuals are as follows:

31 March *In thousands of euros*	***2022***	***2021***
Salaries and other benefits in kind	2,014	1,582
Employer's contribution to a retirement benefit scheme	105	141
Bonus	1,848	1,773
Directors' fees	–	–
Share-based payment	182	969
Services	697	773
Total	**4,846**	**5,238**

Fees for three directors are included in the 31 March 2022 and 2021 amounts.

There is no defined-benefit obligation for the five highest paid individuals.

The emoluments of the five highest paid individuals are analysed according to the following bands:

31 March *Number of individuals*	***2022***	***2021***
Nil to €700,000	–	–
€700,000 to €800,000	1	–
€800,000 to €900,000	2	–
€900,000 to €1,000,000	1	1
over €1,000,000	1	4
Total	**5**	**5**

Senior management's emoluments expensed during the year

The emoluments of members of senior management (excluding termination benefits) are as follows:

31 March *In thousands of euros*	***2022***	***2021***
Salaries and other benefits in kind	3,168	2,680
Employer's contribution to a retirement benefit scheme	324	262
Bonus	1,172	1,230
Directors' fees	–	–
Share-based payment	1,339	1,858
Total	**6,003**	**6,030**

There is no defined benefit obligation for senior management.

34. TRANSACTIONS WITH RELATED PARTIES *(CONTINUED)*

34.1. Key management compensation *(continued)*

Senior management's emoluments expensed during the year (continued)

The emoluments of members of senior management (excluding termination benefits) are analysed according to the following bands:

31 March	***2022***	***2021***
Number of individuals		
Nil to €200,000	0	1
€200,000 to €300,000	3	–
€300,000 to €400,000	2	1
€400,000 to €500,000	0	1
over €500,000	7	7
Total	**12**	**10**

34.2. Sales of products and services

31 March	***2022***	***2021***
In thousands of euros		
Sales of goods and services		
— Sales of L'Occitane products to Les Minimes [(a)]	–	34
— Sales of L'Occitane products to L'Occitane Middle East	10,612	9,619
— Sales of L'Occitane products to Capsum	–	24
— Sales of L'Occitane products to L'Occitane Inc.	13,334	2,767
— Sales of Erborian products to L'Occitane Middle East	368	–
— Sales of Melvita products to L'Occitane Middle East	46	–
— Management fees to parent [(b)]	231	271
— Sales of services to LOG Investments	42	359
— Sales of services to Pierre Hermé SAS [(c)]	–	508
Total sales of products	**24,633**	**13,582**
Receivable to related parties in connection with the above sales of products		
— Receivables from parent [(b)]	271	–
— Receivables from LOG Investments	53	36
— Receivables from L'Occitane Middle East	6,921	3,283
— Receivables from L'Occitane Inc.	–	2,966
— Receivables from LOG	–	271
Total receivables	**7,245**	**6,556**

a) In the normal course of business, the Group sells L'Occitane products to Les Minimes SAS, which is owned by the parent company (79.5%) and by Mr. Reinold Geiger (20.5%).

b) Management fees invoiced by the Company to the parent company amounted to €231,000,000 (€271,000 for the financial year ended 31 March 2021).

c) Before December 2021, the Company used to run two flagship stores (in Paris and London) with Pierre Hermé SAS, which was an associate of L'Occitane Group S.A. The Group sub-leased a part of the flagship in Paris and recharged certain operating expenses to Pierre Hermé SAS.

Notes to the Consolidated Financial Statements

34. TRANSACTIONS WITH RELATED PARTIES *(CONTINUED)*

34.3. Purchases of goods and services

31 March *In thousands of euros*	***2022***	***2021***
Purchases		
— Services from Directors [(a)]	–	4
— Services from Les Minimes [(b)]	–	1
— Services from Parents	(109)	4
— Goods and services from Pierre Hermé [(c)]	1,468	1,027
— Goods from Capsum	3,489	4,281
— Goods from L'Occitane Inc.	–	422
Total purchases	**4,848**	**5,739**
Payables to related parties in connection with the above services		
— Goods and services from Pierre Hermé [(c)]	293	156
— Goods from L'Occitane Middle East	51	7
— Goods from Capsum	230	435
— Goods from L'Occitane Inc.	–	311
Total payables	**574**	**909**

(a) L'Occitane International has a contract for financial consulting services with the company Esprit-fi Eurl, wholly owned by Mr. Martial Lopez.

(b) Laboratoires M&L, a French subsidiary, has a contract for communication and marketing, services with the company Les Minimes SAS, which is indirectly owned by the parent company (79.5%) and by Mr. Reinold Geiger (20.5%) The hotel is also invoicing nights for trainings and events.

(c) The Company runs two flagship stores (in Paris and London) with Pierre Hermé SAS, which is an associate of L'Occitane Group S.A. The Company buys pastries from Pierre Hermé SAS for takeaway sales.

34.4. Borrowings from related parties/loans to related parties

31 March *In thousands of euros*	***2022***	***2021***
Loans to related parties		
— Receivables from L'Occitane Inc. (Note 6)	–	19,942
— Receivables from L'Occitane Middle East	6,945	–
Total loans to related parties	**6,945**	**19,942**

34.5. Formation of joint ventures/Acquisition of additional interests in a subsidiary

There were no transactions with related parties linked to the formation of joint ventures or acquisitions of additional interests in subsidiaries other than those listed in Note 6 during the years ended 31 March 2022 and 31 March 2021.

34.6. Commitments and contingencies

The Group has not guaranteed any loans to any key management personnel.

35. COMPANY LEVEL INFORMATION

35.1. Company balance sheet

ASSETS *In thousands of euros*	***31 March 2022***	***31 March 2021***
Property, plant and equipment	810	980
Right-of-use assets	9,399	11,616
Intangible assets	24,045	26,585
Investments in subsidiaries	1,605,518	1,243,854
Investments in securities	9,162	–
Other non-current receivables due from subsidiaries	4,090	4,090
Other non-current receivables	10,073	9,974
Non-current assets	**1,663,097**	**1,297,099**
Inventories	23,758	19,069
Trade receivables due from subsidiaries	162,439	69,622
Trade receivables	15,455	14,365
Other current assets due from subsidiaries	163,735	10,484
Other current assets	19,151	11,427
Derivative financial instruments	1,931	72
Cash and cash equivalents	252,414	344,338
Current assets	**638,883**	**469,377**
TOTAL ASSETS	**2,301,980**	**1,766,476**

EQUITY AND LIABILITIES *In thousands of euros*	***31 March 2022***	***31 March 2021***
Share capital	44,309	44,309
Additional paid-in capital	342,851	342,851
Retained earnings	669,481	735,688
Total equity	**1,056,641**	**1,122,848**
Borrowings	364,878	–
Lease liabilities	7,288	9,202
Deferred income tax liabilities	2,176	2,094
Other financial liabilities	171,865	18,671
Non-current liabilities	**546,207**	**29,967**
Trade payables due to subsidiaries	96,375	83,573
Trade payables	13,797	16,036
Social and tax liabilities	28,304	20,040
Borrowings	475,582	487,466
Lease liabilities	3,004	2,744
Other current liabilities due to subsidiaries	80,262	2,559
Derivative financial instruments	1,208	713
Provisions	600	530
Current liabilities	**699,132**	**613,661**
TOTAL EQUITY AND LIABILITIES	**2,301,980**	**1,766,476**

Notes to the Consolidated Financial Statements

35. COMPANY LEVEL INFORMATION *(CONTINUED)*

35.2. Company statement of changes in equity

In thousands of euros	Share capital	Additional paid-in capital	Retained earnings	Total
1 April 2020	**44,309**	**342,851**	**680,260**	**1,067,420**
Profit for the year	–	–	68,259	68,259
Dividend declared	–	–	(32,618)	(32,618)
Employee share option: value of employee services	–	–	18,171	18,171
Transactions with ELEMIS non-controlling interests	–	–	1,253	1,253
Cash flow hedges fair value gain/(loss), net of tax	–	–	363	363
31 March 2021	**44,309**	**342,851**	**735,688**	**1,122,848**
1 April 2021	**44,309**	**342,851**	**735,688**	**1,122,848**
Profit for the year	–	–	136,256	136,256
Dividend declared	–	–	(54,141)	(54,141)
Employee share option: value of employee services	–	–	3,092	3,092
Change in estimates in the valuation of the exercise price of the put options granted to non-controlling interests	–	–	3,064	3,064
New put options granted to non-controlling interests	–	–	(154,534)	(154,534)
Cash flow hedges fair value gain/(loss), net of tax	–	–	56	56
31 March 2022	**44,309**	**342,851**	**669,481**	**1,056,641**

36. POST BALANCE SHEET EVENTS

Restructuring of the Swiss branch of the Company

The Group decided to create an independent Swiss legal entity and subsidiary (hereafter called "L'Occitane International (Suisse) S.A.") with legal existence since January 26, 2022.

All assets subject to transfer (mainly commercial activity with subsidiaries and distributors and financing activity) to L'Occitane International (Suisse) S.A were transferred by L'Occitane International S.A. on April 1 , 2022. There is no impact on the consolidated financial information.

36. POST BALANCE SHEET EVENTS *(CONTINUED)*

Acquisition of Grown Alchemist

On 1 April 2022, L'Occitane International S.A. acquired 49% of shares of Grown Alchemist from L'Occitane Group (parent company) for €5,032,000 (paid on 16 April 2022). Grown Alchemist is an Australian brand with cross-category success across skincare, bodycare, haircare and nutricosmetics (supplements). It's a strong brand with modern packaging and ethical "clean" products, natural ingredients from all over the word, efficient and scientifically proven formula.

Cession of L'Occitane Russia

On 19 May 2022 the Group decided to exit from its subsidiary L'Occitane Russia. This subsidiary accounted for 3.5% of the consolidated net sales as of 31 March 2022 and 2.1% of the total assets of the Group as at 31 March 2022. On 3 June 2022, a share purchase agreement was signed between the Group and the four key directors of the subsidiary. Each of the four key directors will hold between 23% and 31% of the total shares formerly held by the Group.

The payment of the shares will be made through four installments between June 2025 and June 2028. The payment of the shares is secured by a pledge agreement signed on 3 June 2022.

There is a call option exercisable for the Group on 1 April 2025, 2026, 2027, 2028 and 2029. The exercise price is based on the fair value.

Based on these agreements, the Group will lose the exclusive control of the Russian entity and will not have any significant influence.

As of 31 March 2022, the test related to the valuation of the assets linked to the Russian subsidiary is consequently performed with regards to the present value of the receivable linked to the sale. This value depends on the capacity of the new entity to generate cash flows. Based on management's judgement, there are no indicators leading to the conclusion that the Group will not be in a position to recover this receivable. On that basis, Management concluded that there is no impairment to be recorded in the accounts on the assets of L'Occitane Russia that amount to €33 million as of 31 March 2022. A reasonable change in the main assumptions used by Management will not trigger any material impairment of the assets tested.

At the date of the loss of exclusive control on 3 June 2022, the present value of the receivable of shares (corresponding to the deferred payments to be received from the acquirer of the shares) will approximately amount to €48 million. The present value of the receivable will be calculated with a discount rate of 12.5% that takes into account the risk of the new entity to generate sufficient cash flows in the future.

This amount approximately corresponds to the net assets of L'Occitane Russia at that date (including the currency translation differences previously recorded in other comprehensive income in respect of L'Occitane Russia and the impact of elimination of the intercompany margin). Therefore no significant capital gain or loss is expected.

Notes to the Consolidated Financial Statements

37. LIST OF SUBSIDIARIES AND ASSOCIATES

List of subsidiaries and associates

Subsidiaries		City — Country	% of interest 31 March 2022	% of interest 31 March 2021	Method of consolidation 31 March 2022	Method of consolidation 31 March 2021
L'Occitane International S.A.		Luxembourg	Parent	Parent	Global	Global
Laboratoires M&L	*	Manosque — France	100.0	100.0	Global	Global
M&L Distribution France S.a.r.l.	**	Manosque — France	100.0	100.0	Global	Global
Café Retail 86	*	Paris — France	100.0	100.0	Global	Global
L'Occitane Inc.	*	New York — USA	100.0	100.0	Global	Equity
L'Occitane (Far East) Limited	*	Hong Kong	100.0	100.0	Global	Global
L'Occitane Singapore Pte. Limited	**	Singapore	100.0	100.0	Global	Global
L'Occitane Japon K.K.	***	Tokyo — Japan	100.0	100.0	Global	Global
Melvita Japon K.K.	**	Tokyo — Japan	100.0	100.0	Global	Global
L'Occitane Do Brasil	*	Jundjai — Brazil	100.0	100.0	Global	Global
Espaço Do Banho	***	Sao Paulo — Brazil	100.0	100.0	Global	Global
L'Occitane Ltd.	*	London — UK	100.0	100.0	Global	Global
L'Occitane GmbH	*	Villach — Austria	70.0	70.0	Global	Global
L'Occitane GmbH	*	Dusseldorf — Germany	100.0	100.0	Global	Global
L'Occitane Italia S.r.l.	*	Milan — Italy	100.0	100.0	Global	Global
L'Occitane Australia Pty Ltd	**	Sydney — Australia	100.0	100.0	Global	Global
L'Occitane (Suisse) S.A.	*	Geneva — Switzerland	100.0	100.0	Global	Global
L'Occitane Espana S.L	*	Madrid — Spain	100.0	100.0	Global	Global
L'Occitane Central Europe s.r.o.	*	Prague — Czech Rep.	100.0	100.0	Global	Global
L'Occitane (Taiwan) Limited	***	Taipei — Taiwan	100.0	100.0	Global	Global
L'Occitane Belgium Sprl	*	Antwerpen — Belgium	100.0	100.0	Global	Global
L'Occitane Trading (Shanghai) Co. Limited	**	Shanghai — China	100.0	100.0	Global	Global
L'Occitane (Korea) Limited	**	Seoul — Korea	100.0	100.0	Global	Global
L'Occitane Airport Venture LLC	**	Dallas — USA	65.0	65.0	Global	Global
L'Occitane Mexico S.A. de CV	*	Mexico City — Mexico	99.9	99.9	Global	Global
L'Occitane (China) Limited	**	Hong Kong	100.0	100.0	Global	Global
L'Occitane Macau Limited	**	Macau	100.0	100.0	Global	Global
L'Occitane Rus LLC (Russia)	*	Moscow — Russia	100.0	100.0	Global	Global
Melvita (International) SAS (formerly Verveina SAS)	**	Manosque — France	100.0	100.0	Global	Global
L'Occitane Thailand Ltd.	**	Bangkok — Thailand	100.0	100.0	Global	Global
L'Occitane Ventures (Thailand) Ltd.	**	Bangkok — Thailand	100.0	100.0	Global	Global
L'Occitane Polska Sp.z.o.o	*	Warsaw — Poland	100.0	100.0	Global	Global
L'Occitane Canada Corp	*	Toronto — Canada	100.0	100.0	Global	Global
L'Occitane India Private Limited	**	New Delhi — India	51.0	51.0	Global	Global
L'Occitane Nederland B.V.	*	Amsterdam, The Netherlands	100.0	100.0	Global	Global
L'Occitane Malaysia SDN	**	Kuala Lumpur — Malaysia	100.0	100.0	Global	Global
L'Occitane Ireland Ltd	*	Dublin — Ireland	100.0	100.0	Global	Global
Symbiose Cosmetics France SAS	*	Paris — France	97.8	100.0	Global	Global
Symbiose Cosmetics Korea	**	Seoul — Korea	97.8	100.0	Global	Global
L'Occitane Nordic AB	*	Stockholm — Sweden	100.0	100.0	Global	Global
L'Occitane South Africa	*	Johannesburg — South Africa	100.0	100.0	Global	Global
L'Occitane International GMBH	*	Dusseldorf — Germany	100.0	100.0	Global	Global

37. LIST OF SUBSIDIARIES AND ASSOCIATES *(CONTINUED)*

List of subsidiaries and associates *(continued)*

Subsidiaries		City — Country	% of interest 31 March 2022	% of interest 31 March 2021	Method of consolidation 31 March 2022	Method of consolidation 31 March 2021
L'Occitane Portugal Unipessoal LDA	*	Lisbon — Portugal	100.0	100.0	Global	Global
L'Occitane Norge AS	*	Oslo — Norway	100.0	100.0	Global	Global
L'Occitane Distribution Asia Pte. Ltd.	**	Singapore	100.0	100.0	Global	Global
L'Occitane Opera Industria e Comercio de Cosmeticos LTDA	***	São Paulo — Brazil	100.0	100.0	Global	Global
LimeLife Co-Invest Sarl (Lux)	**	Luxembourg — Luxembourg	58.0	58.6	Global	Global
Limelife USA LLC	**	New York — USA	58.0	58.6	Global	Global
LimeLife Canada	**	Toronto — Canada	58.0	58.6	Global	Global
LimeLife Brasil Comercio De Cosmeticos e Produtos De Perfumaria LTDA	**	Sao Paulo — Brazil	58.0	58.6	Global	Global
LimeLife Servicos de Cobranca Ltda	**	Sao Paulo — Brazil	58.0	58.6	Global	Global
LimeLife Gesta de sistema de franquia Eireli	**	Sao Paulo — Brazil	58.0	58.6	Global	Global
LimeLife France SAS	**	Paris — France	58.0	58.6	Global	Global
LimeLife by Alcone UK Ltd	**	London — UK	58.0	58.6	Global	Global
LimeLife Deutschland GMBH	**	Berlin — Germany	58.0	58.6	Global	Global
LimeLife Italia S.P.A.	**	Milan — Italy	58.0	58.6	Global	Global
LimeLife by Alcone Espana S.L.	**	Madrid — Spain	58.0	58.6	Global	Global
Limelife Australia	**	Sydney — Australia	58.0	58.6	Global	Global
Limelife Ireland (branch of UK)	**	Dublin — Ireland	58.0	58.6	Global	Global
Limelife Japan	**	Tokyo — Japan	58.0	0.6	Global	Global
LimeLife Fempire Fund LLC	**	New-York — USA	58.0	0.0	Global	Not consolidated
LOI Participations SARL	*	Luxembourg — Luxembourg	100.0	100.0	Global	Global
L'Occitane Innovation Lab	*	Manosque — France	100.0	100.0	Global	Global
LOI ELEMIS SARL	*	Luxembourg — Luxembourg	98.6	90.9	Global	Global
ELEMIS Ltd USA	**	Coral Gables — US	98.6	90.9	Global	Global
Elemis SPS LLC	**	Wilmington — US	98.6	90.9	Global	Global
ELEMIS Ltd UK	**	Bristol — UK	98.6	90.9	Global	Global
Elemis Spa Ltd (UK)	**	Bristol — UK	98.6	90.9	Global	Global
Elemis Asia Pacific Limited	**	Hong-Kong — China	98.6	90.9	Global	Global
Duolab International SARL	*	Plan les Ouates — Switzerland	100.0	100.0	Global	Global
Duolab UK Limited	**	London — UK	100.0	100.0	Global	Global
Capsum S.A.	*	Marseille — France	26.0	27.7	Equity	Equity
Caspum Inc.	*	Texas — US	26.0	27.7	Equity	Equity
Good Glamm Group	*	Pune — India	15.5	23.3	Equity	Equity

Notes to the Consolidated Financial Statements

37. LIST OF SUBSIDIARIES AND ASSOCIATES *(CONTINUED)*

List of subsidiaries and associates *(continued)*

			% of interest 31 March		Method of consolidation 31 March	
Subsidiaries		**City — Country**	***2022***	***2021***	***2022***	***2021***
LOC SOL Holding Inc.	*	Dover Kent County — USA	100.0	0.0	Global	Not consolidated
LOC SOL Owners Inc.	**	Dover Kent County — USA	83.0	0.0	Global	Not consolidated
LOC SOL Target Inc.	**	Dover Kent County — USA	83.0	0.0	Global	Not consolidated
Sol de Janeiro Holding Inc.	**	Dover Kent County — USA	83.0	0.0	Global	Not consolidated
Sol de Janeiro USA Inc.	**	Dover Kent County — USA	83.0	0.0	Global	Not consolidated
Sol de Janeiro SAS	**	Paris — France	83.0	0.0	Global	Not consolidated
Sol de Janeiro IP Inc.	**	Dover Kent County — USA	83.0	0.0	Global	Not consolidated
L'Occitane Middle East FZCO JV	*	Dubai — UAE	51.0	51.0	Equity	Equity
L'Occitane Arabia	**	Jeddah KSA	51.0	0.0	Equity	Not consolidated
L'Occitane Emirates LLC	**	Dubai, UAE	51.0	0.0	Equity	Not consolidated

* *Directly held by the Company*

** *Indirectly held by the Company*

*** *Both directly and indirectly held by the Company*

The percentages of interest are representative of voting rights as no shares have multiple voting rights. These percentages are unchanged at the approval date of the financial statements.

The main changes in the list of subsidiaries and associates are disclosed in Note 6.

37. LIST OF SUBSIDIARIES AND ASSOCIATES *(CONTINUED)*

Information on subsidiaries and investments accounted for using equity method

The date of incorporation, share capital and the principal activities of the subsidiaries are as follows:

Subsidiaries and investment accounted for using equity method		City — Country	Date of incorporation	Share capital	Principal activities
L'Occitane International S.A.		Luxembourg	2000	EUR 38,231,891.72	Holding & Distribution
Laboratoires M&L	*	Manosque — France	1976	EUR 8,126,409.35	Production
M&L Distribution France S.a.r.l.	**	Manosque — France	1994	EUR 3,097,000	Distribution
Café Retail 86	*	Paris — France	2020	EUR 1 622 443,00	Distribution
L'Occitane Inc.	*	New York — USA	1995	USD 1	Distribution
L'Occitane (Far East) Limited	*	Hong Kong	1992	HKD 8,000,000	Holding & Distribution
L'Occitane Singapore Pte. Limited	**	Singapore	1997	SGD 100,000	Distribution
L'Occitane Japon K.K.	***	Tokyo — Japan	1998	JPY 100,000,000	Distribution
Melvita Japon K.K.	**	Tokyo — Japan	2010	JPY 50,000,000	Distribution
L'Occitane Do Brasil	*	Jundjai — Brazil	1999	BRL 8,700,000	Distribution
Espaço Do Banho	***	Sao Paulo — Brazil	1996	BRL 3,800,000	Distribution
L'Occitane Ltd.	*	London — UK	1996	GBP 1,398,510.75	Distribution
L'Occitane GmbH	*	Villach — Austria	2000	EUR 70,000	Distribution
L'Occitane GmbH	*	Dusseldorf — Germany	2004	EUR 25,000	Distribution
L'Occitane Italia S.r.l.	*	Milan — Italy	2001	EUR 80,000	Distribution
L'Occitane Australia Pty Ltd	**	Sydney — Australia	2000	AUD 5,000,000	Distribution
L'Occitane (Suisse) S.A.	*	Geneva — Switzerland	2002	CHF100,000	Distribution
L'Occitane Espana S.L	*	Madrid — Spain	2003	EUR 6,459,650.10	Distribution
L'Occitane Central Europe s.r.o.	*	Prague — Czech Rep.	2004	CZK 9,361,000	Distribution
L'Occitane (Taiwan) Limited	***	Taipei — Taiwan	2005	TWD 28,500,000	Distribution
L'Occitane Belgium Sprl	*	Antwerpen — Belgium	2005	EUR 20,000	Distribution
L'Occitane Trading (Shanghai) Co. Limited	**	Shanghai — China	2005	USD 1,400,000	Distribution
L'Occitane (Korea) Limited	**	Seoul — Korea	2005	KRW 2,505,000,000	Distribution
L'Occitane Airport Venture LLC	**	Dallas — USA	2006	USD 10,000	Distribution
L'Occitane Mexico S.A. de CV	*	Mexico City — Mexico	2006	MXP 28,250,000	Distribution
L'Occitane (China) Limited	**	Hong Kong	2006	HKD 10,000	Distribution
L'Occitane Macau Limited	**	Macau	2007	MOP 25,000	Distribution
L'Occitane Rus LLC (Russia)	*	Moscow — Russia	2006	RUB 10,000	Distribution
Melvita (International) SAS (formerly Verveina SAS)	**	Manosque — France	2008	EUR 37,000	Dormant
L'Occitane Thailand Ltd.	**	Bangkok — Thailand	2008	THB 20,000,000	Distribution
L'Occitane Ventures (Thailand) Ltd.	**	Bangkok — Thailand	2012	THB 451,700	Distribution
L'Occitane Polska Sp.z.o.o	*	Warsaw — Poland	2009	PLN 3,754,000	Distribution
L'Occitane Canada Corp	*	Toronto — Canada	2009	CAD 6,000,000	Distribution
L'Occitane India Private Limited	**	New Delhi — India	2009	INR 17,500,000	Distribution
L'Occitane Nederland B.V.	*	Amsterdam, the Netherlands	2010	EUR 200,000	Distribution
L'Occitane Malaysia SDN	**	Kuala Lumpur — Malaysia	2011	MYR 2	Distribution
L'Occitane Ireland Ltd	*	Dublin — Ireland	2012	EUR 100	Distribution
Symbiose Cosmetics France SAS	*	Paris — France	2012	EUR 140,000	Distribution
Symbiose Cosmetics Korea	**	Seoul — Korea	2012	KRW 100,000,000	Production
L'Occitane Nordic AB	*	Stockholm — Sweden	2012	SEK 50,000	Distribution
L'Occitane South Africa	*	Johannesburg — South Africa	2013	ZAR 750	Distribution
L'Occitane International GmbH	*	Dusseldorf-Germany	2014	EUR 25,000	Holding
L'Occitane Portugal Unipessoal LDA	*	Lisbon — Portugal	2013	EUR 50,000	Distribution
L'Occitane Norge AS	*	Oslo — Norway	2014	NOK 129,000	Distribution
L'Occitane Distribution Asia Pte. Ltd.	**	Singapore	2016	SGD 10,000	General Warehousing
L'Occitane Opera Industria e Comercio de Cosmeticos LTDA	***	São Paulo — Brazil	2017	BRL 1,000,000	Production

Notes to the Consolidated Financial Statements

37. LIST OF SUBSIDIARIES AND ASSOCIATES *(CONTINUED)*

Information on subsidiaries and investments accounted for using equity method *(continued)*

Subsidiaries and investment accounted for using equity method		City — Country	Date of incorporation	Share capital	Principal activities
LimeLife Co-Invest Sarl (Lux)	**	Luxembourg — Luxembourg	2018	USD 42,229,729	Holding
Limelife USA LLC	**	New York — USA	2017	USD 5,830,313	Distribution
LimeLife Canada	**	Toronto — Canada	2017	CAD 529,310	Distribution
LimeLife Brasil Comercio De Cosmeticos e Produtos De Perfumaria LTDA	**	Sao Paulo — Brazil	2017	BRL 11,279,388	Distribution
LimeLife Servicos de Cobranca Ltda	**	Sao Paulo — Brazil	2018	BRL 1,000	Distribution
LimeLife Gesta de sistema de franquia Eireli	**	Sao Paulo — Brazil	2018	BRL 111,0000	Distribution

Subsidiaries		City — Country	Date of incorporation	Share capital	Principal activities
LimeLife France SAS	**	Paris — France	2018	EUR 333,400	Distribution
LimeLife by Alcone UK Ltd	**	London — UK	2017	GBP 300,880	Distribution
LimeLife Deutschland GMBH	**	Berlin — Germany	2018	EUR 30,000	Distribution
LimeLife Italia S.P.A.	**	Milan — Italy	2018	EUR 50,000	Distribution
LimeLife by Alcone Espana S.L.	**	Madrid — Spain	2019	EUR 30,000	Distribution
Limelife Australia	**	Sydney — Australia	2019	AUD 40,000	Distribution
Limelife Ireland (branch of UK)	**	Dublin — Ireland	2018	EUR 0	Distribution
Limelife Japan	**	Tokyo — Japan	2019	JPY 5,000,000	Distribution
LimeLife Fempire Fund LLC	**	New-York USA	2021	USD 2,000,000	Investment
LOI Participations SARL	*	Luxembourg — Luxembourg	2017	EUR 10,000,000	Holding
L'Occitane Innovation Lab	*	Manosque — France	2017	EUR 5,000,000	Investment
LOI ELEMIS SARL	*	Luxembourg — Luxembourg	2019	EUR 12,000	Holding
ELEMIS Ltd USA	**	Coral Gables — US	2019	USD 178,850,000	Distribution
ELEMIS SPS LLC	**	Wilmington — US	2002	USD 100	Distribution
ELEMIS Ltd UK	**	Bristol — UK	1988	GBP 795,000	Distribution
Elemis Spa Ltd (UK)	**	Bristol — UK	1993	GBP 2	Distribution
Duolab International SARL	*	Plan les Ouates — Switzerland	2019	EUR 272,000	Development, Production, Distribution
Duolab UK Limited	**	London — UK	2019	GBP 50,000	Distribution
Elemis Asia Pacific Limited	**	Hong-Kong — China	2019	HKD 1	Distribution
Capsum S.A.	*	Marseille — France	2008	EUR 556,940	Production, Distribution
Caspum Inc.	*	Texas — USA	2015	USD 22,194,186	Production
Good Glamm Group	*	Pune — India	2015	INR 1,598,520,613	Holding, Investment, Distribution
LOC SOL Holding Inc.	*	Dover Kent County — USA	2021	USD 1	Holding, Distribution
LOC SOL Owners Inc.	**	Dover Kent County — USA	2021	USD 100	Distribution
LOC SOL Target Inc.	**	Dover Kent County — USA	2021	USD 1	Distribution
Sol de Janeiro Holding Inc.	**	Dover Kent County — USA	2019	USD 2,674	Holding, Distribution
Sol de Janeiro USA Inc.	**	Dover Kent County — USA	2019	USD 1	Distribution
Sol de Janeiro SAS	**	Paris — France	2020	EUR 0	Distribution
Sol de Janeiro IP Inc.	**	Dover Kent County — USA	2019	USD 1	Distribution
L'Occitane Middle East FZCO JV	*	Dubaï — UAE	2020	USD 27,000	Distribution
L'Occitane Arabia	**	Jeddah KSA	2021	SAR 30,000,000	Distribution
L'Occitane Emirates LLC	**	Dubai, UAE	2021	AED 300,000	Distribution

* *Directly held by the Company*

** *Indirectly held by the Company*

*** *Both directly and indirectly held by the Company*

**** *No more directly or indirectly held by the Company*

37. LIST OF SUBSIDIARIES AND ASSOCIATES *(CONTINUED)*

Information on subsidiaries and investments accounted for using equity method *(continued)*

The main changes in the list of subsidiaries and associates are disclosed in Note 6.

Disclaimer: some information presented in the tables has been rounded to the nearest whole number or the nearest decimal point. Consequently, the sum of the numbers in a column may not correspond exactly to the total figure given for that column. In addition, some percentages presented in the tables reflect calculations based upon the underlying information prior to rounding and, accordingly, may not correspond exactly to the percentages that would be presented if the relevant calculations were based upon the rounded numbers.

Financial Summary

A summary of the consolidated results and assets, liabilities, equity and minority interests of the Group for the last five financial years is set out below.

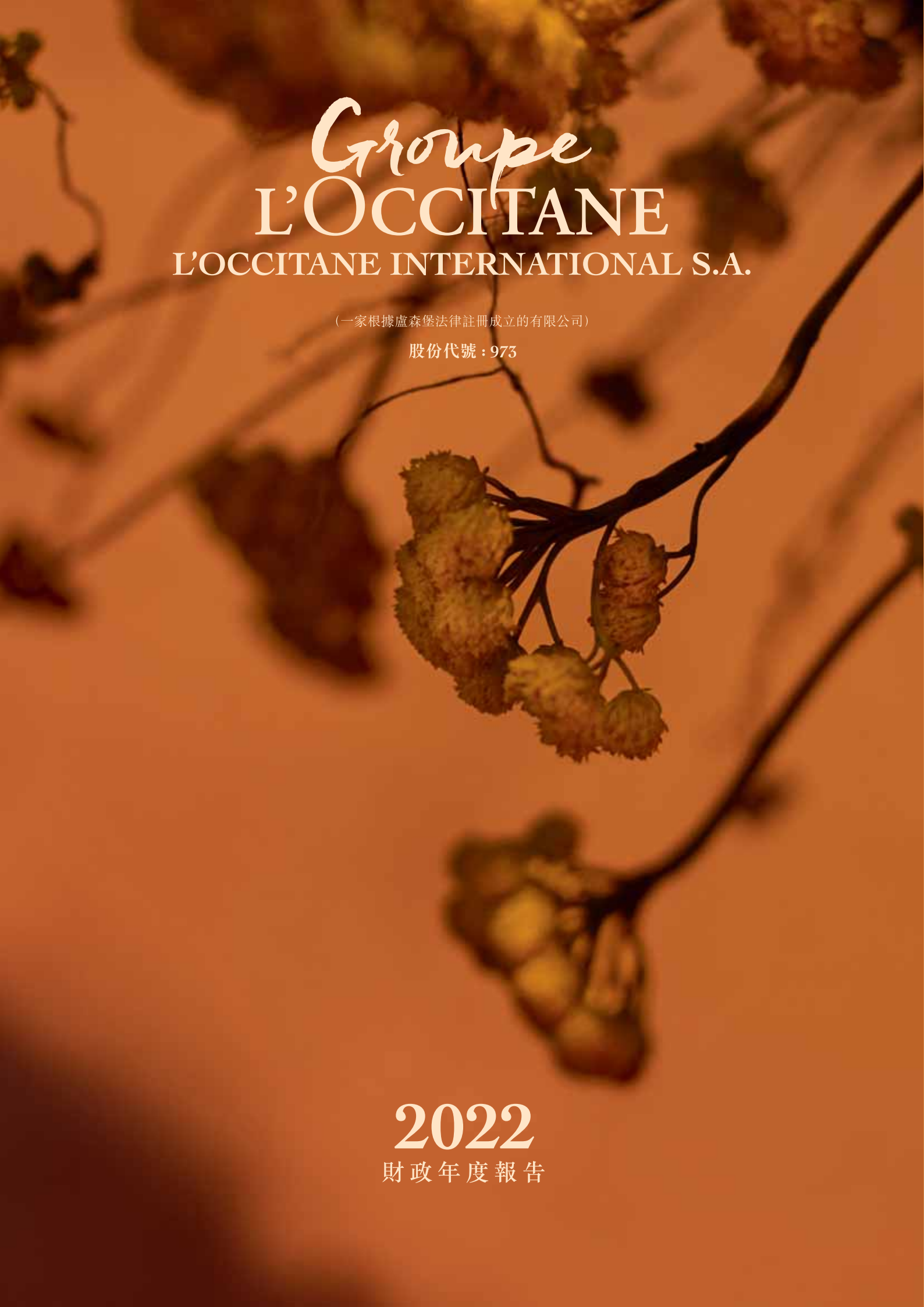
		Restated			
Year ended 31 March	***2022***	***2021***	***2020***	***2019***	***2018***
	€'000	*€'000*	*€'000*	*€'000*	*€'000*
Net sales	**1,781,358**	1,537,845	1,644,083	1,426,874	1,319,366
Gross profit	**1,463,415**	1,277,134	1,341,231	1,186,973	1,098,398
Gross profit margin	**82.2%**	83.0%	81.6%	83.2%	83.3%
Operating profit	**310,714**	216,836	187,263	150,747	140,987
Operating profit margin	**17.4%**	14.1%	11.4%	10.6%	10.7%
Profit for the year	**241,909**	153,637	115,240	117,569	96,506
attributable to:					
equity owners of the Company	**242,034**	151,180	116,288	118,186	96,313
non-controlling interests	**(125)**	2,457	(1,048)	(617)	193
Total assets	**3,009,074**	2,489,539	2,408,359	1,964,011	1,302,489
Total liabilities	**1,694,468**	1,218,002	1,233,024	879,779	363,688
Equity attributable to the equity owners					
of the Company	**1,270,028**	1,192,838	1,098,480	1,017,768	930,973
Non-controlling interests	**44,578**	78,699	76,855	66,464	7,828

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standard (IFRS), as issued by the International Accounting Standards Board which are similar, for operations conducted by the Group, to International Financial Reporting Standards as adopted by the European Union.

The above summary does not form a part of the consolidated financial statements.


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L'OCCITANE INTERNATIONAL S.A.

（一家根據盧森堡法律註冊成立的有限公司）

股份代號：973

2022

財政年度報告

L'OCCITANE
EN PROVENCE

Melvita
french organic beauty care since 1983

erborian
KOREAN SKIN THERAPY
PARIS · SEOUL

L'OCCITANE
AU BRÉSIL

LimeLife by Alcone

ELEMIS

SOL de Janeiro

L'OCCITANE 集團旗下有七個品牌： L'OCCITANE en Provence、Melvita、Erborian、L'OCCITANE au Brésil 、LimeLife by Alcone、ELEMIS 及 Sol de Janeiro。







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公司資料



執行董事

Reinold Geiger
(主席)
André Hoffmann
(副主席兼行政總裁)
Karl Guénard
(公司秘書)
Séan Harrington
(ELEMIS行政總裁)

非執行董事

Thomas Levilion

獨立非執行董事

Valérie Bernis
Charles Mark Broadley
劉文思
吳植森

公司秘書

Karl Guénard

授權代表

André Hoffmann
吳植森

公司法定名稱

L'Occitane International S.A.

註冊成立日期

二零零零年十二月二十二日

在香港上市的日期

二零一零年五月七日

註冊辦事處

49, Boulevard Prince Henri
L-1724 Luxembourg

總辦事處

49, Boulevard Prince Henri
L-1724 Luxembourg

Chemin du Pré-Fleuri 5
CP 165
1228 Plan-les-Ouates
Geneva
Switzerland

香港主要營業地點

香港鰂魚涌
英皇道728號
K11 ATELIER King's Road二十樓

股份代號

973

公司網站

group.loccitane.com

審核委員會

Charles Mark Broadley *(主席)*
Valérie Bernis
吳植森

薪酬委員會

吳植森*(主席)*
Charles Mark Broadley
André Hoffmann

提名委員會

吳植森*(主席)*
Valérie Bernis
André Hoffmann

可持續發展委員會

Charles Mark Broadley*(主席)*
Valérie Bernis
Thomas Levilion

主要往來銀行

HSBC France
Groupe Crédit Agricole
Crédit Agricole CIB
Le Crédit Lyonnais (LCL)
Caisse Régionale du Crédit Agricole Mutuel Provence Côte d'Azur
BNP Paribas
Groupe BPCE
Natixis
BRED
CEPAC
Palatine
Groupe Société Générale
Société Générale
Crédit du Nord
CIC

核數師

PricewaterhouseCoopers, Société coopérative
註冊會計師
認可公眾利益實體核數師

主要股份過戶登記處

49, Boulevard Prince Henri
L-1724 Luxembourg

香港證券登記處

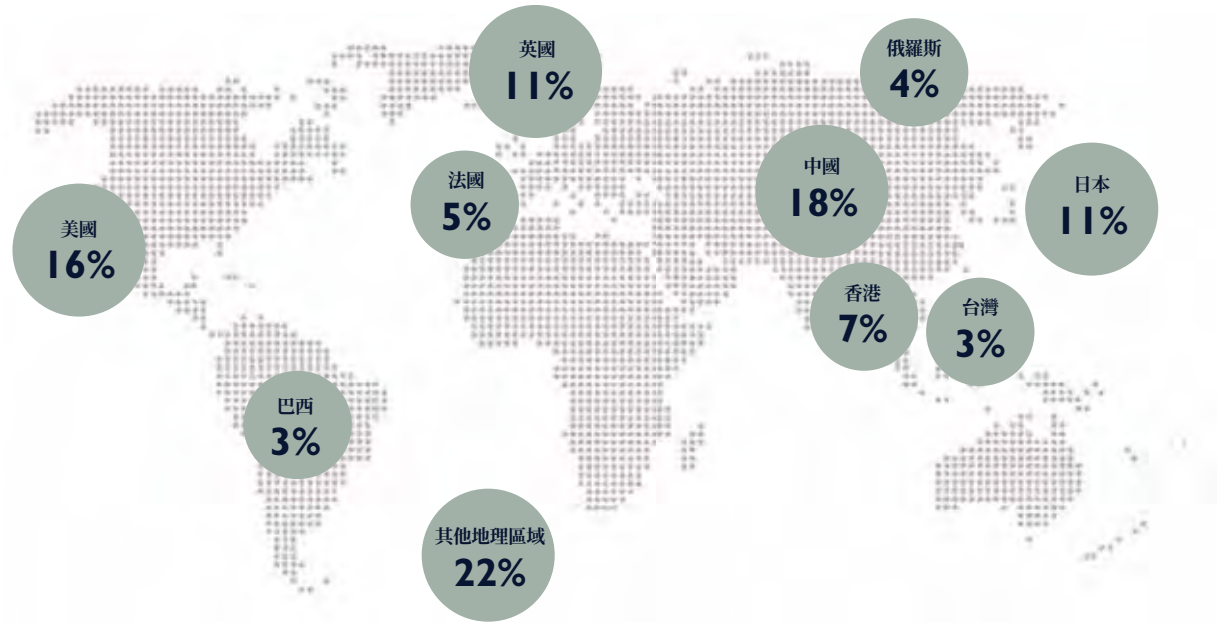
香港中央證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心17樓
1712–1716室





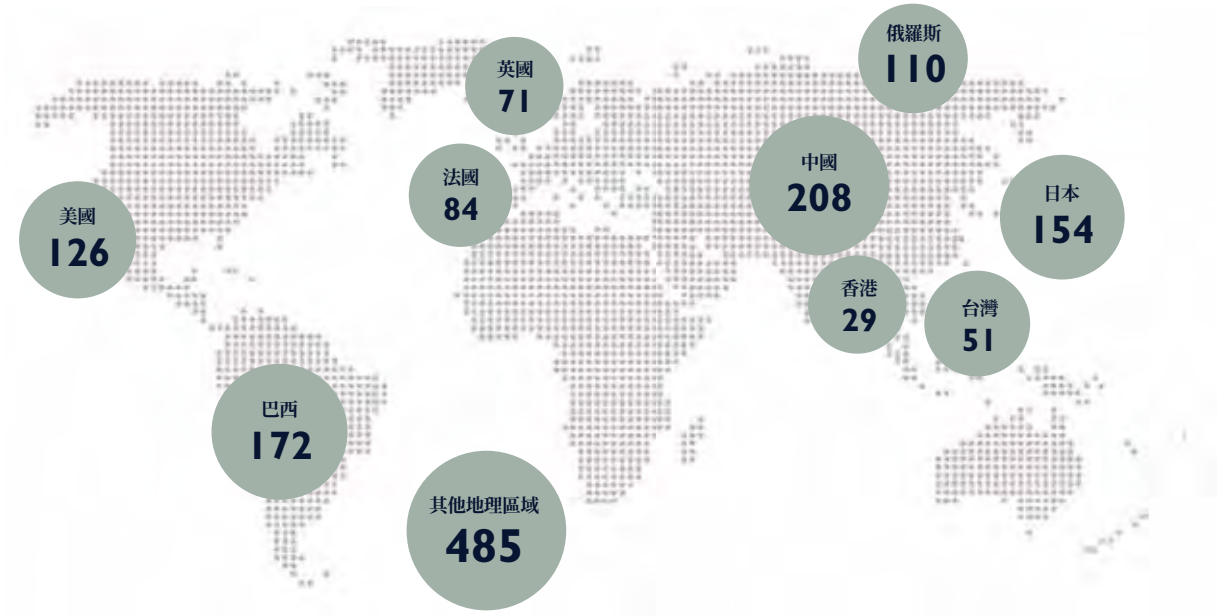
財務摘要

我們在全球範圍的活動



* *按地理區域劃分的銷售淨額(%)*

我們在全球範圍的店舖



* *3,068間零售點及1,490間本集團直營店*

主要財務摘要

截至三月三十一日止年度	*二零二二年*	*二零二一年經重列*
銷售淨額(百萬歐元)	**1,781.4**	1,537.8
經營溢利(百萬歐元)	**310.7**	216.8
年內溢利(百萬歐元)	**241.9**	153.6
毛利率	**82.2%**	83.0%
經營溢利率	**17.4%**	14.1%
淨利潤率	**13.6%**	10.0%
除稅後淨經營溢利(百萬歐元)(1)	**253.8**	168.0
已運用資本(百萬歐元)(2)	**1,975.4**	1,667.2
已運用資本回報(3)	**12.8%**	10.1%
股權回報(4)	**19.1%**	12.7%
流動比率(倍)(5)	**1.1**	0.9
資產負債比率(6)	**34.0%**	32.8%
平均存貨周轉天數(7)	**265**	282
應收貿易賬款周轉天數(8)	**34**	32
應付貿易賬款周轉天數(9)	**213**	215
自營店總數(10)	**1,490**	1,523
權益擁有人應佔溢利(百萬歐元)	**242.0**	151.2
每股基本盈利(歐元)	**0.165**	0.103

附註：

(1) (經營溢利＋外幣淨收益或虧損)×(1 − 實際稅率)。
(2) 非流動資產−(遞延稅項負債＋其他非流動負債)＋營運資金**。*
**不包括ELEMIS之商譽*
***不包括流動財務負債，以僅列示與運營有關的營運資金*
(3) 除稅後淨經營溢利／已運用資本。
(4) 本公司權益擁有人應佔純利／股東股權(不包括少數股東權益)。
(5) 流動資產／流動負債。
(6) 總負債／總資產。
(7) 平均存貨周轉天數等於平均存貨除以銷售成本，再乘以365。平均存貨等於某一期間期初及期終平均存貨淨額。
(8) 應收貿易賬款周轉天數等於平均應收貿易賬款除以銷售淨額，再乘以365。平均應收貿易賬款等於某一期間期初及期終應收貿易賬款淨額的平均值。
(9) 應付貿易賬款周轉天數等於平均應付貿易賬款除以銷售成本，再乘以365。平均應付貿易賬款等於某一期間期初及期終應付貿易賬款的平均值。
(10) 由我們直接管理和經營的L'Occitane en Provence、Melvita、Erborian和L'Occitane Au Brésil品牌精品店及百貨公司角落。

免責聲明

在多個表格內呈列的財務資料及若干其他資料已四捨五入至最接近的整數或最接近的小數。因此，欄內數字的總和未必與該欄所示的總數完全一致。此外，表格內呈列的若干百分比反映在四捨五入前根據相關資料計算所得結果，故未必與假使相關結果乃以經四捨五入的數字計算而得出的百分比完全

主席報告書



主席致辭

Reinold Geiger

二零二二年六月二十七日

在全球疫情帶來挑戰後不久，本人很榮幸宣佈L'Occitane在這一年取得創紀錄的成績。我們的銷售額錄得十數百分比增長，經營溢利率達17.4%，為我們上市以來的最高水平。業績如此出色，加上我們美好的未來前景，增強了董事會的信心，將二零二二財年的派息率由35%上調至40%，我們因而能夠為股東帶來比二零二一財年高出78.6%的每股股息回報。

目標堅定輔以果斷的策略，加上同事和全球團隊的努力，促成了卓越的成果。受惠於我們標誌性的暢銷產品及令人興奮的新產品，透過在我們最具戰略意義的渠道和市場進行極具針對性的媒體和營銷投資，我們的核心品牌L'OCCITANE en Provence表現廣泛改善。我們長期的全渠道戰略繼續在線上線下取得成效，原因是我們借助消費者行為的永久轉變帶動線上銷售組合上升，乃我們盈利能力擴大的貢獻因素之一。



與此同時，我們歡迎年內在產品組合中加入兩個新品牌 －Sol de Janeiro及Grown Alchemist，進一步加快我們轉型為全球多品牌集團。企業家精神是本集團的核心價值之一，尋找具有獨特故事和優質產品並由創始人領導具有潛力的品牌，總是令人振奮和鼓舞。透過數碼優先的全球擴張戰略，我們已經從不斷發展的ELEMIS收穫首輪成果，將全球足跡從最初在英國及美國的傳統市場擴展到十多個市場，同時維持可觀的盈利水平。透過與ELEMIS合作，我們制定了一套行之有效的做法，協助新成員Sol de Janeiro及Grown Alchemist發展成國際品牌並成為新的盈利增長源。

我們很自豪能成為一家平衡目標和利潤的企業。我們的可持續發展戰略繼續為我們的業務決策提供資訊，並以我們的三個優先事項為基礎，即努力邁進淨零碳排放、構建自然增值及公平包容的世界。可持續發展現已納入我們管理層的年度激勵制度中，確保我們以統一和有意義的方式取得進展。我們亦在到二零二三年前獲得B Corp認證方面取得了重大進展。

同時，我們已完成有計劃的管理層過渡。二零二一年九月，本人辭去行政總裁一職，讓位予業務夥伴兼26年多的摯友André Hoffmann，深信能繼續帶領本集團不斷壯大。此外，截至二零二二年六月三十日，本集團任職多年的財務總監Thomas Levilion展開了退休生活，彼於任期內為本集團作出了寶貴貢獻。本人謹代表董事會對Thomas表示衷心謝意，並且很高興歡迎Christian-Matthias Klever成為我們的新財務總監。本人有信心彼將為本集團未來成就作出同樣重要的貢獻。

成為全球天然化妝品領導者的夢想已經成真。儘管宏觀經濟環境仍存在隱患，但我們具針對性的投資將繼續支持我們的核心品牌L'OCCITANE en Provence大幅改善的銷售勢頭，並加速我們較小的品牌的發展。我們預料在新的財政年度超過20億歐元銷售額里程碑，繼續我們為股東帶來可持續增長和健康盈利能力的道路。感謝　閣下的支持。

強勁的全球佈局



美國北卡羅來納州
夏洛特



日本東京
艾妥列上野



德國
紐倫堡



法國巴黎
歌劇院
(Erborian)



英國倫敦
哈洛德百貨
(ELEMIS)



法國
里爾



新加坡
愛雍烏節



加拿大多倫多
約克戴爾



英國蘇格蘭
格拉斯哥布坎南街



巴西聖保羅
Pátio Higienópolis
(L'Occitane au Brésil)



日本大阪
阪急梅田本店
(Melvita)



管理層討論與分析



管理層討論與分析

概要：

	匯報[1] *二零二二財年* *百萬歐元* *或%*	*管理層[2]* *二零二二財年* *百萬歐元* *或%*	*管理層經重列[3]* *二零二一財年* *百萬歐元* *或%*
銷售淨額	1,781.4	1,810.0	1,550.9
經營溢利	310.7	307.8	228.5
年內溢利	241.9	不適用	不適用
毛利率	82.2%	82.8%	83.1%
經營溢利率	17.4%	17.0%	14.7%
淨利潤率	13.6%	不適用	不適用
經營產生的現金流入淨額[3]	326.0	不適用	不適用

[1] *匯報二零二二財年 — 由於第11章法律訴訟，L'Occitane, Inc.於二零二一年四月至八月的銷售及經營開支並無綜合入賬，而是根據權益法被視為聯營公司。*

[2] *管理層二零二二財年 — 假設L'Occitane, Inc.仍為本集團一部分，其於二零二一年四月至八月的業績於本集團的業績綜合入賬，其後消除不再綜合入賬及重新綜合入賬的淨影響。一次性項目 — 86 Champs café的減值及Good Glamm Group估值變動及分佔虧損亦已撇除以進行合適比較。管理層認為，該管理層版本更真實地反映二零二二財年的營運表現，故與二零二一財年管理層經營溢利更具可比性。*

[3] *管理層經重列二零二一財年 — 假設L'Occitane, Inc.仍為本集團一部分，其於二零二一年二月及三月的業績於本集團的業績綜合入賬，其後消除不再綜合入賬及重新綜合入賬的淨影響。重組開支及分佔Good Glamm Group虧損亦已撇除。管理層認為，該管理層版本更真實地反映二零二一財年的營運表現。*

釋義：

*可比較店舖*指於上一財政年度開始前已開設的現有零售店（包括本公司所擁有的電子商務網站）。

*不可比較店舖及其他*指除可比較店舖外的所有店舖，即於過往或所討論的當前財政期間開設、關閉及翻新的店舖，連同網上商城、郵購、服務及LimeLife的其他銷售。

*可比較店舖銷售*指所討論財政期間可比較店舖的銷售淨額。除另有指明者外，有關可比較店舖銷售的討論均撇除外匯換算的影響。

*不可比較店舖銷售*指所討論財政期間不可比較店舖的銷售淨額。不可比較店舖銷售亦包括來自一般在購物商場暫設的公用地方舉行的有限數目推廣活動的銷售。除另有指明者外，有關不可比較店舖銷售的討論均撇除外匯換算的影響。



*同店銷售增長*指兩個財政期間內可比較店舖銷售的比較。除另有指明者外，有關同店銷售增長的討論均撇除外匯換算的影響。

*整體增長*指所示財政期間內全球總銷售淨額增長（撇除外匯換算影響）。



收益分析

本集團於二零二二財年的匯報銷售淨額為1,781,400,000歐元，按匯報匯率計算較二零二一財年增加15.8%。

於二零二一年二月至二零二一年八月期間，本集團的美國附屬公司L'Occitane, Inc.處於美國破產法第11章的法律訴訟。根據國際財務報告準則，其於該期間的業績不再綜合入賬。然而，為作出合適比較，其於第11章法律訴訟期間自二零二一年二月至二零二一年三月的二零二一財年銷售額合共13,000,000歐元，以及二零二一年四月至二零二一年八月的二零二二財年合共28,600,000歐元仍計入本報告的本集團收益分析。

撇除不再將L'Occitane, Inc.綜合入賬的會計影響，本集團於二零二二財年的銷售淨額為1,810,000,000歐元，按匯報匯率計算增長16.7%，按固定匯率計算增長14.6%，或在可比的基礎上(不包括Sol de Janeiro於二零二二年一月至三月的銷售額)增長13.0%。

於二零二二財年，隨著歐洲和美洲國家開始解除COVID-19相關限制措施，營商環境持續改善。零售渠道的客流量強勁反彈，而線上渠道仍然活躍。旅遊零售、水療及遊輪業務亦受惠於本地和國際旅客恢復。然而，接近二零二二財年末，多個主要市場再度出現COVID-19爆發加上烏克蘭和俄羅斯的地緣政治局勢，宏觀經濟狀況變得充滿挑戰。

中國、美國、英國及香港為二零二二財年整體增長的主要貢獻因素，增長率分別為16.8%、13.5%、21.4%及24.0%。其他地區合共增長16.1%。

本公司的零售地點總數由二零二一年三月三十一日的3,088個減至二零二二年三月三十一日的3,068個，減少20個地點或0.6%。自營零售店數量由二零二一年三月三十一日的1,523間減至二零二二年三月三十一日的1,490間，淨減少33間或2.2%。本公司於二零二二財年進一步關閉表現欠佳的店舖，包括在美國關閉的21間店舖。於二零二二年三月底，1,523間自營店按品牌劃分的明細及與去年相比的變動如下：L'Occitane en Provence(1,354間；-35)、L'Occitane au Brésil(65間；+1)、Melvita(39間；-11)、Erborian(14間；-1)及ELEMIS(18間；+13)。非自營店舖數量增加13間或0.8%。

管理層討論與分析

按品牌劃分之表現

下表呈列於所示期間按品牌劃分之銷售淨額及銷售淨額增長，包括L'Occitane, Inc.於二零二一財年於二零二一年二月至三月及於二零二二財年於二零二一年四月至八月的銷售額：

	二零二二財年		二零二一財年		按匯報匯率計算的增長	按固定匯率計算的增長
	千歐元	*%*	*千歐元*	*%*	*%*	*%*
L'Occitane en Provence	1,389,174	76.8	1,207,549	77.9	15.0	13.2
ELEMIS	226,317	12.5	158,910	10.2	42.4	37.4
LimeLife	70,733	3.9	102,155	6.6	(30.8)	(31.3)
Sol de Janeiro	26,081	1.4	–	–	不適用	不適用
其他[1]	97,679	5.4	82,269	5.3	18.7	19.0
總計[2]	**1,809,984**	**100.0**	**1,550,883**	**100.0**	**16.7**	**14.6**

[1] *其他包括Melvita、Erborian及L'Occitane au Brésil品牌。*

[2] *撇除自二零二二年一月一日起綜合入賬的Sol de Janeiro，二零二二財年在可比的基礎上銷售增長為13.0%。*



L'OCCITANE en Provence佔本集團總銷售額的76.8%。在解除COVID-19相關限制措施，品牌在歐洲及美洲的銷售勢頭強勁反彈。在店舖重開及人流恢復正常後，零售業務對整體增長的貢獻最大。然而，儘管與異常的二零二一財年相比，線上渠道在二零二二財年繼續增長。旅遊零售業顯著改善，尤其是在亞洲。中國、香港、美國及其他地區是二零二二財年品牌整體增長的主要貢獻因素。

ELEMIS佔本集團二零二二財年總銷售額的12.5%，較二零二一財年增加2.3個百分點。ELEMIS按固定匯率計算錄得強勁增長37.4%。隨著旅行限制放寬，水療批發和遊輪業務強勁反彈。受惠於成功的全渠道業務模式以及與數碼夥伴加強合作，線上渠道持續增長。美國在二零二二財年對品牌整體增長的貢獻最大，其次是英國及中國。ELEMIS在我們的主要策略市場中擁有18間自營零售店。

本集團於二零二二年一月開始將Sol de Janeiro綜合入賬，其貢獻26,100,000歐元，或二零二二財年整體增長的11.0%。以當地貨幣計算，Sol de Janeiro在二零二二財年第四季實現46.7%增長。

在成功的二零二一財年後，LimeLife在二零二二財年按固定匯率計算銷售下跌31.3%。除了去年的高基數外，隨著美國經濟恢復正常及就業狀況改善，該品牌在招聘及挽留美容顧問方面出現困難。

其他品牌於二零二二財年按固定匯率計算共增長19.0%，主要貢獻來自Erborian的持續成功及L'OCCITANE au Brésil的強勁反彈。零售和批發渠道均受惠於限制措施取消。



按地區劃分之表現

下表呈列於所示期間按地區劃分的銷售淨額及銷售淨額增長：

	二零二二財年		二零二一財年		按匯報匯率計算的增長	按固定匯率計算的增長	按固定匯率計算對整體增長的貢獻
	千歐元	*%*	*千歐元*	*%*	*%*	*%*	*%*
日本	206,034	11.4	215,273	13.9	(4.3)	0.4	0.4
香港[1]	118,884	6.6	94,589	6.1	25.7	24.0	10.0
中國	327,994	18.1	263,642	17.0	24.4	16.8	19.4
台灣	51,530	2.8	47,464	3.1	8.6	2.8	0.6
法國	96,011	5.3	86,688	5.6	10.8	10.8	4.1
英國	197,461	10.9	154,444	10.0	27.9	21.4	14.6
美國[3]	296,816	16.4	258,552	16.6	14.8	13.5	15.3
巴西	48,261	2.7	34,453	2.2	40.1	37.0	5.6
俄羅斯	62,586	3.5	50,966	3.3	22.8	24.8	5.6
其他地區[2]	404,407	22.3	344,812	22.2	17.3	16.1	24.4
總計	**1,809,984**	**100.0**	**1,550,883**	**100.0**	**16.7**	**14.6**	**100.0**

(1) 包括澳門的銷售額及對亞洲分銷商及旅遊零售客戶的銷售額。

(2) 包括盧森堡的銷售額。

(3) 包括於第11章法律訴訟期間於二零二一年四月至二零二一年八月的二零二二財年銷售額合共28,600,000歐元以及二零二一年二月至二零二一年三月的二零二一財年銷售額合共13,000,000歐元，以進行合適比較。

管理層討論與分析

下表載列二零二二財年與去年同期相比，按地區劃分有關自營零售店數目、其對整體增長的貢獻百分比以及同店銷售增長的明細分析：

	自營零售店				對整體增長的貢獻百分比[1][2]			
	二零二二年三月三十一日	截至二零二二年三月三十一日止年度淨開設數	二零二一年三月三十一日	截至二零二一年三月三十一日止年度淨開設數	不可比較店舖	可比較店舖	所有店舖	同店銷售增長
日本[3]	154	(3)	157	(6)	0.0	0.5	0.6	0.7
香港[4]	29	(4)	33	(2)	(0.4)	(0.1)	(0.5)	(1.2)
中國	208	10	198	(5)	(1.9)	3.5	1.5	6.1
台灣	51	(2)	53	(2)	(0.6)	0.6	0.0	4.0
法國[5]	84	(1)	85	(2)	1.5	(0.2)	1.2	(1.3)
英國[6]	71	1	70	(2)	1.3	2.4	3.7	8.7
美國	126	(21)	147	(25)	(1.3)	11.1	9.8	25.0
巴西[7]	172	(4)	176	(23)	1.5	2.6	4.1	23.6
俄羅斯[8]	110	(2)	112	–	0.3	2.4	2.7	17.1
其他地區[9]	485	(7)	492	(18)	1.5	6.4	7.9	8.0
總計[10]	**1,490**	**(33)**	**1,523**	**(85)**	**1.9**	**29.2**	**31.1**	**8.3**

(1) *指所示地區及期間不可比較店舖、可比較店舖及所有店舖佔整體銷售淨額增長的百分比。*

(2) *撇除外匯換算影響。*

(3) *包括於二零二一年三月三十一日的31間Melvita店及二零二二年三月三十一日的26間Melvita店及2間ELEMIS店。*

(4) *包括於二零二一年三月三十一日在澳門的2間L'Occitane店及在香港的8間Melvita店及3間ELEMIS店，以及於二零二二年三月三十一日在澳門的2間L'Occitane店及在香港的4間Melvita店及3間ELEMIS店。*

(5) *包括於二零二一年三月三十一日5間Melvita店及2間 Erborian店及於二零二二年三月三十一日的4間Melvita店及2間Erborian店。*

(6) *包括於二零二二年三月三十一日的1間ELEMIS店。*

(7) *包括分別於二零二一年三月三十一日及二零二二年三月三十一日的64間及65間L'Occitane au Brésil店。*

(8) *包括於二零二一年三月三十一日的11間Erborian店及於二零二二年三月三十一日的11間Erborian店及1間ELEMIS店。*

(9) *包括於二零二一年三月三十一日的6間Melvita店、2間ELEMIS店及2間Erborian店及於二零二二年三月三十一日的5間Melvita店、9間ELEMIS店及1間Erborian店。*

(10) *包括於二零二一年三月三十一日的50間Melvita店、64間L'Occitane au Brésil店、5間ELEMIS店及15間Erborian店及於二零二二年三月三十一日的39間Melvita店、65間L'Occitane au Brésil店、18間ELEMIS店及14間Erborian店。*





日本

於二零二二財年，日本的銷售淨額為206,000,000歐元，較二零二一財年減少4.3%。按固定匯率計算，增長0.4%。二零二二財年第一季零售客流強勁反彈，但隨後因限制措施及緊急狀態令的實施而變得低迷。L'Occitane en Provence在二零二二財年錄得低單位數增幅，主要是由於零售銷售增長。Melvita錄得低單位數跌幅，部分原因是人流低，而部分原因則是店舖數量減少。於二零二二財年，淨關閉3間店舖，包括關閉5間Melvita店及開設2間ELEMIS店。

香港

於二零二二財年，香港的銷售淨額為118,900,000歐元，較二零二一財年增加25.7%。按固定匯率計算，增長24.0%。強勁增長主要由於大中華地區客戶的旅遊零售銷售以及香港網上合作夥伴業務的發展。與二零二零財年(即兩年前COVID-19前)相比，二零二二財年的旅遊零售的銷售額錄得十數百分比增長。與此同時，在香港的本地零售市場，由於二零二二財年首三季COVID-19病例宗數保持低位，商場人流顯著改善。然而，二零二二財年第四季COVID-19再次爆發導致新一輪的限制措施，人流幾乎完全消失。二零二二財年香港零售銷售錄得低單位數跌幅。



管理層討論與分析

中國

於二零二二財年，中國的銷售淨額為328,000,000歐元，較二零二一財年增加24.4%。按固定匯率計算，增長16.8%，對本集團整體增長貢獻最多。線上渠道特別活躍，並以雙位數增長為年度作結。L'Occitane en Provence在網上合作夥伴及網上商城的強大貢獻下，所有渠道均實現增長。除了按計劃與獨家批發連鎖夥伴合作推出外，年內ELEMIS在上海和南京的著名商場開設兩間自營店。全年整體銷售勢頭保持強勁，直到二零二二年三月政府在主要城市採取封鎖和限制措施，這影響了零售人流並阻礙了產品交付。

台灣

於二零二二財年，台灣的銷售淨額為51,500,000歐元，增加8.6%（按匯報匯率計算）。按固定匯率計算，增長2.8%。儘管面臨零星的半封鎖，但銷售勢頭從強勁的二零二一財年延續，按固定匯率計算增長15.5%。零售人流低迷，但銷售下降被網絡合作夥伴及自營電商的顯著增長所彌補。





法國

於二零二二財年，法國的銷售淨額為96,000,000歐元，較二零二一財年增加10.8%。受COVID-19措施影響，銷售額從二零二一財年的低基數反彈。L'Occitane en Provence在二零二二財年錄得高單位數增長，主要受惠於零售店重開。Erborian加速增長至中雙位數，主要來自批發渠道的貢獻。

英國

於二零二二財年，英國的銷售淨額為197,500,000歐元，較二零二一財年增加27.9%。按固定匯率計算，增長21.4%。二零二二財年取消限制措施後ELEMIS增長加快，水療批發業務強勁復甦，網上合作夥伴關係持續發展。L'Occitane en Provence的零售銷售在年內大幅反彈，而線上渠道則正常化。



美國

於二零二二財年，美國的銷售淨額為296,800,000歐元，較二零二一財年增加14.8%。按固定匯率計算，增長13.5%。根據國際財務報告準則規定，於二零二一年四月至八月在第11章法律訴訟期間的銷售額並無綜合入賬，因此二零二二財年的匯報銷售淨額減少至254,800,000歐元。L'Occitane en Provence及ELEMIS均受惠於限制措施取消。L'Occitane en Provence的零售銷售強勁反彈，而線上渠道則正常化。ELEMIS在所有渠道均取得令人鼓舞的增長，主要貢獻來自批發及遊輪業務。另一方面，經濟重啟令LimeLife受到負面影響。隨著就業市場恢復正常，招聘及挽留美容顧問變得更加困難。最後，Sol de Janeiro於二零二二年一月加入本集團，為該國的銷售額貢獻26,100,000歐元。

巴西

於二零二二財年，巴西的銷售淨額為48,300,000歐元，較二零二一財年增加40.1%。按固定匯率計算，增長37.0%。L'Occitane en Provence及L'Occitane au Brésil在零售渠道均強勁反彈，該渠道於二零二一財年受到限制措施的阻礙。與二零二零財年(即兩年前COVID-19前)相比，以當地貨幣計算，銷售淨額增加15.3%。

俄羅斯

於二零二二財年，俄羅斯的銷售淨額為62,600,000歐元，較二零二一財年增加22.8%。按固定匯率計算，增長24.8%，得益於所有品牌。L'Occitane en Provence及Erborian均錄得雙位數增長，主要是由於零售店舖重開。ELEMIS錄得中雙位數增長，線上及批發渠道迅速擴張。自二零二二財年第四季爆發俄烏衝突以來，本集團暫停投資及擴張計劃，隨後暫停自營零售店及自營電商營運。

其他地區

於二零二二財年，其他地區的銷售淨額為404,400,000歐元，按固定匯率計算增加16.1%。貢獻表現強勁的國家為韓國、墨西哥、西班牙及加拿大。歐洲及美洲的旅遊零售及分銷銷售亦強勁反彈。

管理層討論與分析



盈利能力分析

銷售成本及毛利

匯報銷售成本增加22.0%或57,200,000歐元至二零二二財年的317,900,000歐元。毛利率較二零二一財年減少0.8個百分點至82.2%。減少乃歸因於以下因素：

- 第11章法律訴訟期間不再將美國附屬公司綜合入賬，佔0.6個百分點；
- 轉售比例較高的不利渠道組合以及ELEMIS及Sol de Janeiro轉售業務較多的不利品牌組合，合共佔0.5個百分點；及
- 運費及關稅增加，佔0.4個百分點，部分是由於重建存貨，部分是由於運輸成本較高。

毛利率減少被以下各項部分抵銷：

- 產量增加導致生產效率提高，平均固定成本吸收下降，佔0.6個百分點；及
- 提升價格，佔0.1個百分點。

分銷開支

匯報分銷開支增加4.8%或32,200,000歐元至二零二二財年的698,400,000歐元。按佔銷售淨額百分比計算，分銷開支減少4.1個百分點至39.2%。此改善乃由於以下各項的綜合影響：

- 零售及其他實體渠道的槓桿效應上升，佔5.3個百分點；
- 有利的品牌及渠道組合，主要來自LimeLife在整體銷售額中的份額減少，原因是LimeLife的分銷開支比率高，佔0.9個百分點；
- 理順店舖網絡帶來更高效的零售網絡，佔0.6個百分點；及
- 美國不再綜合入賬的正面影響，佔0.4個百分點。

此改善被以下因素部分抵銷：

- 去年來自政府的一次性COVID補貼及租金優惠，佔2.1個百分點；
- 86 Champs café一次性減值，佔0.9個百分點；及
- 倉儲增加被其他收益抵銷，佔0.1個百分點。

營銷開支

匯報營銷開支增加31.4%或67,100,000歐元至二零二二財年的280,800,000歐元。按佔銷售淨額百分比計算，營銷開支增加1.9個百分點至15.8%。此增加乃歸因於以下因素：

- 通過直播、社交媒體、名人活動及視頻製作，在中國戰略投資桂花香水系列及護髮產品類別，佔0.9個百分點；
- 再投資L'Occitane en Provence（中國除外）及Erborian加速計劃，佔0.5個百分點；
- 品牌組合，佔0.5個百分點，主要由營銷率較高的ELEMIS帶動；
- 在去年COVID-19期間大幅削減成本後再投資ELEMIS以及投資亞洲新市場，佔0.4個百分點；
- 匯兌、員工、去年的COVID-19補貼及其他，佔0.2個百分點；及
- 初始納入Sol de Janeiro，佔0.2個百分點。

此增長部分被銷售槓桿上升（佔0.8個百分點）所抵銷。



研發開支

匯報研發（「研發」）開支增加8.8%或1,500,000歐元至二零二二財年的18,900,000歐元。按佔銷售淨額百分比計算，研發開支維持於1.1%不變。



管理層討論與分析

一般及行政開支

匯報一般及行政開支增加17.0%或25,200,000歐元至二零二二財年的173,000,000歐元。按佔銷售淨額百分比計算，一般及行政開支增加0.1個百分點至9.7%。此增加乃歸因於以下因素：

- 去年來自政府的一次性COVID-19補助及休假，佔0.4個百分點；
- 與去年不確定的COVID-19環境下獎金削減相比，與本年度強勁財務業績相對應的長期激勵和獎金撥備增加，佔0.3個百分點；
- 一次性項目，主要為Sol de Janeiro的收購成本，佔0.2個百分點；
- 資訊科技投資、匯兌及其他，佔0.2個百分點；及
- 各種重組項目，佔0.2個百分點。

此減少主要被銷售槓桿上升（佔1.2個百分點）所抵銷。



分佔以權益法入賬的聯營公司及合營企業（虧損）

於二零二二財年以權益法入賬的聯營公司及合營企業虧損淨額13,600,000歐元詳情如下：

- 二零二一年四月至八月不再綜合入賬期間L'Occitane, Inc.產生的虧損8,900,000歐元
- Good Glamm Group（前稱MyGlamm）的虧損5,000,000歐元
- CAPSUM的虧損400,000歐元，部分被L'Occitane Middle East的收益700,000歐元抵銷

其他經營收入

於二零二二財年其他經營收入39,100,000歐元詳情如下：

- 於Good Glamm Group的投資估值增加導致資本收益25,100,000歐元，現以權益法入賬列為聯營公司
- L'Occitane, Inc.重新綜合入賬的收益12,900,000歐元
- 政府研發補助1,000,000歐元
- 其他100,000歐元

其他經營虧損

於二零二二財年其他經營虧損7,100,000歐元詳情如下：

- Good Glamm Group股權百分比攤薄產生虧損分佔4,900,000歐元
- 重組成本1,500,000歐元，主要關於第11章法律訴訟
- 資產銷售虧損600,000歐元
- 其他項目100,000歐元

經營溢利

匯報經營溢利增加43.3%或93,900,000歐元至310,700,000歐元。銷售淨額的匯報經營溢利率改善3.3個百分點至17.4%。出色業績來自以下因素：

- 主要來自零售的固定成本及渠道分銷成本對銷售額上升的槓桿，佔7.4個百分點；
- 於Good Glamm Group的投資估值增加，佔1.1個百分點；及
- 去年重組成本及第11章法律訴訟的影響，佔0.6個百分點。

此改善被以下各項所部分抵銷：

- 去年自政府收取的COVID-19補貼，佔2.5個百分點；
- 增加L'Occitane en Provence在中國及其他主要國家的營銷投資以及ELEMIS的投資，佔1.7個百分點；
- 86 Champs café一次性減值，佔0.9個百分點；
- 溢利突出導致獎勵增加，佔0.3個百分點；及
- 倉儲及相關成本增加、四捨五入及其他因素，佔0.4個百分點。

下表呈列本集團二零二二財年及二零二一財年管理層經營溢利及須匯報經營溢利之對賬。

	二零二二財年		二零二一財年	
		佔銷售額		*佔銷售額*
	百萬歐元	*百分比*	*百萬歐元*	*百分比*
匯報銷售淨額	**1,781.4**		**1,537.8**	
銷售淨額	**1,810.0**		**1,550.9**	
銷售成本	(311.6)	-17.2%	(261.6)	-16.9%
毛利	**1,498.4**	**82.8%**	**1,289.3**	**83.1%**
分銷開支	(702.9)	-38.8%	(675.7)	-43.6%
營銷開支	(286.1)	-15.8%	(216.2)	-13.9%
研發開支	(18.9)	-1.0%	(17.4)	-1.1%
一般及行政開支	(182.9)	-10.1%	(151.0)	-9.7%
分佔以權益法入賬的合營企業溢利／(虧損)	0.3	0.0%	(0.1)	0.0%
其他經營收入／(虧損)	(0.0)	0.0%	(0.4)	0.0%
管理層經營溢利[1]	**307.8**	**17.0%**	**228.5**	**14.7%**
第11章：不再綜合入賬／重新綜合入賬的淨影響	3.3		8.6	
重組開支	–		(16.9)	
Good Glamm Group的估值及分佔溢利／(虧損)	15.1		(3.4)	
86 Champs café的減值	(15.5)		–	
匯報經營溢利	**310.7**	**17.4%**	**216.8**	**14.1%**

[1] *二零二二財年管理層經營溢利 – 假設L'Occitane, Inc.仍為本集團一部分，其於二零二一年四月至八月的業績於本集團業績綜合入賬，其後消除不再綜合入賬及重新綜合入賬的淨影響。一次性項目 – 86 Champs café的減值及Good Glamm Group估值變動亦已撇除以進行合適比較。管理層認為，該管理層版本更真實地反映二零二二財年的營運表現，故與二零二一財年管理層經營溢利更具可比性。*
二零二一財年管理層經營溢利 – 假設L'Occitane, Inc.仍為本集團一部分，其於二零二一年二月及三月的業績於本集團業績綜合入賬，其後消除不再綜合入賬及重新綜合入賬的淨影響。重組開支亦已撇除。管理層認為，該管理層版本更真實地反映二零二一財年的營運表現。

管理層討論與分析



財務成本淨額

於二零二二財年，財務成本淨額為14,500,000歐元，包括現金及現金等價物的利息收入1,900,000歐元及以下開支項目：

- 國際財務報告準則第16號租賃負債相關利息及財務開支8,900,000歐元；
- 與銀行借貸、循環貸款及外部融資有關的利息開支3,600,000歐元；及
- 若干金融負債的平倉折扣及相關費用攤銷合共3,900,000歐元。

與二零二一財年相比，財務成本淨額減少3,800,000歐元，乃由於淨利息開支減少、國際財務報告準則第16號相關利息開支減少，部分被其他財務開支增加所抵銷。

外幣收益／虧損

於二零二二財年，外幣虧損淨額為300,000歐元（二零二一財年：虧損淨額3,000,000歐元），包括已變現收益100,000歐元、未變現虧損100,000歐元及與國際財務報告準則第16號有關的虧損300,000歐元。



所得稅開支

實際稅率由二零二一財年的21.4%減少3.2個百分點至二零二二財年的18.2%。減少主要由於以下有利因素：

- 有利的國家組合影響，佔2.4個百分點；
- 存貨增加導致對遞延稅項資產的有利影響，佔1.6個百分點；及
- 稅率的有利變化（主要在法國），佔0.3個百分點。

部分被不利的一次性影響所抵銷，佔淨1.1個百分點。

年內溢利

由於前述原因，二零二二財年的純利創紀錄達241,900,000歐元，較經重列二零二一財年的153,600,000歐元增加57.5%或88,300,000歐元。二零二二財年的每股基本及攤薄盈利分別為0.165歐元及0.164歐元（二零二一財年：基本0.103歐元及攤薄0.103歐元），分別增加59.7%及59.8%。用於計算二零二二財年每股盈利的基本及攤薄股份數目分別為1,470,135,821股及1,473,153,053股（二零二一財年：基本1,466,677,921股及攤薄1,470,779,165股）。

資產負債表及現金流量回顧

流動資金及資本資源

於二零二二年三月三十一日，本集團的現金及現金等價物為360,900,000歐元，而二零二一年三月三十一日則為421,200,000歐元。減少乃主要由於投資Sol de Janeiro的現金流出淨額。於二零二二年三月三十一日，借貸總額（包括定期貸款、循環貸款、銀行借貸、融資租賃負債以及與少數股東及關聯方的往來賬）達670,900,000歐元。於二零二二年三月三十一日，未提取借貸融資總額為268,200,000歐元。

現金流量表概要

截至三月三十一日止年度	二零二二年 *千歐元*	二零二一年 *千歐元*
除稅前溢利（經調整非現金項目）	475,361	421,201
營運資金變動	(98,814)	36,316
已付所得稅	(50,523)	(28,006)
經營活動產生的現金流入淨額	326,024	429,511
資本開支產生的現金流出淨額	(37,998)	(27,838)
自由現金流量[1]	**288,026**	**401,673**
投資於新業務及金融資產產生的現金（流出）淨額	(327,801)	(50,585)
融資活動產生的現金（流出）淨額	(17,340)	(97,177)
匯率變動的影響	(3,202)	963
現金、現金等價物及銀行結餘增加／（減少）淨額	**(60,317)**	**254,874**

[1] *二零二二財年產生的自由現金流量為288,000,000歐元，而二零二一財年則為401,700,000歐元。倘撇除國際財務報告準則第16號非現金項目，二零二二財年及二零二一財年產生的自由現金流量將分別為174,100,000歐元及278,100,000歐元。該減少乃由於二零二二財年加速銷售增長所需的營運資金增加、創紀錄的利潤導致已付稅款增加及資本開支正常化。*



管理層討論與分析

資本開支

於二零二二財年，資本開支所用現金淨額為38,000,000歐元，較二零二一財年的27,800,000歐元增加10,200,000歐元。增加主要為零售店相關資本開支。二零二二財年的資本開支主要與以下各項有關：

- 租賃物業裝修及其他有形資產（與L'Occitane en Provence新店舖及翻新店舖及ELEMIS批發客戶有關）16,200,000歐元；
- 投資各種資訊科技設備及軟件13,600,000歐元；及
- 工廠、辦公室及倉庫設施的機械及設備替換總額8,200,000歐元。



投資附屬公司、聯營公司及金融資產

於二零二二財年，投資附屬公司、聯營公司及金融資產的現金流出淨額為327,800,000歐元，而去年為50,600,000歐元。本年度的流出主要用於收購新品牌Sol de Janeiro及投資Carbios（專門從事塑膠回收的法國生化公司）。

融資活動

於二零二二財年，融資活動的現金流出淨額為17,300,000歐元（二零二一財年：流出97,200,000歐元）。年內現金流出淨額主要反映以下各項：

- 根據國際財務報告準則第16號，租賃付款的主要組成部分為108,500,000歐元；
- 派付股息54,100,000歐元；及
- 收購庫存股份及償付購股權的付款淨額4,500,000歐元。

有關金額被以下現金流入所部分抵銷：

- 銀行借款淨額148,800,000歐元；及
- 與非控股權益的交易1,000,000歐元。

存貨

下表概述於所示期間的平均存貨周轉天數：

	二零二二財年	*二零二一財年*
平均存貨周轉天數(1)	265	282

(1) 平均存貨周轉天數等於平均存貨除以銷售成本，再乘以365。平均存貨等於某一期間期初及期終存貨淨額的平均值。

於二零二二年三月三十一日，存貨淨值為263,200,000歐元，較二零二一年三月三十一日增加32.3%或64,300,000歐元。存貨淨值增加主要源於L'Occitane en Provence增長強勁、首次納入Sol de Janeiro及ELEMIS迅速擴張。

然而，二零二二財年平均存貨周轉天數減少17天，乃由於與去年相比銷售強勁增長及銷售成本因而增加。存貨周轉天數減少17天乃歸因於以下各項：

- 製成品以及可比較品牌的迷你產品及包裝袋減少，佔-24天；
- 原材料及在製品減少，佔-4天；及
- 存貨撥備增加，佔-3天。

被以下因素部分抵銷：

- 初步納入Sol de Janeiro，+7天（僅含3個月銷售成本）；及
- 不利匯兌影響，佔+7天。

應收貿易賬款

下表概述於所示期間的應收貿易賬款周轉天數：

	二零二二財年	*二零二一財年*
應收貿易賬款周轉天數(1)	34	32

(1) 應收貿易賬款周轉天數等於平均應收貿易賬款除以銷售淨額，再乘以365。平均應收貿易賬款等於某一期間期初及期終應收貿易賬款淨額的平均值。

二零二二財年的應收貿易賬款周轉天數較二零二一財年增加2天至34天。該增加乃ELEMIS的轉售銷售增加、首次納入Sol de Janeiro、匯兌影響不利的淨結果，部分被直銷渠道周轉天數減少所抵銷。

應付貿易賬款

下表概述於所示期間的平均應付貿易賬款天數：

	二零二二財年	*二零二一財年*
應付貿易賬款周轉天數(1)	213	215

(1) 應付貿易賬款周轉天數等於平均應付貿易賬款除以銷售成本，再乘以365。平均應付貿易賬款等於某一期間期初及期終應付貿易賬款的平均值。

二零二二財年應付貿易賬款周轉天數減少2天乃應計開支及應付貿易賬款周轉天數減少7天的淨影響，部分被匯兌影響（增加5天）所抵銷。

管理層討論與分析

資產負債表比率

二零二二財年已動用資本回報為12.8%，較二零二一財年增加2.7個百分點，乃由於除稅後經營溢利淨額增加51.0%，而已動用資本增加18.5%。已動用資本增加乃主要由於收購Sol de Janeiro的商譽。

於二零二二財年，權益擁有人應佔資本及儲備增加77,200,000歐元，即年內綜合收益、股息分派及其他儲備增加的淨結果。二零二二財年股權回報率進一步上升6.4個百分點至19.1%，而二零二一財年則為12.7%。

本集團資產負債比率由二零二一財年的32.8%輕微增加至二零二二財年的34.0%。倘撇除國際財務報告準則第16號的影響，二零二二財年資產負債比率將為27.2%。

	匯報 二零二二財年	*經重列 二零二一財年*
盈利能力		
未計利息、稅項、折舊及攤銷之盈利[1]	488,269	404,576
除稅後經營溢利淨額[2]	253,782	168,046
已動用資本[3]	1,975,448	1,667,162
已動用資本回報[4]	12.8%	10.1%
股權回報[5]	19.1%	12.7%
流動資金		
流動比率(倍)[6]	1.1	0.9
速動比率(倍)[7]	0.8	0.7
資本充足		
資產負債比率[8]	34.0%	32.8%
債權比率[9]	50.3%	31.1%

(1) 未計利息、稅項、折舊、攤銷及減值之盈利
(2) (經營溢利+外匯淨收益或虧損)×(1–實際稅率)
(3) 非流動資產–(遞延稅項負債+其他財務負債+其他非流動負債)+營運資金
(4) 除稅後經營溢利淨額/已動用資本
(5) 年末本公司權益擁有人應佔純利/股東股權(不包括少數股東權益)
(6) 流動資產/流動負債
(7) (流動資產–存貨)/流動負債
(8) 總負債/總資產
(9) 債項淨額/(總資產–總負債)

外匯風險管理

本公司訂立遠期外匯合約及貨幣期權，目的是就與已識別風險一致的各期間為預期交易以及並非以呈列貨幣(即歐元)列值的應收款項及應付款項進行對沖。於二零二二年三月三十一日，根據國際財務報告準則的公平市場估值規定，本公司有遠期外匯合約的外匯衍生資產淨額為700,000歐元。於二零二二年三月三十一日，未結算的遠期外匯衍生工具的名義本金額主要為出售52,000,000歐元等值人民幣元、29,800,000歐元等值美元、23,900,000歐元等值港元、13,900,000歐元等值日圓、9,200,000歐元等值英鎊、8,600,000歐元等值俄羅斯盧布、4,600,000歐元等值墨西哥披索及2,700,000歐元等值泰銖。

股息

於二零二一年六月二十八日舉行的董事會會議上，董事會建議分派總股息每股0.03687歐元，總金額達54,100,000歐元，或本公司權益擁有人應佔純利的35.0%。末期股息金額按於二零二一年六月二十八日已發行的1,467,388,221股股份（不包括9,576,670股庫存股份）計算。本公司股東（「**股東**」）已於二零二一年九月二十九日舉行的會議上批准該股息。股息已於二零二一年十月二十二日派付。

由於二零二二財年所有財務方面業績突出，董事會欣然建議將派息率由35%增至40%，並建議末期股息每股0.06585歐元（「**末期股息**」），二零二一財年已付股息的約178.6%。末期股息總額為96,800,000歐元。

末期股息以於二零二二年六月二十七日已發行的1,470,135,821股股份（不包括6,829,070股庫股份）為基準。

財政年度結束後事項

於二零二二年四月一日，L'Occitane International S.A.向主要股東L'Occitane Groupe S.A.以5,032,000歐元收購14 Groupe S.A.的49.24%股權（佔76.18%投票權），該公司持有Grown Alchemist的65%股權及投票權。Grown Alchemist為澳洲品牌，在護膚品、身體護理、護髮和營養化妝品補充劑領域取得跨界成功。

於二零二二年五月十九日，本集團決定退出其附屬公司L'Occitane Russia。該附屬公司佔截至二零二二年三月三十一日合併銷售淨額3.5%及本集團於二零二二年三月三十日總資產的2.1%。於二零二二年六月三日，本集團與該附屬公司的四名主要董事簽立股份購買協議。四名主要董事各自將持有先前由本集團持有股份總額之23%至31%。

股份付款將於二零二五年六月至二零二八年六月期間分四期支付。股份付款以二零二二年六月三日簽署的質押協議作擔保。

本集團於二零二五年、二零二六年、二零二七年、二零二八年及二零二九年四月一日可行使認購期權。行使價以公平值為基礎。

基於該等協議，本集團將失去對該俄羅斯實體的獨家控制權且並無任何重大影響力。

因此，截至二零二二年三月三十一日，與該俄羅斯附屬公司相關的資產估值測試是針對與銷售相關的應收款項現值進行。該價值取決於新實體產生現金流量的能力。根據管理層的判斷，並無跡象表明本集團無法收回該應收款項。在此基礎上，管理層總結認為截至二零二二年三月三十一日L'Occitane Russia資產賬目33,000,000歐元並無減值入賬。管理層所使用主要假設的合理變動不會導致所測試資產的任何重大減值。

於二零二二年六月三日失去獨家控制權之日，股份應收款項現值（相當於從股份收購方收取之遞延付款）將約為48,000,000歐元。應收款項現值將按12.5%貼現率計算，並計及新實體未來產生足夠現金流量的風險。

該金額大致相當於L'Occitane Russia於該日的資產淨值（包括先前就L'Occitane Russia於其他綜合收益入賬的貨幣換算差額及抵銷公司間利潤率的影響）。因此，預期不會出現重大資本收益或虧損。

管理層討論與分析

策略回顧

於二零二二財年，本集團取得了驕人的業績，銷售額穩健增長16.7%，利潤率創新高。儘管二零二二財年第四季形勢變得充滿挑戰，作為其最大市場的中國再次實行封鎖措施，全球地緣政治阻力顯著增加，但全年銷售勢頭保持良好。事實上，與兩年前疫情前水平相比，全年銷售額在可比的基礎上增長12.4%，此數據每季有所改善。經營溢利達到創紀錄的241,900,000歐元，經營溢利率擴大至17.4%，乃本集團上市以來最高水平。

優異成績真正體現了本集團品牌和團隊的韌性，以及抵禦和克服市場動盪的能力。本集團致力建立信任、可持續增長及盈利能力，繼續鞏固L'OCCITANE en Provence在全球高端美容市場的地位。憑藉高度成功的數碼優先全球擴張戰略，ELEMIS成為本集團提高經營盈利能力的關鍵因素，在其所有品牌內進行具針對性及紀律的投資開始獲得回報。



與此同時，本集團繼續鞏固為實現可持續增長和盈利能力奠定的基礎。在品牌組合加入Sol de Janeiro提供了新的盈利增長來源，連同最近收購的Grown Alchemist，本集團推進轉型為多品牌和地域平衡集團。

針對性投資推動核心品牌的增長和世界級的盈利能力

L'OCCITANE en Provence在整個二零二二財年的業績全面提升，按固定匯率計算增長13.2%，對本集團整體增長貢獻70%，亞洲、歐洲和北美貢獻均衡。所有產品類別亦錄得銷售增長，反映核心品牌的基礎廣泛改善，最大產品類別手部護理以及在成功推出桂花系列的帶動下，香氛類別均實現雙位數增長。

高度針對性的營銷投資在此發揮了重要作用，本集團接近一半的年度媒體及營銷投資用於被視為對本集團最具戰略意義的重大活動和特殊項目。其中一個亮點是中國，本集團巧妙舉辦深思熟慮的活動，利用天貓和京東上的名人來推動社交媒體的討論並招攬新客戶。因此，L'OCCITANE en Provence在重要的購物節期間表現優於市場，並且仍然是中國高端身體護理和手部護理類別的頂級品牌之一。

儘管L'OCCITANE en Provence提高了營銷投資佔銷售淨額的百分比，但事實證明極具成效。核心品牌不僅加速增長，盈利能力亦有所擴大。經營銷售槓桿改善，加上在美國的第11章訴訟程序期間關閉表現欠佳店舖等重組工作的收益，以及線上和線下轉售銷售比例較高的有利渠道組合效應，導致核心品牌達到世界級的經營溢利率19.8%。



全渠道策略帶動線上線下同步增長

本集團長期以來一直投資於全渠道業務，以覆蓋所有線上和線下接觸點的客戶，在疫情開始時人流急劇轉向線上渠道，此策略尤其具有先見之明。兩年多過去，本集團豐富的全渠道主張鼓勵客戶購物行為的永久轉變，乃二零二二財年盈利能力擴大的貢獻因素。

因此，儘管多個市場的線下銷售額超過疫情前水平，本集團於二零二二財年的線上銷售繼續增長，佔整體銷售總額33.1%。此外，隨著以數碼為中心或數碼原生品牌（包括ELEMIS、LimeLife及Sol de Janeiro）增長，即使線下人流進一步正常化，本集團預計其線上組合仍將保持在目前的高水平。通過各渠道之間協調一致的推廣策略，持續的線上發展將帶來正面貢獻，進一步支持本集團的全渠道戰略。

由於本集團部分主要市場繼續面對零星的封鎖和限制措施，其全渠道戰略仍然是與遠端客戶互動同時保持人性化美容的關鍵。

發展成為地域均衡的多品牌集團

近年，本集團加快併購活動，以配合建立領先的高端美容品牌組合的戰略，同時加快成為全球性的多品牌集團，在地域上更加平衡，對千禧一代和Z世代消費者更具吸引力。

於二零二二財年，本集團在其產品組合加入兩個新品牌－Sol de Janeiro及Grown Alchemist。於美國成立，受傳統巴西自愛及歡樂思想啟發，Sol de Janeiro是一個快速發展、屢獲殊榮的生活護膚品牌。自品牌創立以來的六年時間，Sol de Janeiro獲得了大量追隨者，最暢銷的*Bum Bum Cream*在北美一直名列前茅。二零二二財年最後一季，Sol de Janeiro維持增長軌跡，較去年同期銷售增長接近47%。二零二二財年末，本集團收購澳洲藥妝、清潔護膚品牌Grown Alchemist。該品牌在二零零八年成立，專注於未來派的抗衰老技術及獨特的植物護膚配方，以實現最佳皮膚健康，已迅速收獲全球追隨者。由於兩個品牌在各自的本土市場均具有強大吸引力，而在國際上的影響力有限，因此本集團認為未來幾年的增長潛力巨大。

管理層討論與分析

在數碼優先的全球擴張戰略引領下，二零二二財年ELEMIS銷售增長強勁，主要是受水療及批發業務反彈、美國和英國線上銷售強勁以及海運及機上業務恢復所帶動。隨著與零售合作夥伴的獨家銷售期即將結束，ELEMIS亦正為在中國的下一階段發展做準備。在疫情期間大幅削減成本後，ELEMIS維持精簡靈敏的架構，同時明智地恢復營銷投資以及新的市場推廣。儘管在品牌成長階段進行此等投資，ELEMIS在二零二二財年繼續實現22.8%的出色經營溢利率，再次為本集團不斷擴大的經營溢利率作出貢獻。

本集團其他品牌在二零二二財年實現19%的強勁增長。Erborian實現43%的出色增長，L'OCCITANE au Brésil強勁反彈並錄得60%增長。然而，隨著封鎖措施解除及美國就業市場復甦，LimeLife（為二零二一財年本集團增速最快的品牌）因基數較高而受挫。

隨著管理層過渡完成，組織為未來發展做好充分準備

隨著本集團為可持續發展的未來做好準備，已完成有計劃的管理層過渡。二零二一年九月，André Hoffmann先生接替Reinold Geiger先生擔任本集團的行政總裁。Geiger先生仍然是本集團的主席兼執行董事。在新的組織架構下，Hoffmann先生將繼續推動本集團的策略規劃，以發揮其核心業務的優勢並尋找新的機遇。

此外，自二零二二年六月三十日起，Thomas Levilion先生將退任本集團財務總監。本集團謹此衷心感謝Levilion先生於任職期間所作之寶貴貢獻，並期待Levilion先生留任董事會非執行董事繼續提供指導。本集團亦熱烈歡迎Christian-Matthias Klever先生接替Levilion先生。Klever先生帶來奢侈品行業的豐富經驗，並將為管理團隊提供有力支持。



長遠可持續發展的工作獲得認可

本集團在可持續發展策略方面繼續取得進展，以其三個優先事項為基礎，即努力邁進淨零碳排放、構建自然增值及公平包容的世界。於二零二一年九月，其公佈生物多樣性策略的指導原則及對「自然增值」世界的願景，亦訂立遠大的目標，即到二零二三年前獲得B Corp共益企業認證。

本集團較為本地化的可持續發展措施亦獲得認可及獎項。在韓國，在現代首爾百貨的環保概念快閃店因環保設計贏得MUSE設計大獎(可持續生活／綠色類別)及iF設計大獎，分別擊敗了來自世界各地的6,000名參賽者及11,000名參賽者。

在集團層面，可持續發展的進展已作為評估及激勵各地員工的指標之一，以確保利益的一致性及使命與利潤之間的平衡。本集團已在董事會層面成立可持續發展委員會，以統一及更有條理的方式推進其可持續發展之征程。

前景

展望二零二三財年，全球經濟面臨眾多不明朗因素。二零二三財年第一季，中國主要城市的封鎖措施已對本集團在該國的線下渠道以及由於倉庫關閉而導致的部分線上業務產生了不利影響。

憑藉本集團為實現中長期可持續發展增長及盈利能力奠定的穩固基礎，隨著各國重新開放，其他地區亦出現良好反彈。在二零一三財年突破1,000,000,000歐元銷售額大關後，儘管目前中國市場面臨阻力以及本集團退出俄羅斯市場，本集團仍預期在二零二三財年突破2,000,000,000歐元銷售額大關，同時保持健康的盈利能力。

隨著領導層完成交接，管理層專注於實現可持續和盈利增長，本集團將繼續利用和投資不斷擴大的品牌內在優勢，並加快正在進行的轉型，為股東帶來長期價值增長。





企業管治報告



企業管治報告





企業管治常規

董事會定期檢討其企業管治常規，以達致股東對企業管治水平不斷提高的期望及符合日趨嚴謹的法規要求，以及實踐董事會對堅守優越企業管治的承諾。董事會承諾致力維持高企業管治常規及商業道德標準，並堅信此舉對於維持股東回報至關重要。

根據香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載的「企業管治守則」(「企業管治守則」)，該守則訂明兩個層次的企業管治常規，即上市公司必須遵守或對其不合規情況作出解釋的守則條文，以及鼓勵上市公司加以遵守但毋需披露不合規情況的建議最佳常規。

於二零一四年六月十七日，董事會採納基於企業管治守則所載的原則、條文及慣例編製的企業管治手冊，該手冊於二零二一年三月更新，並已於本公司網站group.loccitane.com登載。請於「Investors」之下選取「Governance」。

與企業管治守則偏離

於整個二零二二財年，除下文所披露者外，本公司已遵守上市規則附錄十四所載企業管治守則的所有適用守則條文：

企業管治守則的守則條文第C.2.1條（前守則條文第A.2.1條）規定，主席與最高行政人員的職能須分開，且不得由一個人同時兼任。

本集團行政總裁（「行政總裁」）的職務由董事會主席Reinold Geiger先生（「Geiger先生」）擔任。於二零二一年九月十六日，Geiger先生辭任行政總裁一職以專注其他承擔，而本集團副主席André Joseph Hoffmann先生（「Hoffmann先生」）獲委任為本集團行政總裁。Geiger先生繼續為董事會主席及執行董事。於委任Hoffmann先生為本集團新行政總裁後，本公司已遵守企業管治守則的守則條文第C.2.1條。

企業管治守則的守則條文第C.6.3條（前守則條文第F.1.3條）規定公司秘書應向主席及行政總裁匯報。

本公司之公司秘書Karl Guénard先生（「Guénard先生」）常駐於盧森堡，須向執行董事兼本集團副總經理Thomas Levilion先生（「Levilion先生」）（主要負責監督本集團全球財務職能）匯報。本公司相信此舉屬合適，乃因Guénard先生與Levilion先生有日常緊密合作，包括處理有關企業管治事宜及其他與董事會相關事宜。

董事的證券交易

本公司已採納上市規則附錄十所載的上市發行人董事進行證券交易的標準守則（「標準守則」）作為董事買賣證券的行為守則。經向全體董事作出具體查詢後，彼等確認已於截至二零二二年三月三十一日止年度（「回顧期間」）遵守標準守則。



企業管治報告

董事會

董事會負責長遠發展及策略以及控制及評估本公司的日常運作。此外，董事會已委任一名主席負責確保董事會收到有關本集團業務發展、其業績、財務狀況及流動性以及本集團重要事件的定期報告。董事的任期為三年，但可不限次數重選連任。

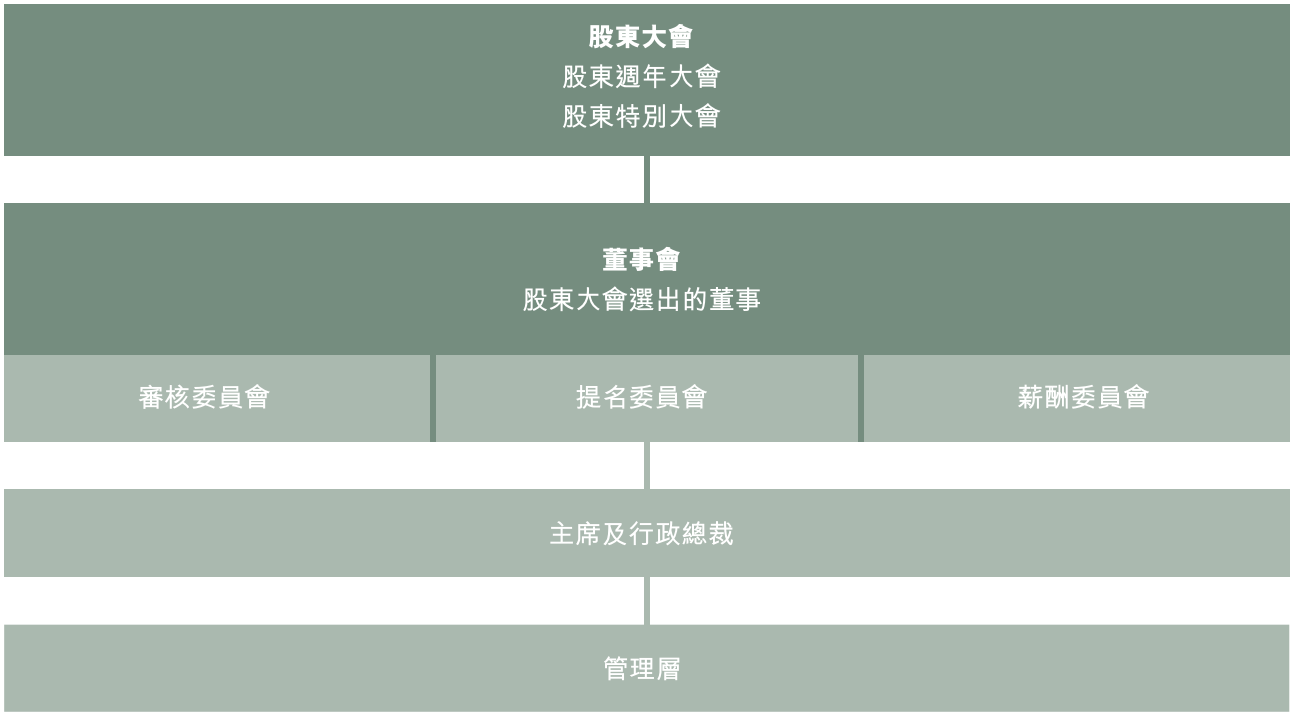
董事會職責部分通過其四個委員會行使：

- 審核委員會
- 提名委員會
- 薪酬委員會
- 可持續發展委員會

董事會在董事會成員之間委任各委員會成員。如認為適當，董事會及每個委員會均有權聘請外部專家處理一般或特別事項。



企業管治架構



董事會的組成

董事會現時由九名董事組成，包括四名執行董事(「執行董事」)、一名非執行董事(「非執行董事」)及四名獨立非執行董事(「獨立非執行董事」)。所有董事在各自專業知識領域均有傑出成就，並表現高標準的個人及職業道德與誠信。各董事的履歷詳情載於本年報第52至55頁。



董事會多元化政策

1. ***目標***

   提名委員會(「該委員會」)乃L'OCCITANE INTERNATIONAL S.A.(「本公司」)董事會(「董事會」)下設委員會。該委員會獲董事會授權履行該等職權範圍所載的職能及權力。根據其職權範圍，該委員會應識別有資格或適合成為董事會成員的候選人，並就甄選獲提名擔任董事職位的候選人向董事會作出推薦建議。

   本政策(「本政策」)載列為達致董事會多元化而採取的方針。

2. ***願景及政策聲明***

   本公司深知董事會多元化之裨益，並在原則上支持多元化可增強董事會表現、促進有效決策及改善公司管治及監察。

   本公司認為，多元化董事會將包容並充分利用董事會成員在技能、經驗及背景、地域及行業經驗、種族、性別、知識及服務年限以及其他特質方面的差異。該等差異將在釐定董事會之最佳組成時予以考慮，且所有董事會任命均在充分考慮董事會整體有效運作前提下以用人唯才為原則。本政策旨在達至董事會多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年期。

   該委員會檢討及評估董事會之組成並就新董事之任命向董事會作出推薦建議。該委員會亦每年檢討董事會架構、人數及多元化並就任何為配合本公司策略而擬對董事會作出的變動提出建議。於識別合適候選人以委任為董事會成員時，該委員會將考慮本公司的業務模式及特別需求。候選人的甄選將基於一系列多元化標準及層面作出。該委員會將考慮董事會技能、經驗、獨立性及知識與董事會成員多元化之間的平衡、董事會如何協同工作以及與其效率有關的其他因素。

3. ***可計量目標***

   該委員會將每年商討及協定達致董事會成員多元化的相關可計量目標，並就採納有關目標向董事會作出推薦建議。最終決定將以用人唯才為原則，並顧及董事會多元化的益處。

4. ***檢討及監察本政策***

   該委員會將監察本政策之落實並向董事會匯報可計量目標於達至本政策項下多元化方面取得的成果。

   該委員會將檢討本政策(如合適)，並就任何必要變動向董事會作出推薦建議以供考慮及批准。

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董事出席董事會、董事會委員會及股東大會的情況

以下為二零二二財年董事出席董事會、董事會委員會及股東大會的出席情況：

姓名	類別	董事會會議	審核委員會會議	出席：提名委員會會議	薪酬委員會會議	可持續發展委員會會議	股東大會
		已出席／合資格出席會議	已出席／合資格出席會議	已出席／合資格出席會議	已出席／合資格出席會議	已出席／合資格出席會議	已出席／合資格出席會議
Reinold Geiger	執行董事	16/17					2/2
André Hoffmann	執行董事	17/17		4/4			2/2
Yves Blouin	執行董事	16/17			2/2		1/2
Thomas Levilion	執行董事	16/17				1/1	2/2
Karl Guénard	執行董事	17/17					2/2
Séan Harrington	執行董事	17/17					0/2
Martial Lopez (1)	非執行董事	8/9	2/2				0/1
Valérie Bernis	獨立非執行董事	16/17	0/0	4/4		1/1	2/2
Mark Broadley	獨立非執行董事	17/17	4/4		2/2	1/1	2/2
Pierre Milet (2)	獨立非執行董事	9/11			1/1		1/1
吳植森	獨立非執行董事	17/17	4/4	4/4	1/1		2/2
劉文思 (3)	獨立非執行董事	0/0					0/1

附註：

(1) Martial Lopez先生於二零二一年九月二十九日辭任非執行董事。

(2) Pierre Milet先生於二零二一年十一月九日辭任獨立非執行董事。

(3) 劉文思女士於二零二二年三月一日獲委任為獨立非執行董事。

董事會會議記錄由公司秘書存置；所有董事均有權查閱董事會文件及相關材料，並及時獲提供足夠資料；這有助董事會就所提呈事項作出知情決定。

董事會的職責

董事會的責任為：

- 檢討及批准執行董事與管理層共同制定的本集團策略方向；
- 檢討及批准目標、策略及業務發展計劃；
- 監察行政總裁及高級管理層的表現；
- 承擔企業管治責任；及
- 檢討本集團內部監控制度的成效。

高級管理層的職責

在行政總裁領導下，高級管理層的責任為：

- 制定策略及業務發展計劃、提交予董事會批核，以及在其後實施有關策略及業務發展計劃；
- 定期向董事會提交年度預算；
- 檢討加薪建議及薪酬政策並提交予董事會批核；及
- 協助董事會檢討本集團內部監控制度的成效。

公司秘書

Karl Guénard先生於二零一三年九月一日獲委聘為公司秘書。於二零二二財年，Karl Guénard先生已遵照上市規則第3.29條的規定進行公司秘書培訓。

非執行董事及獨立非執行董事

非執行董事任期於其獲委任加入董事會後三年屆滿，惟於其三年任期完結後可重選連任。非執行董事Martial Lopez先生並無於二零二一年九月二十九日舉行的本公司上一屆股東週年大會(「二零二一財年股東週年大會」)重選連任及已退任。

四名獨立非執行董事均經驗豐富，在會計、金融或營銷各範疇擁有學術及專業資格。憑藉彼等於各行業所累積經驗，彼等對董事會有效履行其職責方面提供強力支持。彼等的任期於其獲委任加入董事會後三年屆滿，惟於其三年任期完結後可重選連任。每名獨立非執行董事已就其獨立性向本公司作出年度確認，而本公司認為彼等各自確屬獨立人士。彼等均符合上市規則第3.13條所載獨立性標準。

入職及持續發展

新獲委任董事接受入職課程，以確保彼等對本公司業務的了解及彼等對董事職責及義務的認識。董事會各成員於二零二二財年內已參加有關企業管治、監管發展及其他有關題目的培訓，並經常就法定及監管制度以及業務環境的發展獲提供最新資料，以協助彼等履行職責。

委員會

作為良好企業管治的組成部分，董事會已成立審核委員會、提名委員會、薪酬委員會及可持續發展委員會，且各委員會訂有職權範圍。

為符合上市規則的一項修訂，審核委員會及提名委員會的職權範圍已予以修訂，並於二零一九年二月八日上傳至香港聯合交易所有限公司(「香港聯交所」)網站及本公司網站。

可持續發展委員會於二零二一年七月二十七日按自願基礎以董事會決議案成立，可持續發展委員會獲授權按照日期為二零二一年十月的職權範圍行事。

於二零二二財年，各委員會根據其職權範圍舉行會議及履行其職務。各委員會的授權、職能、組成及職責載列如下：

審核委員會

審核委員會有三名獨立非執行董事成員，即Mark Broadley先生(主席)、吳植森先生及Valérie Bernis女士(自二零二一年十一月二十九日起)。

為遵照上市規則第3.21條，審核委員會至少有一名成員擁有適當的會計專業資格或具備相關財務管理專長，以履行審核委員會的職責。

全部成員皆在審閱經審核財務報表方面有足夠經驗，並在需要時由本集團的核數師協助。

審核委員會的主要職責為對本集團的財務報告過程的有效性、內部監控及風險管理體系提供獨立意見，以協助董事會監察審核過程並履行董事會委派的其他職責及責任。

審核委員會於二零二二財年進行的工作概述如下：

i. 審閱核數師審核本集團於二零二一財年末期業績的報告；

ii. 審閱本集團於二零二一財年的財務報表草擬本；

iii. 審閱本集團於二零二一財年的業績公告及年報草擬本；

iv. 審閱應付外聘核數師於二零二一財年的核數費用；

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v. 審閱外聘核數師的獨立性，並於應屆股東週年大會(「股東週年大會」)就重新委任外聘核數師向董事會傳達建議；

vi. 審閱本集團截至二零二一年九月三十日止期間的業績公告及中期報告草擬本；

vii. 審閱截至二零二一年十二月三十一日止期間的財務報表；

viii. 審閱內部監控制度(包括內部審核業績分析及二零二一至二零二二年度內部審核計劃)，並向董事會匯報；

ix. 審閱影響本集團的上市規則修訂，以便監控適當的企業管治及監督本公司企業管治手冊的執行情況。根據其職權範圍，審核委員會監督本公司的企業管治。

審核委員會於回顧期間已舉行四次會議：其中兩次於財務報告(年報及中期報告)公佈前舉行，其餘兩次特別就本公司內部監控及企業管治而舉行。

提名委員會

提名委員會的職權範圍於二零一九年二月八日修訂以符合企業管治守則所載的規定及經修訂上市規則。提名委員會有三名成員，即吳植森先生(主席)、André Hoffmann先生及Valérie Bernis女士。André Hoffmann先生為執行董事，其他兩名成員為獨立非執行董事。提名委員會的主要職能乃就以下提名政策向董事會就委任及罷免董事提供建議：

目標

提名委員會(「該委員會」)乃L'OCCITANE INTERNATIONAL S.A(.「本公司」)董事會(「董事會」)下設委員會。該委員會獲董事會授權履行該等職權範圍所載職能及權力。根據其職權範圍，該委員會應識別有資格或適合成為董事會成員的候選人，並就甄選獲提名擔任董事職位的候選人向董事會作出推薦建議。

提名選擇標準

(a) 該委員會獲董事會授權以釐定董事的提名及所採用的程序、過程及標準，以選擇及推薦董事候選人，並須就董事的委任及重新委任，以及董事的連任計劃(尤其是主席及行政總裁)向董事會作出推薦建議。

(b) 於就委任任何董事會擬任候選人或重新委任董事會任何現有成員作出推薦建議時，該委員會須計及多種因素以評估擬任候選人之合適性，包括但不限於：

- 董事會於特定時間所需各項技能；
- 根據其多元化政策(「多元化政策」)作出相關多元性考慮，包括但不限於性別、年齡、文化教育及專業背景、技能、知識及經驗；
- 候選人之個人誠信及職業操守、職業素養、各項能力、經驗、技能及業界聲譽、董事會關聯性；
- 現有職位及關係的性質，包括可能影響潛在候選人作出獨立判斷的能力或引發任何潛在利益衝突的董事會職位；
- 潛在候選人現任董事職位(尤其是於上市公司董事會)的數量，以及或會要求潛在候選人投入精力的其他任職；
- 倘為獨立非執行董事，須符合上市規則第3.13條規定的獨立性標準；及
- 該委員會或董事會不時釐定之任何其他有關因素。

(c) 非執行董事將收到其獲董事會委任之正式委任函。

提名程序

(a) 該委員會秘書應邀請董事會成員提名候選人(如有)以供其考慮。該委員會亦可提名並非由董事會成員提名之候選人。

(b) 擬任候選人須提供必要的個人資料及其書面同意書，同意獲委任為董事，並同意就其膺選董事或與此有關的事宜於任何文件或相關網站公開披露其個人資料。

(c) 獲選候選人通常由該委員會進行面試，以識別合適的候選人推薦予董事會。該委員會須要求候選人明確披露可能造成利益衝突之其他活動或委任的性質及範圍。其亦須考慮董事之任何實際或潛在利益衝突，向董事會呈報任何衝突決定，並參與董事利益衝突之年度檢討。

(d) 面試後，該委員會須在計及其職權範圍情況下向董事會(必要時最終向股東)作出推薦建議。該委員會亦須考慮有關董事會委任的所有適用司法權區及監管部門的法律法規。其獲董事會授權委任獨立專業諮詢人士並於其認為適當時利用該等資源。

(e) 董事會須就有關推薦候選人於任何股東大會上膺選之所有事宜作出最終決策。

(f) 任何獲董事會委任以填補職位空缺之董事應任職至其獲委任後的第一次股東大會，並可於該大會上膺選連任，而任何獲董事會委任以增加現有董事會人數的董事應僅任職至本公司下屆股東週年大會為止，且屆時符合資格膺選連任。

(g) 本公司股東可於遞交期限內向本公司發出通知，表明有意提呈推選特定人士擔任董事的決議案。程序詳情載列於本公司不時刊發之「股東提名人士膺選本公司董事的程序」。

(h) 新任董事將盡快且盡量於彼等第一次董事會會議前進行董事會入職(符合經董事會批准的入職程序)。

檢討及監察本政策

(a) 該委員會須定期(至少每年一次)檢討董事會之架構、人數及組成(包括技能、知識及經驗)，以及董事會的多元性，以確保其專業知識、技能及經驗保持均衡，視角多元化，滿足本公司業務的要求。

(b) 該委員會須持續檢討本公司領導層(包括執行及非執行)的需求，以確保本公司有能力於市場中持續進行高效競爭。

(c) 該委員會須時刻了解及充分掌握影響本公司及其經營所在市場的戰略問題及商業變動。

於二零二二財年已舉行四次提名委員會會議：

第一次是有關於二零二一財年股東週年大會上重選Reinold Geiger先生、André Hoffmann先生、Karl Guénard先生及Yves Blouin先生為執行董事的議案。此外，亦為建議提名Pierre Milet先生為審核委員會成員以於二零二一財年股東週年大會後接替Martial Lopez先生。

第二次是有關提名André Hoffmann先生為行政總裁以接替Reinold Geiger先生的議案以及提名Valérie Bernis女士、Mark Broadley先生及Thomas Levilion先生為可持續發展委員會首批成員的議案。

Pierre Milet先生辭任後，提名委員會於二零二二財年舉行第三次會議，建議提名Valérie Bernis女士為審核委員會成員及吳植森先生為薪酬委員會主席。

提名委員會於二零二二財年舉行第四次會議，建議委任劉文思女士為獨立非執行董事。

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薪酬委員會

薪酬委員會的職權範圍於二零一二年三月二十九日修訂以符合企業管治守則所載的規定。於二零二二財年，薪酬委員會有三名成員，即吳植森先生(自二零二一年十一月二十九日起為主席)、Mark Broadley先生及Yves Blouin先生。Yves Blouin先生為執行董事，其他兩名成員為獨立非執行董事。

薪酬委員會的主要職責為評估董事及高級管理層的表現及就彼等的薪酬待遇向董事會提供建議，以及評核僱員福利安排並就此向董事會提供建議。

薪酬委員會於二零二二財年所進行的工作概述如下：

i. 檢討二零二一年現金長遠獎勵計劃的重新分配和成本。

ii. 檢討董事及高級管理層的薪酬，並向董事會提供建議，以作審批。

iii. 考慮為招聘及挽留人才方面有困難的國家制定特定長遠獎勵計劃。

薪酬委員會於回顧期間已舉行兩次會議。

以下為本集團的薪酬政策及長遠獎勵計劃以及應付董事薪酬的釐定基準的一般說明：

i. 董事的薪酬由董事會釐定，董事會聽取薪酬委員會的建議。根據本公司現時的薪酬安排，執行董事以薪金、按業績目標釐定的花紅及基於股份的付款獲取薪酬。其中一名執行董事收取服務費。非執行董事及全體獨立非執行董事收取董事袍金。

ii. 於二零二二財年，董事收取的薪酬(包括袍金、薪金、酌情花紅、退休金計劃津貼、基於股份的付款、住房及其他津貼、服務費以及其他實物利益)約為4,551,000歐元。於二零二二財年，向本集團五名最高薪人士(包括若干董事)支付的袍金、薪金、酌情花紅、退休金計劃津貼、基於股份的付款、住房及其他津貼，以及其他實物利益約為4,846,000歐元。

於二零二二財年，我們並無向董事或五名最高薪人士支付任何作為誘使加入本公司或於加入本公司時的獎勵或離職補償。此外，同期內概無董事放棄任何薪酬。





可持續發展委員會

可持續發展委員會於二零二一年七月二十七日按自願基礎以董事會決議案成立，可持續發展委員會獲授權按照職權範圍行事，且在適用範圍內以本公司組織章程細則(「組織章程細則」)及適用法律、法規及上市規則為準。

可持續發展委員會主要負責協助董事會對本公司的可持續發展戰略、政策及表現進行監督、檢討並向董事會提出建議。可持續發展委員會檢討本公司的可持續發展路線圖以及與環境、社會及企業管治(以下稱為「環境、社會及管治」)相關的所有議題的進展並作出質詢，特別是包括氣候、生物多樣性、包裝、多樣性及包容性以及社會事宜。可持續發展委員會的職責將由董事會定期更新、修改或修訂。

可持續發展委員會自二零二一年十月二十六日起有三名成員，即Mark Broadley先生(主席)、Valérie Bernis女士及Thomas Levilion先生。Thomas Levilion先生為執行董事，其他兩名成員為獨立非執行董事。

可持續發展委員會於回顧期間已舉行一次會議。

核數師酬金

於二零二二財年由本公司的外聘核數師PricewaterhouseCoopers提供核數及相關服務的相關費用分別約為1,677,400歐元及707,537歐元。年內，核數師並無提供非審核服務。

	千歐元
年度審核及中期審閱服務	1,677
審核有關服務	708
總計	2,385

企業管治報告

董事對合併財務報表的責任

董事會確認彼等的責任為：

- 監督本集團財務報表的編製以確保財務報表真實公平地反映本集團的財務狀況；及
- 選取適合的會計政策並貫徹採用該等會計政策，以作出審慎合理的判斷及估計。

董事會已確保及時公佈本集團的財務報表。

管理層向董事會提供解釋及資料，以便董事會可就將予批准的財務及其他資料作出知情的評估。

董事會致力確保對本集團的狀況及前景作出平衡、清晰及可理解的評估，以提供本集團的財務報告(包括年報及中期報告)、其他股價敏感公佈及根據上市規則的其他財務披露、提呈監管機構報告及根據法定規定及適用的會計準則須予披露的資料。

本公司核數師有關其就本集團財務報表的申報責任的聲明載於本年報第76至82頁的獨立核數師報告。

董事會負責存置適當的會計記錄、維護本公司及本集團的資產、並採取合理措施以防止欺詐及其他違規行為。

董事會並不知悉有涉及可能對本公司的持續經營能力構成重大疑問的事件或情況的任何重大不明朗因素。

風險管理及內部監控

董事會十分重視內部監控，並負責就本集團的財務申報建立及維持適當的內部監控，以及評估該等內部監控的整體有效性。

內部審核部對風險管理及內部監控制度的適當性及有效性提供獨立審查，並每年就審核計劃與審核委員會進行討論及協議。除協定的年度工作日程外，內部審核部在有需要情況下進行其他特別審查。內部審計報告會送到相關董事、外聘核數師及審核實體的管理層。此外，各審核的摘要報告會寄發予審核委員會全體成員。

風險管理及內部監控制度旨在合理地保證能夠避免出現人為錯誤、重大誤報、損失、損害、賠償或欺詐的情況，以及管理(而非消除)運作系統失靈或無法達成本集團目標的風險。於二零二二財年期間，在任何功能或程序中並無發現任何異常或重大內部控制缺陷。審核委員會信納風險管理及內部監控制度已按計劃有效運作。

董事會已對本集團的風險管理及內部監控制度的成效進行檢討，認為其就本集團整體而言屬有效及適當。董事會亦認為，概無任何有關本集團的重大監控問題及風險管理功能。



股息政策

本公司已採納股息政策(「股息政策」)。根據股息政策，董事會於審議提案及宣派股息時，須考慮本集團的以下因素：

- 財務業績；
- 現金流狀況；
- 業務狀況及策略；
- 未來營運及盈利；
- 資本需求及開支計劃；
- 股東權益；
- 派付股息的任何限制；及
- 董事會認為相關的任何其他因素；

為免生疑問，誠如上文所列，概無保證於任何特定期間內以任何特定金額派付股息。

此外，財政年度之任何末期股息須經股東批准方可作實。



投資者關係及與股東的溝通

本公司極重視與股東之溝通，並為此透過多種渠道，促進與投資界之了解及交流。本公司會就其年度及中期業績與分析員舉行小組會議。此外，本公司之指定高級行政人員亦會定期與機構投資者及分析員會面，在遵守適用法律及法規的情況下，向彼等提供與本公司發展有關之趨時訊息(包括兩次業績公佈)。此外，董事亦於香港及海外投資者論壇上作出簡報，以及與投資者進行小組會議。

此外，本公司之網站(group.loccitane.com)會適時提供本公司之新聞發佈稿、其他業務資訊及本公司企業管治架構及實務資訊。為有效地與股東溝通及支持環保，本公司鼓勵各股東透過本公司網站，瀏覽本公司之公司通訊文件。

於二零二一年九月二十九日，本公司在二零二一財年股東週年大會通過修訂組織章程細則。有關修訂詳情，請參閱本公司日期為二零二一年七月三十日的通函。

除上文所披露者外，本公司憲章文件於回顧年度內並無重大變動。

企業管治報告

股東的權利

股東召開股東大會的程序

任何一名或以上股東如合共持有不少於百分之五繳足股本(附有在股東大會上投票權),可透過向本公司於盧森堡的註冊辦事處或本公司在香港的主要營業地點送達由該等股東簽署的書面要求的方式召開股東大會,收件人為本公司的公司秘書,地址載列於下文。

有關要求須訂明會議的目的。倘董事會未有於收到提出要求當日起計兩個曆日內正式召開須於其後另28個曆日內舉行的會議,則簽署有關要求的股東(或簽署有關要求的人士持有該總投票權過半數的任何股東)可按盡量接近董事會召開會議的相同方式召開股東大會。股東要求召開的股東大會須於送達要求當日起計的三個月內召開。

股東向董事會作出查詢的程序

股東可透過向本公司於盧森堡的註冊辦事處或本公司在香港的主要營業地點(地址載列於下文)向本公司公司秘書以書面形式提出向董事會的查詢。公司秘書將向主席轉達有關查詢以作考慮。

此外,股東於出席本公司任何股東大會時,可於會上向董事會主席、各董事委員會的主席或其他出席大會的董事作出查詢。

股東在股東大會上提呈建議的程序

待收到(i)一名或以上代表不少於所有股東的總投票權2.5%的股東(於有關要求日期享有在有關要求的大會上表決的權利)或(ii)不少於50名持有本公司股份的股東(每名股東已支付平均合共不少於2,000港元)的書面要求後,本公司(在費用由提出要求的股東支付下)須(a)向有權收取下屆股東週年大會通知的股東發出任何可能於該大會上正式動議及計劃動議的決議案通知;及(b)向有權收取任何股東大會通知的股東,發出不超過1,000字與所提呈決議案所述的事宜或將在會上處理的事務有關的聲明。

有關要求須由提出要求的所有股東簽署(或已經由提出要求的所有股東簽署的兩份或以上的副本),並送達本公司於盧森堡的註冊辦事處或本公司在香港的主要營業地點(地址載列於下文)。

有關要求須於(i)不少於舉行有關大會的六個星期前(倘屬要求於會上採納所提呈決議案的情況);及(ii)不少於舉行有關大會的一個星期前(倘屬並無要求於會上採納所提呈決議案的情況)送達。

此外,一名或以上合共持有最少10%的本公司已發行及發行在外股份的股東可要求在任何股東大會議程中加入一項或以上的額外項目。有關要求須在大會舉行前最少五天以掛號郵件方式送達本公司於盧森堡的註冊辦事處。

除根據上文所述程序外,股東不可於股東大會提呈動議。



股東提名選舉董事職務的程序

股東擬提名候選人作為董事職務選舉的候選人，須向本公司的公司秘書發出書面通知，送達本公司於盧森堡的註冊辦事處或本公司在香港的主要營業地點(地址載列於下文)，以表達其提名作為董事職務選舉的人士的意願。

股東須於寄發預定就有關選舉召開的大會的通告之後一天開始直至有關大會日期前七天的期間，向本公司於盧森堡的註冊辦事處或本公司在香港的主要營業地點(地址載列於下文)送達有關通知。發出有關通知的股東(不得為獲提名的人士)應為有權參與大會並於會上投票的人士。此外，獲提名的候選人應向本公司的公司秘書發出已簽署的書面通知，送達本公司於盧森堡的註冊辦事處或本公司在香港的主要營業地點(地址載列於下文)，以表明其願意獲選為董事。

根據組織章程細則第10.1條，董事的委任將透過本公司股東大會並獲簡單過半數的票數通過採納普通決議案的方式進行。

環境、社會及管治報告

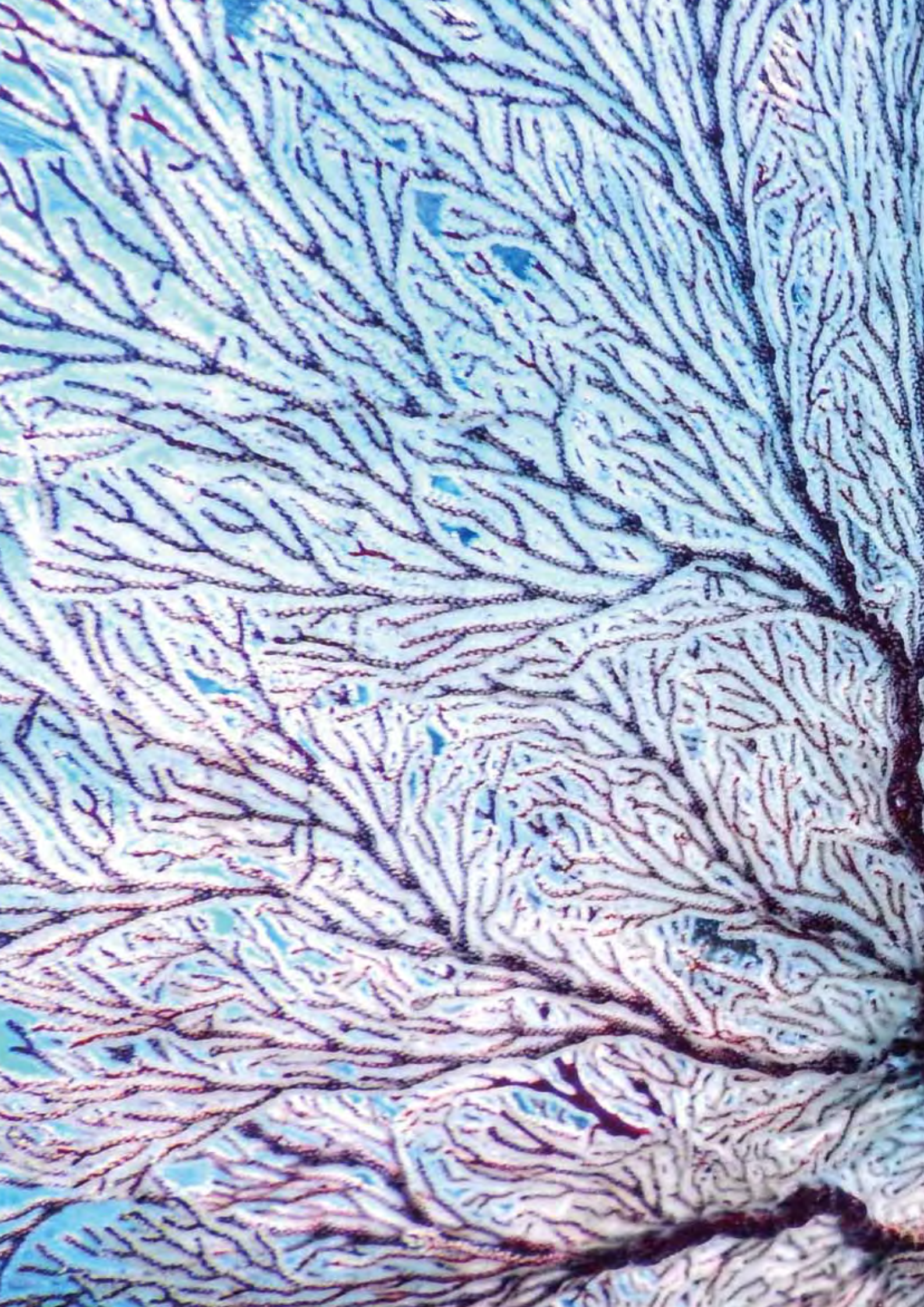
為達致其目標，本集團已制訂可持續的政策，並自截至二零一一年三月三十一日止財政年度起，本集團已建立年度環境、社會及管治報告。本報告連同慈善事業及可持續資源配置報告可於本公司網站取得，網址如下：group.loccitane.com(　在「investors/financial information/reports」頁面)。本報告將遵循香港聯交所(尤其是上市規則附錄二十七)的推薦建議。因此，關鍵績效指標已確定及進度指標已設立。

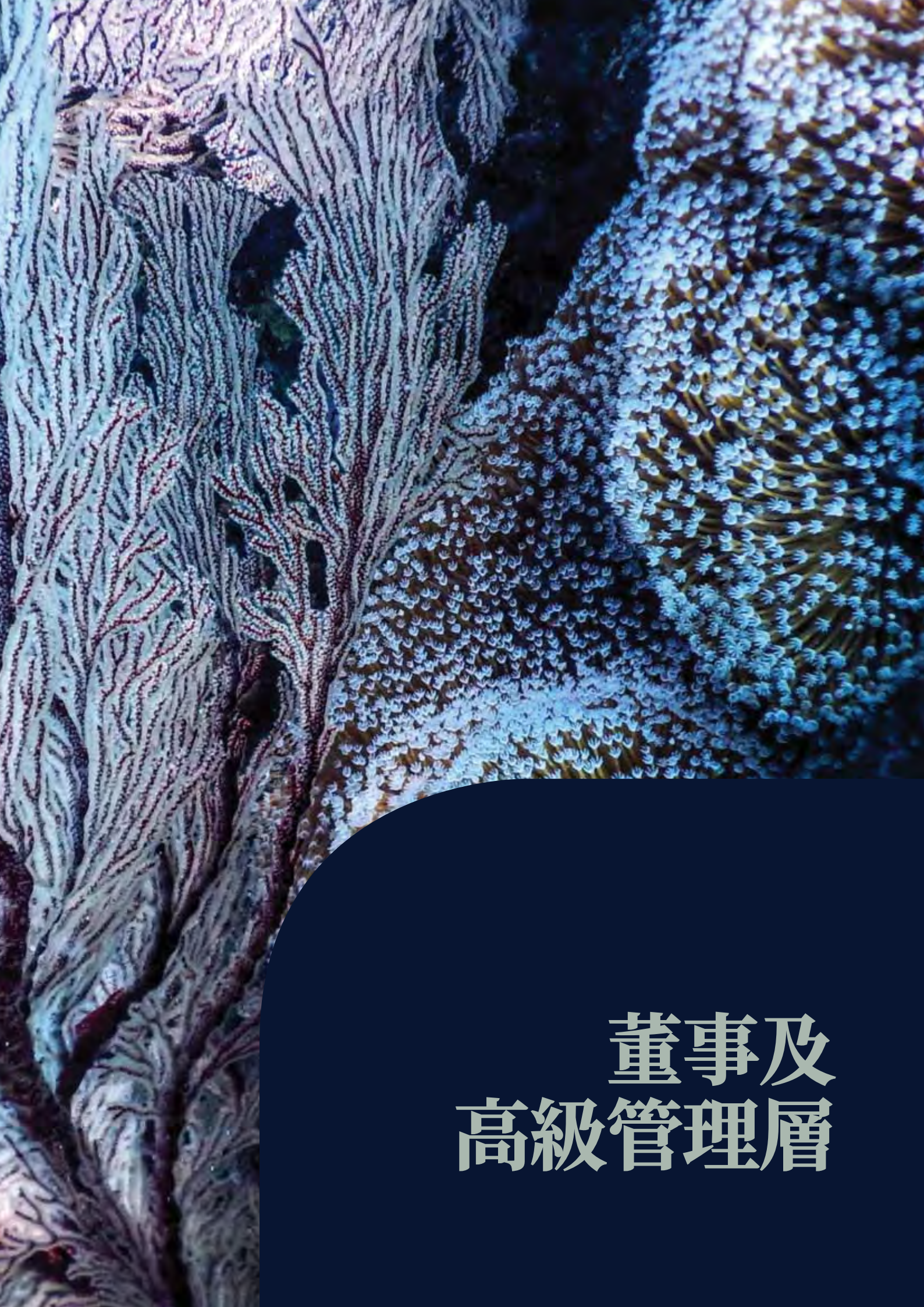
註冊辦事處

49, Boulevard Prince Henri
L-1724 Luxembourg

香港主要營業地點

香港鰂魚涌
英皇道728號
K11 ATELIER King's Road二十樓





董事及高級管理層

董事及高級管理層

董事

董事會負責並有一般權力管理及經營本公司的業務。下表載列有關董事會的若干資料：

姓名	*年齡*	*職位*
Reinold Geiger	74	執行董事及主席
André Hoffmann	66	執行董事、副主席及行政總裁
Karl Guénard	55	執行董事及公司秘書
Séan Harrington	56	執行董事
Thomas Levilion	62	非執行董事
Valérie Bernis	63	獨立非執行董事
Charles Mark Broadley	58	獨立非執行董事
劉文思	49	獨立非執行董事
吳植森	61	獨立非執行董事



Reinold Geiger
執行董事及
主席

Reinold Geiger先生獲委任為執行董事，自二零零零年十二月二十二日起生效，現為本公司的主席。Geiger先生於一九九六年以主席及控股股東身份加入本集團。Geiger先生為本公司、L'Occitane Groupe S.A.（「LOG」）及LOG Investment S.A.（「LOGI」）的董事及常務董事（「administrateur délégué」）；L'Occitane Innovation LAB SAS的主席；LimeLife Co-Invest Sarl、L'Occitane (Suisse) S.A.、L'Occitane Australia Pty. Ltd.、L'Occitane Japon K.K.及L'Occitane Russia的董事會成員或經理。彼亦為L'Occitane Inc.及L'Occitane LLC的主席，以及Fondation d'entreprise L'Occitane的總裁。自加入L'Occitane後，Geiger先生將本集團由一間以法國為基地並主要從事國內業務的公司發展為一間國際企業。彼到訪本集團在全球各地的場地以實施上述增長策略。彼在該等地點成立本集團的附屬公司，並與當地管理層建立緊密關係。於二零零八年六月，Geiger先生因其於本集團的國際發展策略獲授「INSEAD（英思雅德）年度企業家獎」的殊榮。Geiger先生於一九七零年在美國機器及鑄造公司展開事業生涯。於一九七二年，彼離開該公司，並創立自己的業務，涉及分銷用於橡膠及塑膠加工之機器，彼於一九七八年出售此業務。Geiger先生繼而成立及發展AMS Packaging SA，專門為高端香水及化妝品市場提供包裝服務。該公司於一九八七年在巴黎證券交易所上市，而Geiger先生於一九九零年完全脫離該公司。於一九九一年至一九九五年，彼任職於一間包裝公司（業務主要位於法國），並將其發展為一間國際企業。Geiger先生於一九六九年從瑞士蘇黎世瑞士聯邦技術學院畢業，取得工程學位，並於一九七六年在法國楓丹白露INSEAD（英思雅德）取得工商管理碩士學位。



André Hoffmann
執行董事、副主席及行政總裁

André Hoffmann先生獲委任為執行董事，自二零零一年五月二日起生效，獲委任為副主席，自二零一六年四月十九日生效，並進一步獲委任為行政總裁，自二零二一年九月十六日生效。彼亦為LOG及LOGI的董事。Hoffmann先生主要負責本集團的策略規劃。此前，彼於一九九五年六月至二零一七年十二月為亞太區常務董事，負責管理本集團於亞太區的業務。Hoffmann先生為L'Occitane Trading (Shanghai) Limited、L'Occitane (Far East) Limited、L'Occitane (Korea) Limited及L'Occitane Taiwan Limited的主席。彼亦為L'Occitane Singapore Pte. Limited、L'Occitane Australia Pty. Limited、L'Occitane Japon K.K.、L'Occitane (China) Limited及L'Occitane (Macau) Limited的董事。彼於亞太區零售及分銷化妝品、高級消費品及時裝擁有逾30年經驗。彼為Pacifique Agencies (Far East) Limited的董事，Pacifique Agencies (Far East) Limited為本公司於一九九五年至二零零四年在亞太區分銷L'Occitane產品的合營夥伴。於一九七九年至一九八六年，Hoffmann先生擔任GA Pacific Group的多個銷售管理職務，GA Pacific Group的主要業務為投資及管理亞太區的零售、批發、貿易、製造及分銷，以及酒店及旅遊貿易。Hoffmann先生於一九七八年在美國加利福尼亞大學柏克萊分校畢業，取得經濟學文學士學位。



Karl Guénard
執行董事及公司秘書

Karl Guénard先生自二零零三年六月三十日起獲委任為本集團非執行董事。Guénard先生於二零一三年九月加入本集團。自二零一三年九月一日，彼為本集團執行董事兼公司秘書。彼亦為LOG, LOGI, LOI Participations及LimeLife Co-Invest Sàrl的董事會成員或經理。於二零零零年至二零一三年，Guénard先生於Edmond de Rothschild Group工作，為Banque Privée Edmond de Rothschild Europe的高級副總裁，負責財務機能部門。於一九九八年至二零零零年，彼為Banque de Gestion Privée Luxembourg（Crédit Agricole Indosuez Luxembourg的一間附屬公司）財務機能部門的經理。在此以前，於一九九三年至一九九八年，Guénard先生為一名基金及企業核數師。Guénard先生為一名特許會計師，持有法國斯特拉斯堡大學頒授的經濟與管理理學碩士學位。



Séan Harrington
執行董事

Séan Harrington先生獲委任為執行董事，自二零二零年九月三十日起生效，並擔任ELEMIS的行政總裁。彼為三名聯合創始人之一，三人至今仍領導30年公司的日常營運。Harrington先生的職業生涯始於歐洲美容品牌的分銷。24歲時，彼與聯合創始人合作推出了ELEMIS。隨著品牌的發展，Harrington先生領導了公司的所有職能部門，對業務有了深入的理解。於一九九六年，彼成功引導企業被Steiner Leisure Limited收購並隨後在納斯達克上市，於二零一五年，彼將ELEMIS轉變為私募股權。於二零一九年三月，ELEMIS被本集團收購，作為合作夥伴，支持ELEMIS在全球範圍內拓展業務，成為全球領先的護膚品牌。Harrington先生以其企業家的領導風格著稱，彼鼓勵ELEMIS各級員工接受顛覆性的策略，以吸引及激發消費者的興趣。在其領導下，品牌已從本土企業發展成全球性品牌。

董事及高級管理層

Thomas Levilion
非執行董事

Thomas Levilion先生於二零二二年七月一日調任非執行董事。此前，彼為執行董事並為本集團財務及行政管理部副總經理。彼主要負責本集團於全球的財務。Levilion先生於二零零八年三月加入本集團，現為本公司的董事總經理(「administrateur délégué」)。此外，彼為M&L Distribution S.à.r.l.的經理(「gérant」)，以及Verveina SAS的總裁。於一九八八年至二零零七年，Levilion先生任職於Salomon S.A.，Salomon S.A.為Adidas AG的附屬公司，Amer Sports Corporation其後收購該公司，彼於Amer Sports Corporation擔任總監及副總監，其後擔任財務總監。於該期間，彼累積了全球供應鏈、轉型、機構重新設置及併購方面的經驗。彼於法國巴黎高等商業研修學院主修財經，取得工商管理碩士學位。彼亦持有法國巴黎第九大學頒授的科學決策法研究生學位。

Valérie Bernis
獨立非執行董事

Valérie Bernis女士自二零一二年十一月二十八日起獲委任為獨立非執行董事。彼於法國前總理Edouard Balladur在任期間(一九九三年至九五年)負責公共關係及新聞工作(在彼於Balladur先生出任經濟、財政及私有化部長(一九八六年至八八年)時成為其團隊成員後)。於一九八八年，彼成為Cerus(De Benedetti Group的成員)的傳訊部執行副總裁。於一九九六年，彼加入Compagnie de SUEZ擔任傳訊部執行副總裁，及其後於一九九九年，彼成為財務及企業傳訊及可持續發展部執行副總裁。同期，彼曾出任Paris Première(著名法國電視頻道)的主席兼行政總裁，為期五年。於二零零一年至二零一六年五月，Bernis女士為GDF SUEZ(近期易名為Engie)的執行副總裁，主管市場營銷及傳訊。彼亦為Engie's Foundation的副總裁。彼為Suez Environnement Company(自二零零八年起)、L'Arop(自二零一三年起)及Atos(自二零一五年起)的董事會成員。彼為Officier de l'Ordre National de la Légion d'Honneur(二零一一年)、Commandeur de l'Ordre National du Mérite(二零一六年)及Chevalier des Palmes académiques et des Arts et Lettres。Bernis女士於一九八二年畢業於Paris Institut Supérieur de Gestion (ISG)。

Charles Mark Broadley
獨立非執行董事

Charles Mark Broadley先生獲委任為獨立非執行董事，自二零零八年九月三十日起生效。彼加入歐洲及亞洲的投資銀行開展其職業生涯，接著轉職香港上海大酒店有限公司財務董事。Broadley先生其後創辦專注投資酒店行業的私募基金業務，目前為多項業務的活躍投資者。Broadley先生於英國劍橋大學法律系畢業。

劉文思
獨立非執行董事

劉文思女士自二零二二年三月一日起獲委任為獨立非執行董事。彼為D and Z Media Acquisition Corp.的主席、總裁及行政總裁，該公司為於紐約證券交易所上市的特殊目的收購公司(紐約證券交易所：DNZ)。劉女士亦擔任Black Spade Acquisition Co.的顧問委員會成員，該公司為於紐約證券交易所上市的特殊目的收購公司(紐約證券交易所：BSAQ)。二零一八年至二零二零年，劉女士曾任紐約證券交易所執行副主席及洲際交易所(紐約證券交易所：ICE)的首席體驗官。透過彼於紐約證券交易所的工作，劉女士積極參與多次首次公開招股項目，包括優步、Pinterest及騰訊音樂娛樂等媒體及科技界領先企業。於紐約證券交易所任職前，劉女士於二零一六年至二零一八年曾擔任Radiate的創辦人及行政總裁，該公司為千禧世代經理及行政人員提供網上訂閱式教育科技內容。在不到兩年的時間內，彼成功將Radiate從概念發展成為一個擁有每月超過20,000名活躍專業訂閱者的教育科技平台。二零零七年至二零一八年，劉女士曾於紐約市擔任彭博電視及彭博電台的新聞主播及特約編輯。加入彭博前，劉女士於二零零五年至二零零七年為CNBC亞洲台駐香港的主播，彼作為領導小組的一員，協助將CNBC亞洲台打造成為區內領先的新聞網絡。於二零零四年前，劉女士為《金融時報》亞特蘭大分社社長，並曾任道瓊斯通訊社台灣分社社長。於一九九七年，彼因對亞洲金融危機的報道獲得道瓊斯通訊社獎。劉女士於一九九五年獲得賓夕凡尼亞大學文學士學位。

吳植森
獨立非執行董事

吳植森先生獲委任為獨立非執行董事，自二零一零年一月二十五日起生效。吳先生於會計及財務管理方面擁有豐富經驗。彼曾為現代貨箱碼頭有限公司的財務總監。吳先生曾任職於永道會計師事務所，亦曾擔任南順集團的集團財務總監及一間美國製藥公司East Asia of Allergan Inc.的財務董事。吳先生為英國特許公認會計師公會及香港會計師公會資深會員。吳先生曾擔任貿易通電子貿易有限公司的非執行董事及駿科網絡訊息有限公司的獨立非執行董事。彼持有香港中文大學頒授的財務學理學碩士學位，以及香港科技大學頒授的工商管理碩士學位。

董事及高級管理層

高級管理層

Alain Buzzacaro

Alain Buzzacaro先生，52歲，為本集團首席技術總監。Buzzacaro先生於二零一九年一月加入本集團，監察本集團資訊科技職能，包括直銷及數碼生態系統、核心IT系統、數據能力、基礎設施及資料安全。彼於軟件工程方面擁有逾25年的豐富經驗，並成功部署敏捷方法。此前，彼於OCTO Technologies、法國電視台，LesFurets.com及Bureau Veritas擔任要職。Buzzacaro先生持有法國國立圖盧茲應用科學學院工程學院計算機科學學士學位。

Michele Mallardi Gay

Michele Mallardi Gay女士，49歲，為LimeLife by Alcone的聯合創始人、主席及聯合行政總裁。於二零一七年五月，Gay女士與其侄女創立的公司成為本集團的一部分。於創辦LimeLife by Alcone之前，Gay女士為其家族化妝品業務Alcone（於一九五二年創立，專門從事電影、電視及戲劇作品的專業美妝）的總裁。彼亦透過名為Teach For America的組織擔任高中科學老師，及曾任網站項目經理。彼於一九九四年畢業於康奈爾大學生物科學專業。

Adrien Geiger

Adrien Geiger先生，37歲，為本集團可持續發展總監及L'Occitane en Provence的全球品牌總監。Adrien Geiger先生於二零一四年加入本集團，擔任產品經理，不久後晉升為數碼總監。彼其後為全球品牌總監，負責營銷策略、客戶體驗及完善L'Occitane en Provence的電子商務網站。於加入本集團之前，Adrien Geiger先生任職於法國能源集團Électricité de France，為期三年。Adrien Geiger先生畢業於英國牛津大學，獲得工程學學位，亦於美國賓夕法尼亞沃頓商學院畢業，獲得數碼營銷工商管理碩士學位。Adrien Geiger先生為本集團主席Reinold Geiger先生的兒子及南美洲總裁兼業務發展主管（美洲）Nicolas Geiger先生的胞弟。

Nicolas Geiger

Nicolas Geiger先生，41歲，為南美洲總裁兼業務發展主管（美洲）。Nicolas Geiger先生於二零一一年加入本集團，擔任巴西的營銷及零售總監，於二零一四年晉升為巴西的常務董事，並隨後成為L'Occitane Japan總裁。Nicolas Geiger先生目前繼續負責L'Occitane au Brésil品牌的發展。Nicolas Geiger先生持有英國牛津大學的工程學、經濟學及管理學碩士學位，亦持有INSEAD的工商管理碩士學位。Nicolas Geiger先生為本集團主席Reinold Geiger先生的兒子及L'Occitane en Provence全球品牌總監Adrien Geiger先生的胞兄。

Lorenzo Giacomoni

Lorenzo Giacomoni先生，53歲，為集團營運總監兼Laboratoires M&L總經理。Giacomoni先生於二零一二年十月加入本集團。彼負責本公司的端到端供應鏈及採購，監督製造、全渠道履行營運、直接及間接採購。彼於快速消費品及美容行業領導及加強全球供應鏈方面擁有逾20年經驗，過去曾在SC Johnson Wax、Beiersdorf、Reckitt & Colman及Coty出任高級職務。Giacomoni先生持有意大利米蘭大學工業技術工程學碩士學位，並於二零一八年取得INSEAD高級管理課程的一般管理(AMP General Management)課程認證。

Marie Grasset

Marie Grasset女士，38歲，為L'Occitane en Provence、L'Occitane au Brésil、Melvita及Erborian的人力資源總監。Grasset女士於二零一八年三月加入本集團，擔任總部和STREAM業務部門的人力資源總監，並於二零二一年六月擔任現職。Grasset女士的職業生涯始於二零零八年在巴黎任職LVMH集團企業人力資源部門。Grasset女士隨後獲邀在LVMH集團新收購的瑞士鐘錶品牌Hublot管理人力資源職能。Grasset女士隨後加入獨立高級珠寶品牌de Grisogono，擔任全球人力資源總監。Grasset女士持有法國里爾政治學院的碩士學位。

Marcin Jerzy Jasiak

Marcin Jerzy Jasiak先生，55歲，持有波蘭及瑞士雙國籍。彼為大歐洲(包括西歐、中歐和東歐以及俄羅斯)地區的總裁。Jasiak先生於二零零三年三月加入本集團，於日內瓦擔任出口董事，其後於二零一九年成為STREAM地區常務董事及大歐洲業務部總裁。加入本集團前，Jasiak先生為畢馬威會計師的顧問，專責盡職調查及審核。彼於一九九三年加入Procter & Gamble Inc.，於波蘭、德國及瑞士擔任多個營銷職位。Jasiak先生從波蘭華沙大學畢業，取得兩個碩士學位，為英語語言學碩士學位及管理及營銷碩士學位。彼亦於美國伊利諾大學香檳分校取得工商管理碩士學位。Jasiak先生常駐於瑞士日內瓦。

Junko Kijima

Junko Kijima女士，44歲，為L'Occitane Japan的總裁。彼於二零一三年加入本集團，擔任Melvita Japan的營銷經理。晉升為Melvita品牌總監後，彼於二零一九年獲委任為L'OCCITANE en Provence品牌的營銷總監。彼擁有逾20年品牌營銷經驗，其中前11年於Procter and Gamble Japan任職，負責管理嬰兒護理、寵物護理、男士美容及頭髮護理等各種快速消費品品牌。Kijima女士持有日本東京慶應義塾大學經濟學學士學位，亦持有英日翻譯及傳播資格和專業經驗。

董事及高級管理層

Lina Ly-Dutron

Lina Ly-Dutron女士，50歲，為本集團亞太區的常務董事。Ly-Dutron女士於二零一八年一月加入本集團。彼擁有約20年在亞洲工作的經驗，職業生涯起步於擔任賽諾菲中國的品牌經理，隨後兩年擔任Bluebell的首席代表，於中國設立該公司的辦事處。於二零零二年，彼開始奢侈美容事業，擔任中國香奈兒化妝品分部的總經理。自二零零八年至二零一七年，Ly-Dutron女士於L'Oréal Group出任多個管理職務：先於蘭蔻的旅遊零售亞太區擔任部門經理，其後出任香港L'Oreal奢侈品分部的總經理，最後擔任美國Decleor & Carita的總經理。Ly–Dutron女士持有林肯國際商學院的碩士學位及索邦大學的D.E.S.S.，以及持有巴黎Institut National Des Langues et Civilisations Orientales的漢語言及文明學士學位。

Yann Tanini

Yann Tanini先生，44歲，為本集團北美區董事總經理。Tanini先生於二零一九年六月加入本集團，於零售及電商領域擁有逾15年經驗。彼曾在Fullbeauty品牌擔任多個高級職位，發展了電子商務部門，最近為奢侈品電子網上商城Bluefly的總裁。Tanini先生於二零零一年畢業於Ecole Spéciale de Mécanique et d'Electricité，獲得工程碩士學位，二零零三年畢業於EM Lyon，獲得技術與創新管理碩士學位。

Aline Valatin

Aline Valantin女士，43歲，為本集團全球旅遊零售、出口、企業對企業及水療業務的董事總經理。Aline Valantin女士於二零一九年八月加入本集團。彼在旅遊零售及出口管理方面擁有約20年的紮實經驗，得益於在雅詩蘭黛、百加地提尼、貝納通、嬌蘭及LVMH集團亞太區及歐洲擔任營銷、銷售及管理職位的重要經驗。Valantin女士擁有ESSCA商學院的國際貿易碩士學位，目前正在巴黎HEC修讀市場營銷與數字化的管理人員課程。

Marie Videau

Marie Videau女士，50歲，為本集團研發總經理。Videau女士於二零二零年十月加入本集團。彼先前在CHANEL累積17年化妝品研究、開發及創新以及營銷研究及消費者洞察方面的經驗。其職業生涯起步於擔任法國國家農業研究院及巴斯德研究院的高級研究員，累積了10年的分子遺傳學和寄生蟲學方面的深厚知識。Videau女士持有巴黎高科農業學院的生物學博士學位、工程學碩士學位以及巴黎高等商學院的高級工商管理碩士學位。

Heela Yang

Heela Yang女士，52歲，為Sol de Janeiro的聯合創始人兼行政總裁。Yang女士於二零一五年夏季推出僅有三款產品的Sol de Janeiro，並在短短六年內帶領品牌成為全球生活身體護理潮流。在Sol de Janeiro之前，Yang女士在Lancôme（L'Oréal）及Clinique (Estée Lauder Companies)等全球領先品牌建立廣泛的成功往績。作為Clinique的營銷總監及全球護膚品策略負責人，彼管理超過3億美元的護膚品產品線，並領導Clinique護膚品類別的全球策略，產品在135個國家銷售，收益逾10億美元。在Clinique之後，Yang女士領導創業項目，包括在美國、亞洲及巴西的化妝品行業專有品牌投資、諮詢及開發。Heela的職業生涯始於任職高盛投資銀行的分析師，專注於零售行業。彼畢業於哈佛學院、耶魯研究院及哈佛商學院。

董事會報告



董事會謹此提呈其報告連同本集團於二零二二財年的經審核財務報表。

董事會報告

主要業務

本公司為製造及零售含豐富天然及有機成份美容及保健產品的跨國集團。本公司作為高端美容市場的全球領導者，在90個國家設有超過3,000間零售店，包括約1,500間自營店。本公司通過七個品牌 — L'OCCITANE en Provence、Melvita、Erborian、L'OCCITANE au Brésil、LimeLife by Alcone 、ELEMIS及Sol de Janeiro，利用尊重大自然、環境和用者的優質產品，提供全新及非凡的美容體驗。

本集團按經營分部劃分於二零二二財年的表現分析載於合併財務報表附註5。

業務回顧

本集團年內的業務回顧及對本集團未來業務發展的討論載列於本年報第12至33頁管理層討論與分析。本集團可能面對的風險及不明朗因素請見本年報第6至7頁的主席報告書。此外，本集團的財務風險管理目標及政策請見合併財務報表附註3。自截至二零二二年三月三十一日止財政年度末起已發生且對本集團造成影響的重要事件(如有)載列於合併財務報表附註36。使用主要財務表現指標的本集團年內表現分析載列於本年報第25至28頁資產負債表及現金流量回顧。此外，就本集團的環境保護政策、與主要股東的關係及遵守對集團造成重大影響的相關法律及規則的討論載於第6頁主席報告書及第36頁企業管治報告及第59頁本董事會報告以及適時於本集團公司網頁刊載以供查閱的環境、社會及管治報告。

業績及股息

本集團於二零二二財年的業績載於本年報第83頁的合併收益表。

董事會建議派付每股0.06585歐元的末期股息。除名列香港股東名冊的股東股息須以港元支付外，股息須以歐元支付。有關匯率將為香港銀行公會(www.hkab.org.hk)於批准股息當日所公佈之港元兌歐元開市買入電匯率。

末期股息將待股東於二零二二年九月二十八日舉行之應屆股東週年大會上批准，方可作實。為釐定股東合資格出席應屆股東週年大會並於會上投票的記錄日期為二零二二年九月二十八日。本公司將於二零二二年九月二十三日(星期五)至二零二二年九月二十八日(星期三)(包括首尾兩天)暫停辦理股份過戶登記手續，期間將不會辦理股份過戶登記。所有過戶文件連同有關股票必須於二零二二年九月二十二日(星期四)下午四時三十分或之前遞交予本公司的香港證券登記處香港中央證券登記有限公司(「中央證券」)(地址為香港灣仔皇后大道東183號合和中心17樓1712–1716室)。

待股東於應屆股東週年大會上批准建議末期股息後，該股息將於二零二二年十月二十一日(星期五)支付予於二零二二年十月十一日(星期二)名列股東名冊之股東。為確定收取末期股息的資格，本公司將於二零二二年十月六日(星期四)至二零二二年十月十一日(星期二)(包括首尾兩天)暫停辦理股份過戶登記手續，期間不會辦理股份過戶登記。為符合資格收取末期股息，所有過戶文件連同有關股票必須於二零二二年十月五日(星期三)下午四時三十分或之前遞交予中央證券。

末期股息將根據盧森堡法律於保留適當的預扣稅後支付。於載有召開股東週年大會通告之通函中，股東將獲提供有關根據盧森堡與香港訂立的雙重課稅條約條文索回所有或部分預扣稅之程序的詳盡資料。

五年財務概要

本集團的五年財務概要載於本年度報告第212頁。

可供分派儲備

於二零二二年三月三十一日，本公司根據組織章程細則(於二零一零年四月十五日採納及於二零二一年九月二十九日最後修訂)的可供分派予股東的儲備約為839,965,536歐元。





捐款

本集團於二零二二財年作出的慈善及其他捐款達約2,014,000歐元，包括於COVID-19大流行期間捐贈予醫護人員、組織及醫院的消毒搓手液和衛生用品的產品成本。

優先購買權

組織章程細則或盧森堡大公國法律並無優先購買權條文。

董事會報告



購買、出售或贖回證券

於二零二二財年，本公司於香港聯交所以總額124,163,225.99港元購回合共4,420,250股，其後轉移至庫存。此外，合共7,878,150股庫存股份於二零二二財年根據本公司的僱員無償股份及購股權計劃轉出庫存。於二零二二年三月三十一日，本公司持有6,829,070股庫存股份。除上文所披露者外，於二零二二財年，本公司或其附屬公司概無購買、贖回或出售本公司任何上市證券。

於二零二二財年購回的股份詳情列載如下：

購回月份	購買股份數目	每股已付價格 最高(港元)	每股已付價格 最低(港元)	合計已付代價 (港元)
二零二一年九月	2,646,000	27.00	24.80	67,966,605.39
二零二一年十二月	1,774,250	32.25	29.20	56,196,620.60

於二零一三年十月四日，香港聯交所就上市規則第10.06(5)條向本公司授出有條件豁免(「豁免」)，以容許本公司在購回其任何股份後，可選擇以庫存方式持有本身股份而非自動註銷該等股份。由於該豁免，香港聯交所已同意對適用於本公司的其他上市規則作出若干相應修訂。

以庫存方式持有的股份其後可出售以換取現金、根據僱員股份計劃轉讓或予以註銷。

有關豁免及其附有條件的詳情載於本公司於二零一三年十一月四日刊發的公告，可於本公司網站group.loccitane.com及香港聯交所網站www.hkexnews.hk查閱。

附屬公司

本公司截至二零二二年三月三十一日的主要附屬公司詳情載於合併財務報表附註37。

董事

於二零二二財年及截至本年度報告日期止，董事為：

執行董事

Reinold Geiger先生
（於二零零零年十二月二十二日委任為主席兼行政總裁及於二零二一年九月十六日辭任行政總裁）
André Hoffmann先生
（於二零零一年五月二日委任，於二零一六年四月十九日獲進一步委任為副主席及於二零二一年九月十六日委任為行政總裁）
Yves Blouin先生
（於二零二一年一月十四日委任及於二零二二年五月二十五日辭任）
Karl Guénard先生
（於二零零三年六月三十日委任為非執行董事及於二零一三年九月一日調任為執行董事）
Séan Harrington先生
（於二零二零年九月三十日委任）

非執行董事

Martial Lopez先生*（於二零零零年十二月二十二日委任，於二零零九年九月三十日調任為非執行董事及於二零二一年九月二十九日退任）*
Thomas Levilion先生
（於二零零八年九月三十日委任為執行董事及於二零二二年七月一日調任為非執行董事）

獨立非執行董事

Valérie Bernis女士
（於二零一二年十一月二十八日委任）
Charles Mark Broadley先生
（於二零零八年九月三十日委任）
劉文思女士
（於二零二二年三月一日委任）
Pierre Milet先生
（於二零一三年一月二十九日委任及於二零二一年十一月九日辭任）
吳植森先生
（於二零一零年一月二十五日委任）



根據上市規則附錄十四所載守則條文第B.2.2條（前守則條文第A.4.2條），每名董事（包括以指定任期委任的董事）應至少每三年一次輪值告退。此外，委任以填補臨時空缺的所有董事應於其獲委任後首個股東大會上接受股東選舉。根據組織章程細則第10.1條，董事應於股東大會上由股東選出，並由股東確定其數目及任期。董事任期不得超過三年，任期屆滿後合資格連選連任。

董事履歷

董事的簡歷載於本年度報告第52至58頁的「董事及高級管理層」一節。

董事的服務合約

概無董事與本集團任何成員公司訂立或建議訂立任何服務合約，惟於一年內屆滿或僱主可於一年內終止而毋須給予賠償（法定賠償除外）的合約除外。

董事會報告

董事於競爭業務的權益

於年內，概無董事於與本公司或本集團的業務直接或間接構成競爭的業務中擁有權益。

董事及主要行政人員於股份及相關股份的權益

於二零二二年三月三十一日，以下董事或本公司主要行政人員於本公司及其相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份或債權證中，擁有或被視為擁有權益或淡倉，而(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及香港聯交所（包括根據證券及期貨條例的該等條款被視為或被當作擁有的權益或淡倉）；(ii)須登記於本公司根據證券及期貨條例第352條備存的登記冊；或(iii)須根據標準守則知會本公司及香港聯交所：

(a) 於本公司股份的權益

董事姓名	身份及權益性質	所持或控制股份／相關股份數目	佔股權概約百分比*(附註2)*
Reinold Geiger*(附註1)*	於受控制法團的權益、實益權益及視作權益	1,075,565,211（長倉）	72.82%
André Hoffmann	實益權益	2,495,250（長倉）	0.17%
Thomas Levilion	實益權益	413,000（長倉）	0.03%
Karl Guénard	實益權益	263,900（長倉）	0.02%
吳植森	實益權益	30,000（長倉）	0.00%

附註：

(1) Reinold Geiger先生為CIME S.C.A.全部已發行股本的最終實益擁有人，而CIME S.C.A.持有Société d'Investissements CIME S.A.（「CIME」）的100%權益，而CIME於LOG全部已發行股本約75.77%中擁有實益權益及視作權益（為9,996,053股股份的實益擁有人、於LOG持有的1,628,931股庫存股份中擁有視作權益，以及直接擁有253股股份的權益）。因此，根據證券及期貨條例，Reinold Geiger先生被視為於登記在LOG名下的所有股份中擁有權益，LOG持有1,067,587,391股股份並控制由本公司持有的6,829,070股庫存股份。Geiger先生亦為1,148,750股股份的實益擁有人。

(2) 根據從證券及期貨事務監察委員會（「證監會」）獲得的指引，上表所示的權益計算披露乃以本公司已發行股本總額，包括庫存持有但於庫存持有時不具投票權的6,829,070股股份為基準計算。

(b) 於相聯法團股份的權益

於LOG股份的長倉

董事姓名	身份及權益性質	所持或控制股份／相關股份數目	佔股權概約百分比(附註2)
Reinold Geiger	實益權益及視作權益	11,625,237(附註1)	75.77%
André Hoffmann	實益權益及視作權益	2,578,286	16.81%
Yves Blouin	實益權益	15,900	0.10%
Karl Guénard	實益權益	6,220	0.04%
Thomas Levilion	實益權益	5,500	0.04%
Séan Harrington	實益權益	4,200	0.03%
Valérie Bernis	實益權益	400	0.00%
Charles Mark Broadley	實益權益	400	0.00%
吳植森	實益權益	400	0.00%

附註：

(1) 包括Reinold Geiger先生持有的253股股份、CIME持有的9,996,053股股份及LOG持有的1,628,931股庫存股份。Geiger先生為CIME全部已發行股本的最終實益擁有人，因此，根據證券及期貨條例，Geiger先生被視為於CIME所持有的所有LOG之股份中擁有權益。作為LOG的控股股東，Geiger先生亦被視為於LOG所持庫存股份中擁有權益。

(2) 所持LOG股本的概約百分比是按已發行LOG股份總數為15,341,954股計算，包括LOG持有的1,628,931股庫存股份。

於LOI ELEMIS S.A.R.L.股份的長倉

董事姓名	身份及權益性質	所持或控制股份／相關股份數目	佔股權概約百分比
Séan Harrington	於受控制法團的權益	132	1.10%

除本報告所披露者外，於二零二二年三月三十一日，董事及本公司主要行政人員或其任何配偶或未滿18歲子女，概無於本公司或其相聯法團的股份、相關股份及債權證中擁有須載入本公司根據證券及期貨條例第352條須存置的登記冊或根據標準守則規定須通知本公司及香港聯交所的任何權益或淡倉。



董事會報告



主要股東於股份及相關股份的權益

於二零二二年三月三十一日，依據證券及期貨條例第336條規定而設置的主要股東登記冊所顯示，本公司已獲通知下列主要股東（董事或本公司最高行政人員除外）於本公司股份或相關股份持有的權益或淡倉：

股東姓名	身份及權益性質	所持或控制股份／相關股份數目	佔股權概約百分比*(附註3)*
Cime Management Sarl	於受控制法團的權益及視作權益	1,074,416,461（長倉）*(附註1)*	72.74%
Cime S.C.A.	於受控制法團的權益及視作權益	1,074,416,461（長倉）*(附註1)*	72.74%
Société d'Investissements CIME S.A.	於受控制法團的權益及視作權益	1,074,416,461（長倉）*(附註1)*	72.74%
LOG	於受控制法團的權益及視作權益	1,074,416,461（長倉）*(附註1)*	72.74%
ACATIS Investment Kapitalverwaltungsgesellschaft mbH	遺囑執行人或遺產管理人	103,373,750（長倉）*(附註2)*	6.99%

附註：

(1) Cime Management Sarl（間接）及Cime S.C.A.（直接）各自於CIME擁有100%權益及CIME於LOG全部已發行股本約75.77%中擁有權益（為9,996,053股股份的實益擁有人及於LOG直接或間接持有的1,628,931股庫存股份中擁有視作權益）。Cime S.C.A.為CIME的控股法團及CIME為LOG的控股法團，因此，根據證券及期貨條例，Cime S.C.A.及CIME均被視為於LOG持有的所有1,067,587,391股股份中擁有權益。按證監會建議，作為本公司的控股法團，Cime Management Sarl、Cime S.C.A.、CIME及LOG於本公司持有的6,829,070股庫存股份中擁有視作權益。

(2) 股份最初乃由Universal-Investment-Gesellschaft mbH收購，其後被轉讓予一間新投資管理公司Acatis KVG。

(3) 根據證監會的指引，上表所示的權益計算披露乃以本公司已發行股本總額，包括庫存持有但於庫存持有時不具投票權的6,829,070股股份為基準計算。

除本報告所披露外，於二零二二年三月三十一日，本公司並無獲通知有任何主要股東（董事或本公司最高行政人員除外）於本公司股份或相關股份擁有權益或淡倉而根據證券及期貨條例第336條須記錄於本公司登記冊內。

本年度已發行股份

截至二零二二年三月三十一日止年度已發行股份的詳情載於合併財務報表附註19。

購股權計劃

於二零一零年九月三十日，股東大會授權採納一項購股權計劃(「二零一零年購股權計劃」)，而其已於二零一三年九月二十九日屆滿及終止並已由另一項於二零一三年九月二十五日採納的購股權計劃(「二零一三年購股權計劃」)取代。該二零一三年購股權計劃已於二零一六年九月二十四日屆滿並已由另一項於二零一六年九月二十八日採納的購股權計劃(「二零一六年購股權計劃」)取代。該二零一六年購股權計劃已於二零一九年九月二十七日屆滿並已由另一項於二零二零年九月三十日採納的購股權計劃(「二零二零年購股權計劃」)取代。



二零二零年購股權計劃旨在透過授出二零二零年購股權計劃條款項下的購股權(「購股權」)而為本集團僱員、其全體董事(包括非執行董事)及股東(統稱為「合資格人士」)提供機會於本公司持有個人權益，從而激勵合資格人士提高表現、效率及效益以為本集團帶來利益；及招攬及挽留對本集團長期增長作出貢獻或會帶來效益的該等合資格人士或以其他方式維繫與該等合資格人士的現有業務關係。根據二零二零年購股權計劃可予授出的購股權最高數目不得超過21,925,987股股份，即本公司於二零二零年九月三十日已發行股本(不包括庫存股份)的1.5%。

於二零二二年三月三十一日，概無根據二零二零年購股權計劃授出股份，尚餘21,925,987份購股權結餘(佔本年度報告日期的已發行股份1.5%，不包括庫存股份)可於未來授出。二零二零年購股權計劃將於二零二三年九月二十九日屆滿，其餘下年期約為一年三個月。

根據二零二零年購股權計劃，向各參與者授出的購股權於任何十二個月期間獲行使後將予發行股份總數不可超逾已發行股份的1%。行使價須為董事會全權酌情釐定的價格以及必須不少於列較高者：

(i) 發售日期當日由香港聯交所發出的日報表所載的股份收市價；

(ii) 緊接發售日期前五個營業日由香港聯交所發出的日報表所載的股份平均收市價；及

(iii) 授出日期的股份面值。

董事會報告

董事會認為列出根據二零二零年購股權計劃可予授出的所有購股權的價值屬不適當，此乃由於就計算購股權價值用途而言屬關鍵的若干變數尚未被釐清。該等變數包括但不限於行使價、歸屬期、行使期間及購股權受限條件。董事會認為根據若干推測假設而進行的任何購股權價值計算並無意義且會誤導股東。

截至二零二二年三月三十一日止年度內根據二零一零年、二零一三年及二零一六年購股權計劃授出的購股權(「二零一零年、二零一三年及二零一六年購股權」)的詳情及變動如下。該期間並無根據二零二零年購股權計劃授出購股權。

	購股權數目								
參與者姓名／類別	截至二零二一年四月一日	期內授出	期內取消或沒收	期內行使	截至二零二零年三月三十一日	授出日期	行使期[附註1]	每股行使價(港元)	緊接授出日期前的價格[附註2](港元)
董事									
Thomas Levilion	91,000	–	–	(91,000)	–	一五年二月二十四日	二零一九年二月二十四日至二零二三年二月二十三日	19.22	19.22
	418,600	–	–	(418,600)	–	一七年二月十日	二零二一年二月十日至二零二五年二月十日	15.16	15.03
	413,000	–	–	–	413,000	一八年三月二十九日	二零二二年三月二十九日至二零二六年三月二十九日	14.50	14.50
Karl Guénard	90,500	–	–	(90,500)	–	一三年十二月四日	二零一七年十二月四日至二零二一年十二月三日	17.62	17.62
	97,600	–	–	–	97,600	一六年三月二十三日	二零二零年三月二十三日至二零二四年三月二十二日	14.36	14.00
	83,700	–	–	–	83,700	一七年二月十日	二零二一年二月十日至二零二五年二月十日	15.16	15.03
	82,600	–	–	–	82,600	一八年三月二十九日	二零二二年三月二十九日至二零二六年三月二十九日	14.50	14.50
小計[附註3]	1,277,000	–	–	(600,100)	676,900				
其他僱員									
	1,163,750	–	(55,000)	(1,108,750)	–	一三年十二月四日	二零一七年十二月四日至二零二一年十二月三日	17.62	17.62
	147,000	–	–	(147,000)	–	一五年二月二十四日	二零一九年二月二十四日至二零二三年二月二十三日	19.22	19.22
	1,613,650	–	(33,200)	(1,157,550)	422,900	一六年三月二十三日	二零二零年三月二十三日至二零二四年三月二十二日	14.36	14.00
	3,834,750	–	–	(2,445,100)	1,389,650	一七年二月十日	二零二一年二月十日至二零二五年二月十日	15.16	15.03
	4,476,200	–	(183,100)	(85,950)	4,207,150	一八年三月二十九日	二零二二年三月二十九日至二零二六年三月二十九日	14.50	14.50
小計[附註3]	11,235,350	–	(271,300)	(4,944,350)	6,019,700				
總計	12,512,350	–	(271,300)	(5,544,450)	6,696,600				

附註：

(1) 一般而言，二零一零年、二零一三年、二零一六年及二零二零年購股權的歸屬期限定為四年，而行使期限則定為歸屬日期後之四年。二零一零年購股權計劃於二零一三年九月二十九日終止，二零一三年購股權計劃於二零一六年九月二十四日終止，而二零一六年購股權計劃於二零一九年九月二十七日終止。然而，董事會有權根據二零二零年購股權計劃向合資格人士授出購股權，惟須待董事會可能認為合適的條件(包括有關二零二零年購股權歸屬及行使的條件)達成後，方可作實。

(2) 為以下二者中的較高者：於緊接授出二零一零年、二零一三年、二零一六年或二零二零年購股權當日前交易日，股份在香港聯交所所報收市價，及緊接授出購股權當日前五個營業日股份平均收市價。

(3) 根據二零一零年購股權計劃於二零一一年四月四日、二零一二年十月二十六日、二零一二年十一月二十八日，根據二零一三年購股權計劃於二零一三年十二月四日、二零一五年二月二十四日及二零一六年三月二十三日以及根據二零一六年購股權計劃於二零一七年二月十日及二零一八年三月二十九日分別授出的購股權的加權平均公平值分別約為0.44歐元、0.45歐元、0.47歐元、0.31歐元、0.40歐元、0.31歐元、0.36歐元及0.36歐元。公平值乃採用畢蘇期權定價模式使用以下重大假設得出：

授出日期	*預期波幅(%)*	*預期有效期*	*無風險利率(%)*	*預期股息收益率(%)*
二零一一年四月四日	*25%*	*5年*	*1.92%*	*權益持有人應佔預算溢利的20%*
二零一二年十月二十六日	*25%*	*5年*	*0.50%*	*權益持有人應佔預算溢利的30%*
二零一二年十一月二十八日	*25%*	*5年*	*0.50%*	*權益持有人應佔預算溢利的30%*
二零一三年十二月四日	*25%*	*5年*	*1.00%*	*權益持有人應佔預算溢利的35%*
二零一五年二月二十四日	*25%*	*5年*	*1.00%*	*權益持有人應佔預算溢利的35%*
二零一六年三月二十三日	*25%*	*5年*	*1.00%*	*權益持有人應佔預算溢利的35%*
二零一七年二月十日	*22%*	*5年*	*1.92%*	*權益持有人應佔預算溢利的35%*
二零一八年三月二十九日	*22%*	*5年*	*2.50%*	*權益持有人應佔預算溢利的35%*

合共772,000歐元的以股份為基準支付的補償開支已計入截至二零二二年三月三十一日止年度的合併綜合收益表內(截至二零二一年三月三十一日止年度：4,520,000歐元)。該等開支包括以根據購股權計劃授予董事及僱員的二零一三年及二零一六年購股權形式的以股份為基準支付的獎勵的公平值攤銷。

無償股份計劃

於二零一零年九月三十日，股東大會授權採納一項無償股份計劃(「二零一零年無償股份計劃」)，而其已於二零一三年九月二十九日屆滿及終止並已由另一項於二零一三年九月二十五日採納的無償股份計劃(「二零一三年無償股份計劃」)取代。該二零一三年無償股份計劃已於二零一六年九月二十四日屆滿並已由另一項於二零一六年九月二十八日採納的無償股份計劃(「二零一六年無償股份計劃」)取代。二零一六年無償股份計劃已由另一項於二零一八年九月二十六日採納的無償股份計劃(「二零一八年無償股份計劃」)取代。此外，股東於本公司於二零二一年九月二十九日舉行之股東週年大會上批准採納新無償股份計劃(「二零二一年無償股份計劃」)。二零二一年無償股份計劃於二零二一年九月獲批准後，概無根據二零一八年無償股份計劃另行授出無償股份。二零二一年無償股份計劃旨在透過授出二零二一年無償股份計劃條款項下的無償股份(「無償股份」)而為本集團僱員(「僱員」)提供機會於本公司持有個人權益，從而激勵有關僱員提高表現、效率及效益以為本集團帶來利益；及招攬及挽留對本集團長期增長作出貢獻或會帶來效益的該等僱員或以其他方式維繫與該等有關僱員的現有業務關係。

根據二零二一年無償股份計劃可予授出的無償股份最高數目不得超過7,343,852股股份，即本公司於二零二一年九月二十九日已發行股本(不包括庫存股份)的0.5%。

於二零一三年十二月四日，本公司根據二零一三年無償股份計劃向若干合資格僱員(定義見二零一三年無償股份計劃條款)授予887,500股無償股份。無償股份已於二零一七年十二月四日歸屬。

於二零一五年二月二十四日，本公司根據二零一三年無償股份計劃向若干合資格僱員(定義見二零一三年無償股份計劃條款)授予840,900股無償股份。無償股份已於二零一九年二月二十四日歸屬。



董事會報告

於二零一六年三月二十三日，本公司根據二零一三年無償股份計劃向若干合資格僱員(定義見二零一三年無償股份計劃條款)授出921,400股無償股份。無償股份已於二零二零年三月二十四日歸屬。

於二零一八年三月二十九日，本公司根據二零一六年無償股份計劃向若干合資格僱員(定義見二零一六年無償股份計劃規則)授出5,559,500股無償股份。無償股份已於二零二二年三月二十九日歸屬。

於二零二二年三月三十一日，概無根據二零一八年無償股份計劃及二零二一年無償股份計劃授出無償股份。



庫存股份

於二零一三年十月四日，香港聯交所就上市規則第10.06(5)條向本公司授出有條件豁免(「豁免」)，以容許本公司在購回其任何股份後，可選擇以庫存方式持有本身股份而非自動註銷該等股份。由於該豁免，香港聯交所已同意對適用於本公司的其他上市規則作出若干相應修訂。

以庫存方式持有的股份其後可出售以換取現金、根據僱員股份計劃轉讓或予以註銷。

有關豁免及其附有條件的詳情載於本公司於二零一三年十一月四日刊發的公告，可於本公司網站group.loccitane.com及香港聯交所網站www.hkexnews.hk查閱。

本公司確認於截至二零二二年三月三十一日止年度內一直遵守豁免條件。

本公司於二零二二年三月三十一日持有6,829,070股普通股作為庫存股份，而已發行普通股總數(不包括持作庫存股份的股份)為1,470,135,821股。

董事收購股份或債務證券的權利

除本年度報告「董事及主要行政人員於股份及相關股份的權益」及「購股權計劃」段落所披露者外，於年內任何時間，本公司或其任何附屬公司概無訂立可使董事或本公司最高行政人員(包括其配偶或18歲以下子女)擁有任何權利認購本公司或其任何相聯法團(定義見證券及期貨條例)證券或以收購本公司或任何其他法人團體股份或債權證的方式獲得利益的任何安排。

董事於重大交易、安排或合約的權益

於年底或於二零二二財年內任何時間，概無存續本公司或其任何附屬公司所訂立有關本公司業務而當中董事擁有(不論直接或間接)重大權益的重大交易、安排或合約。

管理合約

於截至二零二二年三月三十一日止年度及直至本年度報告日期期間，本公司概無訂立涉及其全部或任何重大部分業務的管理及行政的合約，亦不存在該等合約。

許可彌償條文

組織章程細則規定，本公司全體董事及主要人員均可從本公司的資產及溢利獲得彌償，就執行其職責時因所作出、發生的作為或不作為而招致或蒙受的所有訴訟、費用、收費、損失、損害及開支，可獲確保免就此受任何損害。本公司及其附屬公司的董事及主要人員已獲安排購買責任險以保障彼等免受因被索償而產生的任何潛在費用及責任。

股本掛鈎協議

除董事會報告中有關於截至二零二二年三月三十一日止年度內授出購股權及無償股份所披露者外，本公司並無訂立任何其他股本掛鈎協議。

關連交易

於二零二一年十二月二十三日，本公司、LOC SOL Holdings Inc(「母附屬公司」)及First Octave LLC(「關連股東」)(其中包括)訂立股份持有人協議，據此(其中包括)(i)母附屬公司向First Octave LLC及Marc Capra(「轉讓參與者」)各授出認沽期權，以要求母附屬公司收購有關轉讓參與者擁有的LOC SOL Owners Inc(「中介控股公司」)的17.14%股權(「期權權益」)；及(ii)母附屬公司已獲各轉讓參與者授出認購期權，據此，母附屬公司可要求有關轉讓參與者向母附屬公司出售一切期權權益。

收購完成後，中介控股公司已成為本公司的間接附屬公司，而關連股東及其最終實益擁有人已成為本公司附屬公司層面的關連人士。因此，根據上市規則第14A.24(2)(a)條，按照股份持有人協議關連股東獲授的認沽期權及關連股東授出的認購期權分別被視為關連交易。由於關連股東獲授的認沽期權及關連股東授出的認購期權分別在附屬公司層面上構成關連交易，根據上市規則第14A.101條認沽期權及認購期權分別須遵守適用的申報及公告規定。

授出期權目的為進一步使轉讓參與者的利益與本集團的利益一致，並作為給予轉讓參與者的額外獎勵，以與本集團共同提高Sol de Janeiro的財務及經營業績。

有關更多詳情，請參閱本公司於二零二一年十二月二十三日之相關公告。

董事會報告

銀行貸款及其他借貸

本集團於二零二二年三月三十一日的銀行貸款及其他借貸之詳情載於合併財務報表附註20。

主要客戶及供應商

本集團五大客戶或供應商所佔買賣百分比大幅低於整體業務的30%為本集團之業務性質，而董事並不認為任何一家客戶或供應商足以影響本集團。

退休福利計劃

本集團的退休福利計劃詳情載於合併財務報表附註21。

董事證券交易

本公司已採納上市規則附錄十所載的標準守則作為董事買賣本公司證券的行為準則。經向全體董事作出特定查詢後，彼等已確認彼等已於回顧期內已遵守標準守則。

企業管治報告

企業管治報告載於本年度報告第36至49頁。

或然負債

有關或然負債的詳情載於合併財務報表附註32.2。

結算日後事項

有關於結算日後發生的重大事項詳情，載於合併財務報表附註36。

足夠的公眾持股量

根據本公司公開可得的資料及據董事於本年度報告日期所知，於回顧期內，本公司已發行股本維持上市規則項下超過25%足夠公眾持股量之規定。





核數師

財務報表已由PricewaterhouseCoopers審核，其將於應屆股東週年大會結束時退任本公司的核數師並符合資格膺選連任。於應屆股東週年大會上將提呈有關PricewaterhouseCoopers連任本公司核數師的決議案。

人力資源

於二零二二年三月三十一日，本集團有9,042名僱員（二零二一年三月三十一日：8,733名僱員）。

本集團確保各級別僱員的薪酬均具競爭力，且按本集團的薪酬、激勵及花紅計劃獲得獎勵。本公司亦可向合資格僱員提供購股權及無償股份。在適當時，本集團亦可能提供培訓計劃。

承董事會命

主席
Reinold Geiger
二零二二年六月二十七日



合併
財務報表





獨立核數師報告

致**L'Occitane International S.A.**
列位股東

合併財務報表審計報告

我們的意見

我們認為，該等合併財務表已根據國際會計準則理事會頒佈及歐盟採納的國際財務報告準則真實而中肯地反映了L'Occitane International S.A(.「貴公司」)及其附屬公司(「貴集團」)於二零二二年三月三十一日的合併財務狀況及截至該日止年度的合併財務表現及合併現金流量。

我們已審計的內容
貴集團的合併財務報表包括：

- 於二零二二年三月三十一日的合併財務狀況表；
- 截至該日止年度的合併收益表；
- 截至該日止年度的合併綜合收益表；
- 截至該日止年度的合併股東權益變動表；
- 截至該日止年度的合併現金流量表；及
- 合併財務報表附註，包括主要會計政策概要。

意見的基礎

我們根據二零一六年七月二十三日有關審計專業的法律(二零一六年七月二十三日法律)及盧森堡金融規管當局(Commission de Surveillance du Secteur Financier, CSSF)就盧森堡採納的國際審計準則進行審計工作。我們在二零一六年七月二十三日法律及盧森堡金融規管當局就盧森堡採納的國際審計準則下的責任在報告內「認可法定核數師(Réviseur d' entreprises agréé)就審計合併財務報表承擔的責任」一節進一步詳述。

我們相信，我們所獲得的審計憑證可充足和適當地為我們的審計意見提供基礎。

根據CSSF就盧森堡採納的國際會計師職業道德準則理事會頒布的《國際會計師職業道德守則(包括國際獨立性標準)》(守則)，以及與我們審計合併財務報表有關的職業道德要求，我們獨立於　貴集團，並已履行道德守則中的其他職業道德責任。

合併財務報表審計報告*(續)*

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期合併財務報表的審計最為重要的事項。

這些事項是在我們審計整體合併財務報表及出具意見時進行所處理的。我們不會對這些事項提供單獨的意見。

關鍵審計事項

收益確認

截至二零二二年三月三十一日止年度， 貴集團的淨銷售為1,781,000,000歐元。

誠如附註2.23所述，貨品銷售於產品的控制權轉移時確認。

收益確認如下：

(a) 貨品銷售 — 零售(直銷渠道)：包括直接向終端客戶銷售產品，而銷售主要透過全球的店舖網絡及 貴集團的網站進行。直銷佔收益總額約66.9%。當 貴集團於店舖向顧客出售產品時，則確認收益。

鑒於向多個不同地區的眾多客戶銷售不同產品涉及大量交易以致產生風險，因此，我們集中於這方面。這方面在審核時須尤其注意測試此類交易的發生及準確性。

(b) 貨品銷售 — 批發及分銷商(轉售渠道)：包括向中介機構(主要是分銷商、批發商、電視節目頻道及旅遊零售商)銷售產品。此渠道亦包括向企業客戶銷售產品，以及向中介機構銷售 貴集團的產品，而該等中介機構會將有關產品提供予其終端客戶作為免費用品。當產品的控制權轉移至批發商(即交付產品予批發商時)，而批發商對銷售產品的渠道及價格擁有絕對酌情權，且並無可能影響批發商接納產品的未履約義務時，則確認收益。

鑒於接近年末不當地確認收益的風險，因此，我們集中於這方面。

我們在審計時如何處理關鍵審計事項

我們已了解管理層對 貴集團銷售交易的監控。此外，我們已測試全面的IT監控環境及 貴集團系統的相關自動化監控。

我們已評估 貴集團遵守國際財務報告準則的收益確認政策的情況，並已對該等政策的應用進行測試。

我們已測試下列不同的收益來源：

就零售方面而言，我們的程序包括：

(a) 銷售點系統與一般分類賬所記錄收益之間的對賬；

(b) 入賬收益與所收現金之間的對賬；

(c) 測試於遞延收益確認的積分數目及公平值。

就批發商及分銷商銷售而言，我們的程序包括：

(a) 對涉及不同客戶的收益交易樣本之相關支持文件(銷售訂單、提貨單、發票及／或付款)進行測試；

(b) 確認客戶於結算日的逾期未付發票樣本；

(c) 進行測試以評估收益是否在正確的報告期內確認。我們已依據向中介機構轉移控制權，以及交付產品的會計期間，透過將收益項目樣本與合約及船務文件進行對賬，進行收益確認測試；

(d) 測試收益賬戶內所列的日記賬，以查找任何異常項目，以及測試收益系統與其財務分類賬的對賬。

獨立核數師報告

合併財務報表審計報告*(續)*

關鍵審計事項*(續)*

關鍵審計事項	我們在審計時如何處理關鍵審計事項
收益確認(續) 客戶長期支持計劃乃　貴集團為鼓勵客戶購買　貴集團產品而設。　貴集團之積分列賬為銷售交易之獨立可識別部分，以作遞延收益。　貴集團其後於換領積分之期內確認有關積分之收益。 鑒於因不同地區所產生之積分數目所引致的風險，以及因管理層對預期換領積分總數所作估計存在的風險，因此，我們集中於這方面。	
評估非流動資產及商譽減值 於二零二二年三月三十一日，　貴集團的商譽為990,500,000歐元、無形資產為487,400,000歐元(包括商標434,900,000歐元)、使用權資產264,900,000歐元以及於二零二二年三月三十一日的物業、廠房及設備有租賃物業裝修43,000,000歐元。 管理層每年檢討獲分配商譽及其他非流動資產的現金產生單位(現金產生單位)，以評估其賬面值並無超出其可收回金額。考慮到COVID-19疫情可收回金額根據預期未來現金流預測釐定。	(a) 我們已就商譽及商標是否正確分配至相關現金產生單位進行評估。 (b) 我們已就　貴集團採納的減值測試方法是否遵守現行會計準則進行評估。 (c) 我們已了解　貴集團得出預測的程序及監控情況並將相關輸入數據與管理層批准的最新計劃進行比較。 (d) 我們已就資產是否正確計入商譽及商標所分配的現金產生單位的賬面值進行測試。 (e) 我們已評估現金流量預測是否與管理層假設及　貴集團經營所在經濟環境保持一致。我們已特別評估管理層於假設中所考慮COVID-19的影響以及估計的合理性。

合併財務報表審計報告*(續)*

關鍵審計事項*(續)*

關鍵審計事項	我們在審計時如何處理關鍵審計事項
評估非流動資產及商譽減值(續) 我們視該等特定資產估值為關鍵審計事項，因為其規模需要重大審計注意力，且　貴集團評估可收回金額乃通常基於業務的未來表現(如基於店舖位置的預測銷售、COVID-19對未來現金流的影響、市場發展預期)及應用至未來現金流預測的貼現率，當中涉及重大管理層假設、判斷及估計(見合併財務報表附註4詳述)。	(f) 我們已就預測現金流量所用增長率與現有外部分析及／或淨銷售歷史增長率的合理性進行評估。 (g) 我們在估值專家的協助下評估： – 長期增長率的一致性；及 – 預測現金流量適用的稅後貼現率的合理性。 (h) 我們已就先前業務計劃的預測現金流量與實際結果進行比較，以評估假設是否合理。 (i) 我們已評估管理層就所採納主要假設變動的敏感度分析，以評估在合理可行範圍內的可能變動(個別及合計)可能對減值評估結果所造成的影響。 (j) 我們已就合併財務報表所披露的資料是否合適進行評估。

獨立核數師報告

合併財務報表審計報告*(續)*

關鍵審計事項*(續)*

關鍵審計事項

收購Sol de Janeiro

誠如合併財務報表附註6.1.1所披露，貴集團於二零二一年十二月二十三日以總購買價378,700,000歐元收購Sol de Janeiro及其附屬公司股份的82.86%，導致確認暫定商譽202,600,000歐元及商標156,700,000歐元。

此交易屬於國際財務報告準則第3號業務合併的範圍。當確認資產及負債，進行購買價分配時，Sol de Janeiro的可識別資產及負債按公平值計量。就此，管理層委聘第三方(管理專家)協助識別及釐定商標的公平值。

此外，股份購買協議包括非控股股東在規定日期出售最初未出售的剩餘股份的選擇權。此導致確認非控股股東的認沽期權及合併後服務的薪酬負債。見附註4.4及6。

合併財務報表3，估計乃基於主要使用預測未計利息、稅項之盈利釐定行使價之公式。該價值已貼現，反當前市場對時間價值及負債特定風險的評估。

我們視收購Sol de Janeiro為關鍵事項，因為其需要重大管理層判斷以釐定(i)所收購資產及所承擔負債的公平值；及(ii)與認沽期權有關的財務負債公平值。

我們在審計時如何處理關鍵審計事項

我們已審閱與收購相關的股份購買協議及其他法律文件，以了解交易並確認收購日期及轉讓代價。

就收購會計而言，我們的程序包括：

(a) 我們已審閱　貴集團管理層對Sol de Janeiro進行的控制分析；

(b) 我們已評估分配商譽及商標至相關現金產生單位的準確性；

(c) 我們已就Sol de Janeiro於收購日期的資產及負債的賬面值進行測試；

(d) 在我們的估值專家支持下，我們已評估管理專家使用的方法及釐定所收購可識別資產淨額(包括商標)公平值所用的程序；

就釐定認沽期權的公平值，我們的程序包括：

(a) 我們已評估管理層使用的會計處理及方法，包括與收購後服務條件的薪酬相關的部分；

(b) 我們已評估未計利息、稅項之盈利預測與管理層假設的一致性；

(c) 我們已評估用於預測未計利息、稅項之盈利的增長率與銷售淨額的歷史增長率及未計利息、稅項之盈利在銷售淨額的歷史百分比的合理性；

(d) 我們已將管理層用於計算期權現值的貼現率與公開可得數據進行比較。

我們已就合併財務報表所披露的資料是否合適進行評估。

合併財務報表審計報告*(續)*

其他信息

董事會需對其他信息負責。其他信息包括合併年報內的所有信息，包括管理層討論與分析及合併董事會報告，但不包括合併財務報表及我們的核數師報告。

我們對合併財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對合併財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與合併財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎有重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他資料有重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事會及治理層就合併財務報表須承擔的責任

董事會須負責根據國際財務報告準則編製及公平地列報該等合併財務報表，以及負責董事會決定為必要的內部控制，能夠使編製合併財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

在擬備合併財務報表時，董事會負責評估　貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事會有意將　貴集團清盤或停止經營，或別無其他實際的替代方案。

治理層須負責監督　貴集團的財務報告過程。

認可法定核數師(Réviseur d'entreprises agréé)就審計合併財務報表承擔的責任

我們審計工作的目標，是對合併財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。合理保證是高水平的保證，但不能保證按二零一六年七月二十三日法律及CSSF就盧森堡採納的國際審計標準進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響合併財務報表使用者依賴合併財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據二零一六年七月二十三日法律及CSSF就盧森堡採納的國際審計標準進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致合併財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及取得充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險；
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對　貴集團內部控制的有效性發表意見；

獨立核數師報告

合併財務報表審計報告*(續)*

認可法定核數師(Réviseur d'entreprises agréé)就審計合併財務報表承擔的責任*(續)*

- 評價董事會所採用會計政策的恰當性及作出會計估計和相關披露資料的合理性；
- 對董事會採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能對　貴集團持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意合併財務報表中的相關披露。假若有關的披露資料不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致　貴集團不能持續經營；
- 評價合併財務報表的整體列報方式、結構和內容，包括披露資料，以及合併財務報表是否中肯反映交易和事項；
- 就　貴集團內實體或業務活動的財務信息獲取充足、適當的審計證據，以使對　貴集團合併財務報表發表意見。我們負責　貴集團審計的方向、監督和執行。我們對審計意見承擔全部責任。

除其他事項外，我們與治理層溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向治理層提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，為消除威脅採取的行動或應用的防範措施。

從與治理層溝通的事項中，我們決定哪些事項對本期合併財務報表的審計最為重要，因而構成關鍵審計事項。我們會在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項而造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

有關其他法律及法規要求的報告

管理層討論與分析及合併董事會報告與合併財務報表一致，並根據適用法律要求編製。

PricewaterhouseCoopers, Société coopérative　　盧森堡，二零二二年六月三十日

由

Magalie Cormier編製

合併收益表

截至三月三十一日止年度 *以千歐元計，除每股數據外*	*附註*	*二零二二年*	*二零二一年* *經重列**
銷售淨額	(5.2)	**1,781,358**	**1,537,845**
銷售成本		(317,943)	(260,711)
毛利		**1,463,415**	**1,277,134**
佔銷售淨額百分比		*82.2%*	*83.0%*
分銷開支	(24)	(698,367)	(666,154)
營銷開支	(24)	(280,831)	(213,772)
研發開支	(24)	(18,907)	(17,385)
一般及行政開支	(24)	(173,001)	(147,837)
其他經營收入	(25)	39,124	7,365
其他經營開支	(25)	(7,079)	(14,980)
使用權益法入賬的分佔聯營公司及合營企業溢利／(虧損)	(11)	(13,640)	(7,535)
經營溢利		**310,714**	**216,836**
財務收入	(27)	1,908	2,847
財務成本	(27)	(16,430)	(21,186)
匯兌收益／(虧損)	(28)	(308)	(2,961)
除所得稅前溢利		**295,884**	**195,536**
所得稅開支	(29)	(53,975)	(41,899)
年內溢利		**241,909**	**153,637**
下列人士應佔：			
本公司權益擁有人		242,034	151,180
非控股權益	(12)	(125)	2,457
總計		**241,909**	**153,637**
年度本公司權益擁有人應佔溢利的每股盈利*(以每股歐元列示)*			
基本	(30)	0.165	0.103
攤薄	(30)	0.164	0.103
計算每股盈利所用股份數目			
基本	(30)	1,470,135,821	1,466,677,921
攤薄	(30)	1,473,153,053	1,470,779,165

* *有關錯誤導致重列的詳情，請參閱附註2.2。*

隨附附註為此等合併財務報表的組成部分。

合併綜合收益表

截至三月三十一日止年度 *千歐元*	*附註*	*二零二二年*	*二零二一年* *經重列**
年內溢利		**241,909**	**153,637**
不會重新分類至損益的項目			
界定福利責任的精算收益／(虧損)	(29.5)	1,834	233
按公平值列入其他綜合收益的股本投資公平值變動	(3.3)	(2,047)	(652)
		(213)	**(419)**
其後可重新分類至損益的項目			
現金流量對沖公平值收益／虧損(除稅)		56	363
重新分類與不再將L'Occitane Inc.綜合入賬有關的匯兌差額	(6.1)	–	(3,029)
匯兌差額	(29.5)	48,741	(36,846)
使用權益法入賬的分佔聯營公司及合營企業其他綜合收益	(11)	1,772	–
		50,569	**(39,512)**
期內綜合收益總額年內收益／(虧損)		**292,265**	**113,706**
下列人士應佔：			
– 本公司權益擁有人		287,901	113,322
– 非控股權益	(12)	4,364	384
期內綜合收益總額年內收益／(虧損)		**292,265**	**113,706**

上表內的項目披露時已扣除稅項。有關其他綜合收益各部分的所得稅披露於附註29.5。

匯兌差額主要源於以美元標示的附屬公司。

* *有關錯誤導致重列的詳情，請參閱附註2.2。*

隨附附註為此等合併財務報表的組成部分。

合併資產負債表

資產 *千歐元*	*附註*	*二零二二年 三月三十一日*	*二零二一年 三月三十一日 經重列**
物業、廠房及設備	(7)	128,724	130,347
使用權資產	(8)	264,934	301,271
商譽	(9)	990,489	754,843
無形資產	(10)	487,355	315,949
遞延所得稅資產	(29.2)	94,005	65,854
使用權益法入賬的投資	(11)	67,239	62,175
其他非流動資產	(13)	67,778	50,816
非流動資產		**2,100,524**	**1,681,255**
存貨	(14)	263,162	198,860
應收貿易賬款	(15)	199,623	135,338
其他流動資產	(16)	82,935	52,798
衍生金融工具	(17)	1,931	72
現金及現金等價物	(18)	360,899	421,216
流動資產		**908,550**	**808,284**
總資產		**3,009,074**	**2,489,539**

合併資產負債表

權益及負債 *千歐元*	*附註*	*二零二二年 三月三十一日*	*二零二一年 三月三十一日 經重列**
股本	(19)	44,309	44,309
額外實繳股本	(19)	342,851	342,851
其他儲備		(215,013)	(107,642)
保留盈利		1,097,881	913,320
本公司權益擁有人應佔股本及儲備		**1,270,028**	**1,192,838**
非控股權益	(12)	44,578	78,699
總權益		**1,314,606**	**1,271,537**
借貸	(20)	381,319	19,622
租賃負債	(8)	180,510	216,189
其他財務負債	(6.3)	171,865	18,671
其他非流動負債	(21)	22,952	23,256
遞延所得稅負債	(29.2)	96,196	52,786
非流動負債		**852,842**	**330,524**
應付貿易賬款	(22)	209,903	161,658
社交及稅項負債		104,807	93,539
流動所得稅負債	(29)	39,477	28,504
借貸	(20)	289,611	502,492
租賃負債	(8)	93,722	78,538
衍生金融工具	(17)	1,208	713
撥備	(23)	2,139	1,677
其他流動負債	(21)	100,759	20,357
流動負債		**841,626**	**887,478**
權益及負債總額		**3,009,074**	**2,489,539**

* *有關錯誤導致重列的詳情，請參閱附註2.2。*

隨附附註為此等合併財務報表的組成部分。

合併股東權益變動表

		本公司權益擁有人應佔											
					其他儲備								
千歐元 *(股份數目除外)*	*附註*	股份數目	股本	額外實繳股本	股份付款	其他項目	累計匯兌差額	庫存股份	精算收益／(虧損)	就與非控股權益的交易的實繳超額代價	期內溢利	非控股權益	總權益
二零二零年三月三十一日結餘經重列*		**1,476,964,891**	**44,309**	**342,851**	**28,299**	**(338)**	**(17,169)**	**(24,376)**	**46**	**(72,391)**	**793,304**	**76,855**	**1,171,390**
綜合收益		–	–	–	–	–	–	–	–	–	–	–	–
年內溢利		–	–	–	–	–	–	–	–	–	151,180	2,457	153,637
其他綜合收益													
匯兌差額		–	–	–	–	–	(34,773)	–	–	–	–	(2,073)	(36,846)
匯兌差額重新分類													
與不再將L'Occ. Inc.綜合入賬相關者		–	–	–	–	–	(3,029)	–	–	–	–	–	(3,029)
界定福利責任的精算虧損		–	–	–	–	–	–	–	233	–	–	–	233
按公平值列入其他綜合收益的資產													
公平值變動		–	–	–	–	(652)	–	–	–	–	–	–	(652)
現金流量對沖公平值(虧損)(除稅)		–	–	–	–	363	–	–	–	–	–	–	363
年內綜合收益總額		***–***	***–***	***–***	***–***	***(289)***	***(37,802)***	***–***	***233***	***–***	***151,180***	***384***	***113,706***
與擁有人進行的交易													
已付股息		–	–	–	–	–	–	–	–	–	(32,618)	–	(32,618)
母公司出資		–	–	–	–	3,177	–	–	–	–	–	–	3,177
分派4,945,400份股票期權		–	–	–	(7,995)	8,222	–	7,995	–	–	–	–	8,222
僱員購股權：僱員服務的價值		–	–	–	7,478	–	–	–	–	–	–	500	7,978
本公司擁有人所作分派總額及所獲分派		***–***	***–***	***–***	***2,660***	***8,222***	***–***	***7,995***	***–***	***–***	***(32,618)***	***500***	***(13,241)***
列為負債的非控股權益		–	–	–	–	–	–	–	–	1,253	319	(319)	1,253
於資本增加Elemis的非控股權益		–	–	–	–	–	–	–	–	–	–	–	–
與LimeLife非控股權益進行的交易		–	–	–	–	–	–	–	–	–	(84)	84	–
與非控股權益進行的交易		–	–	–	–	–	–	–	–	–	(1,179)	1,179	–
不再將L'Occitane Inc.綜合入賬		–	–	–	–	–	–	–	–	–	–	(1,374)	(1,374)
與南非非控股權益進行的交易		–	–	–	–	–	–	–	–	(1,590)	–	1,390	(200)
與擁有人進行的交易總額		***–***	***–***	***–***	***–***	***–***	***–***	***–***	***–***	***(337)***	***(944)***	***960***	***(321)***
二零二一年三月三十一日結餘經重列*		**1,476,964,891**	**44,309**	**342,851**	**30,959**	**7,595**	**(54,971)**	**(16,381)**	**279**	**(72,728)**	**910,922**	**78,699**	**1,271,537**

合併股東權益變動表

		本公司權益擁有人應佔											
					其他儲備								
千歐元 *(股份數目除外)*	*附註*	股份數目	股本	額外實繳股本	股份付款	其他項目	累計匯兌差額	庫存股份	精算收益／(虧損)	就與非控股權益的交易的實繳超額代價	期內溢利	非控股權益	總權益
二零二一年三月三十一日結餘經重列*		**1,476,964,891**	**44,309**	**342,851**	**30,959**	**7,595**	**(54,971)**	**(16,381)**	**279**	**(72,728)**	**910,922**	**78,699**	**1,271,537**
綜合收益													
年內溢利		–	–	–	–	–	–	–	–	–	242,034	(125)	241,909
其他綜合收益													
匯兌差額		–	–	–	–	–	46,024	–	–	–	–	4,490	50,514
界定福利責任的精算虧損		–	–	–	–	–	–	–	1,834	–	–	–	1,834
按公平值列入其他綜合收益的資產公平值變動		–	–	–	–	(2,047)	–	–	–	–	–	–	(2,047)
現金流量對沖公平值(虧損)(除稅)		–	–	–	–	56	–	–	–	–	–	–	56
綜合收益總額		**–**	**–**	**–**	**–**	***(1,991)***	***46,024***	**–**	***1,834***	**–**	***242,034***	***4,365***	***292,266***
與擁有人進行的交易													
已付股息		–	–	–	–	–	–	–	–	–	(54,141)	–	(54,141)
母公司出資		–	–	–	–	6,798	–	–	–	–	–	–	6,798
分派7,878,150份股票期權		–	–	–	(14,896)	9,513	–	14,896	–	–	–	–	9,513
購買庫存股份		–	–	–	–	–	–	(13,991)	–	–	–	–	(13,991)
僱員購股權：僱員服務的價值		–	–	–	1,384	–	–	–	–	–	–	444	1,828
本公司擁有人所作分派總額及所獲分派		**–**	**–**	**–**	***(6,714)***	***9,513***	**–**	***905***	**–**	**–**	***(54,141)***	***444***	***(49,993)***
收購Sol de Janeiro		–	–	–	–	–	–	–	–	–	–	26,539	26,539
列為負債的非控股權益		–	–	–	–	–	–	–	–	(78)	(934)	1,012	–
授予非控股權益的認沽期權行使價估值估計變動	(6.3)	–	–	–	–	–	–	–	–	3,064	–	–	3,064
授予非控股權益的新認沽期權	(6.3)	–	–	–	–	–	–	–	–	(154,534)	–	–	(154,534)
收購Elemis的非控股權益	(6.1.5)	–	–	–	–	–	–	–	–	(7,701)	–	(68,878)	(76,579)
Symbiose France的新非控股權益	(6.1.6)	–	–	–	–	–	–	–	–	853	–	147	1,000
於L'Occitane Nordic權益之百分比增加		–	–	–	–	–	–	–	–	(944)	–	944	–
重新將L'Occitane Inc.綜合入賬	(6.2.1)	–	–	–	–	–	–	–	–	–	–	1,310	1,310
與擁有人進行的交易總額		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	***(159,340)***	***(934)***	***(38,926)***	***(199,200)***
二零二二年三月三十一日結餘		**1,476,964,891**	**44,309**	**342,851**	**24,245**	**15,117**	**(8,948)**	**(15,476)**	**2,113**	**(232,068)**	**1,097,881**	**44,582**	**1,314,606**

* *有關錯誤導致重列的詳情，請參閱附註2.2。*

隨附附註為此等合併財務報表的組成部分。

合併現金流量表

截至三月三十一日止年度		二零二二年	二零二一年
千歐元	*附註*		*經重列**
經營活動產生的現金流量			
年內來自持續經營業務的溢利		241,909	153,637
年內溢利與來自經營活動的淨現金對賬的調整			
折舊、攤銷及減值	(24.3)	177,863	190,701
稅項開支	(29.1)	53,975	41,899
股份付款	(19)	8,626	11,155
租賃負債的折現回撥	(8.2)	8,857	11,533
利息(收入)／開支	(27)	5,665	6,806
衍生工具的公平值變動	(17), (28)	(1,308)	1,401
出售資產的其他虧損／(收益)淨額	(31.1)	445	1,240
撥備變動淨額	(31.2)	2,620	2,878
分佔以權益法入賬的聯營公司及合營企業(溢利)／虧損	(11)	13,640	7,535
於聯營公司及合營企業權益百分比變動產生之其他經營(收入)／開支	(11)	(20,117)	–
不再將L'Occitane Inc.綜合入賬	(6.1)	–	(2,719)
重新將L'Occitane Inc.綜合入賬	(6.1)	(12,873)	–
非現金項目總額		**237,393**	**272,429**
已付利息	(27)	(3,941)	(4,865)
已付所得稅	(29.1)	(50,523)	(28,006)
營運資金變動			
存貨		(20,954)	(10,780)
應收貿易賬款		(47,451)	(8,403)
應付貿易賬款		(19,120)	35,148
薪金、工資、相關薪金項目及其他稅項負債		4,718	25,953
其他資產及負債淨額		(16,008)	(5,602)
營運資金變動		**(98,815)**	**36,316**
經營活動產生的現金流入／(流出)淨額		**326,023**	**429,511**
投資活動產生的現金流量			
收購附屬公司及業務(已扣除所購入現金)	(6.1), (6.2)	(322,356)	173
投資於聯營公司	(11)	(8,659)	(39,605)
收購物業、廠房及設備	(7)	(31,726)	(22,582)
收購無形資產	(10)	(8,796)	(10,353)
收購財務資產		(17,660)	(4,346)
出售無形資產及物業、廠房及設備所得款項	(31.1)	1,227	2,122
重新／(不再)將L'Occitane Inc.綜合入賬	(6.1)	20,874	(7,743)
付予出租人的按金及頂手費變動		995	2,975
非流動應收款項及負債變動		302	936
投資活動產生的現金流入／(流出)淨額		**(365,799)**	**(78,423)**

合併現金流量表

截至三月三十一日止年度 *千歐元*	*附註*	*二零二二年*	*二零二一年* *經重列**
融資活動產生的現金流量			
非控股權益所得款項		1,000	1,997
已付本公司權益擁有人的股息	(19.5)	(54,141)	(32,618)
出售庫存股份所得款項	(16.2)	9,513	–
分派無償股份及股票期權所得款項	(19.2)	(13,991)	8,222
租賃付款主要部分		(108,536)	(121,843)
借貸所得款項	(20.4)	656,315	229,749
償還借貸	(20.4)	(507,499)	(182,684)
融資活動產生的現金流入／(流出)淨額		**(17,339)**	**(97,177)**
現金、現金等價物及銀行透支匯兌收益／(虧損)	(31.4)	(3,202)	963
現金、現金等價物及銀行透支(減少)／增加淨額		**(60,317)**	**254,874**
年初的現金、現金等價物及銀行透支		**421,216**	**166,342**
現金及現金等價物		*421,216*	*166,342*
年終的現金、現金等價物及銀行透支		**360,899**	**421,216**
現金及現金等價物		*360,899*	*421,216*

* *有關錯誤導致重列的詳情，請參閱附註2.2。*

隨附附註為此等合併財務報表的組成部分。

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合併財務報表附註

1. 本集團

1.1. 一般資料

L'Occitane International S.A(.「本公司」)及其合併附屬公司(統稱「本集團」)以「L'Occitane en Provence」及「Melvita」商標設計、製造及營銷一系列含有天然或有機成份的化妝品、香水、香皂及居室香氛產品。

本集團亦以「LimeLife」、「ELEMIS」、「Sol de Janeiro」、「Erborian」及「L'Occitane au Brésil」商標設計及營銷其他系列的居室香氛產品、化妝品、香水、香皂及天然產品。

L'Occitane International S.A.為根據盧森堡法律組織及存續的股份有限公司及於盧森堡大公國盧森堡商業登記處註冊，號碼為B–80359。本公司的地址為49, Boulevard Prince Henri, L–1724 Luxembourg。

本集團於香港聯合交易所有限公司主板上市。

該等合併財務報表已於二零二二年六月二十七日獲董事會批准發佈。

1.2. 年內主要事件

流動資金風險

截至二零二二年三月三十一日止年度，本集團繼續償還其借貸：

- 於二零二一年七月，二零一九財年定期貸款已償還275,000,000歐元，
- 於二零二一年六月，二零二一財年PGE銀行貸款已償還50,200,000歐元。

本集團獲得流動資金的途徑亦得以保留，並簽署新融資(二零二二財年定期貸款及二零二二財年雙邊現金池融資)。於二零二二年三月三十一日，流動資金儲備總額(現金及現金等價物扣除銀行透支及未提取借款)融資為629,000,000歐元。

本集團亦編製二零二二年四月至二零二三年三月期間的現金預測，並無流動資金風險。

截至二零二二年三月三十一日止年度的其他重大事項

Sol de Janeiro

於二零二一年十二月二十三日，本集團基於估值450,000,000美元收購Sol de Janeiro的82.86%，主要以本集團手頭現300,000,000歐元撥付。

Sol de Janeiro於二零一五年在美國成立，是一個以成果為導向的優質身體護理品牌，其高效成分從巴西可持續採購，為北美增長最快的優質護膚品牌之一，在身體護理、香氛及護髮產品跨產品類別方面取得不錯的成績。其通過其網站和多家優質零售商直接向消費者銷售產品。

此次收購符合本集團打造領先優質美容品牌組合的策略。Sol de Janeiro在品牌認知度和身份、產品質量、管理能力以及增長、盈利能力和現金產生前景方面對本集團而言是戰略上的契合。Sol de Janeiro在美國的數碼業務及悠久的身體護理業務與本集團的平衡地理戰略相輔相成，以在所有主要地區建立強大的品牌組合。同時，預計Sol de Janeiro將利用本集團的國際影響力拓展新市場。

暫定商譽的計算見於附註6.1.1。

1. 本集團*(續)*

1.2. 年內主要事件*(續)*

截至二零二二年三月三十一日止年度的其他重大事項(續)

收購**Elemis**的少數股權

於二零二二年三月二十八日，本集團以購買價76,600,000歐元從Chasselas Equity S.A購回926股Elemis股份(相當於LOI Elemis Sarl已發行股本總額的7.72%)。該等股份於二零一九年三月六日出售予Chasselas Equity S.A。權益百分比由90.9%增至98.62%(附註37)。

就**L'Occitane Inc.**申請第**11**章破產保護令的程序

於二零二一財年，為推動可持續增長及盈利能力，本集團專注於解決虧損及提高投資的效益。由於L'Occitane於美國的附屬公司面臨困難，本集團於二零二一年一月二十六日宣佈，其正在加快重組其美國店舖組合，使本集團日後能夠為美國業務做好最佳準備，因此本集團申請第11章破產保護令的程序，以加快及促進與出租人的磋商。於二零二一財年合併收益表，不再將L'Occitane Inc.綜合入賬的收益淨額列於「其他經營收入(附註25)」內的「重新／不再將L'Occitane Inc.綜合入賬」一項如下：

千歐元

按賬面值終止確認L'Occitane, Inc.的資產及負債	2,727
按公平值確認於L'Occitane, Inc.保留的投資	–
將先前於其他綜合收益表確認的金額重新分類至收益表(匯兌差額)	3,029
不再將L'Occitane, Inc.綜合入賬所得收益淨額	**5,756**

自二零二一年八月三十一日起，申請第11章破產保護令的程序已告完結，本集團重奪L'Occitane, Inc.的獨家控制權並將該實體重新綜合入賬(附註6.1)。

於二零二一年八月三十一日，L'Occitane Inc.重新綜合入賬的影響導致淨收益12,800,000歐元，相當於L'Occitane, Inc.的公平值(附註6.1)與該聯營公司投資的賬面值(附註11)之間的差額。

於二零二一年四月一日至二零二二年三月三十一日，L'Occitane Inc.對銷售淨額的貢獻為89,800,000歐元，淨業績則為虧損2,500,000歐元。

投資於**Livelihoods Carbon fund**

於二零二二財年，本集團承諾於Livelihoods Carbon fund Sicav投資總額5,000,000歐元。Livelihoods於二零零八年在Danone的領導下成立，旨在恢復退化的生態系統、重建當地經濟和應對氣候變化。作為回報，預計在二零三零年前以實物股息的形式獲得碳補償。該承擔在承擔中披露(附註33)。此項投資符合本集團在二零三零年實現整個集團中和的環境、社會及管治策略。

合併財務報表附註

1. 本集團*(續)*

1.2. 年內主要事件*(續)*

截至二零二二年三月三十一日止年度的其他重大事項(續)

俄羅斯和烏克蘭的危機

於二零二二年五月十九日，L'Occitane決定退出其附屬公司L'Occitane Russia。該附屬公司佔截至二零二二年三月三十一日合併銷售淨額3.5%及本集團於二零二二年三月三十日總資產的2.1%。於二零二二年六月三日，本集團與該附屬公司的四名主要董事簽立股份購買協議。四名主要董事各自將持有先前由本集團持有股份總額之23%至31%。

股份付款將於二零二五年六月至二零二八年六月期間分四期支付。股份付款以二零二二年六月三日簽署的質押協議作擔保。

本集團於二零二五年、二零二六年、二零二七年、二零二八年及二零二九年四月一日可行使認購期權。行使價以公平值為基礎。

基於該等協議，本集團將失去對該俄羅斯實體的獨家控制權且並無任何重大影響力。

因此，截至二零二二年三月三十一日，與該俄羅斯附屬公司相關的資產估值測試是針對與銷售相關的應收款項現值進行。該價值取決於新實體產生現金流量的能力。根據管理層的判斷，並無跡象表明本集團無法收回該應收款項。在此基礎上，管理層總結認為截至二零二二年三月三十一日L'Occitane Russia資產賬目33,000,000歐元並無減值入賬。管理層所使用主要假設的合理變動不會導致所測試資產的任何重大減值。

於二零二二年六月三日失去獨家控制權之日，股份應收款項現值(相當於從股份收購方收取之遞延付款)將約為48,000,000歐元。應收款項現值將按12.5%貼現率計算，並計及新實體未來產生足夠現金流量的風險。

該金額大致相當於L'Occitane Russia於該日的資產淨值(包括先前就L'Occitane Russia於其他綜合收益入賬的貨幣換算差額及抵銷公司間利潤率的影響)。因此，預期不會出現重大資本收益或虧損。

1. 本集團*(續)*

1.3. 考慮氣候風險

本集團目前對氣候變化後果的風險有限。因此，現階段氣候變化對合併財務報表的影響並不顯著。

本集團承諾到二零三零年成為淨零碳排放公司，為世界碳中和做出貢獻。第一個里程碑將是到二零二五年我們兩個法國生產基地實現淨零排放。該等品牌亦在制定自身碳中和目標。與此同時，本集團簽署首筆600,000,000歐元循環信貸的可持續發展掛鈎貸款，到期日為二零二六年三月三十一日，其融資條款以可持續發展指標為索引：

- 保護和再生自然
- 培養生物多樣性
- 緩解氣候危機並支持本集團參與的社區。

經營業績可能會受到原材料價格、生產、輸配電成本以及產品年期結束時的相關成本的影響。

該等變化的長期影響在現階段無法量化，管理層認為並無短期影響。

2. 主要會計政策概要

編製該等合併財務報表所採納的主要會計政策載於下文。除另有註明外，該等政策於所有所示年度貫徹採用。

2.1. 編製基準及會計準則的變動

本集團及個別公司的合併財務報表乃按照國際會計準則理事會頒佈並為歐洲聯盟所採納的國際財務報告準則編製。就本集團進行的業務而言，有關準則相若。國際財務報告準則可在歐洲聯盟委員會網站查閱。

合併財務報表根據歷史成本法編製，惟若干以公平值列值的財務資產及財務負債(包括衍生金融工具)已重估列值。

根據國際財務報告準則編製的財務報表需要採納若干重要會計估計，亦需要管理層在應用本集團的會計政策時作出判斷。儘管該等估計乃根據管理層對現行事件及行動的最佳了解而作出，惟最終實際結果可能有別於該等估計。涉及較高程度判斷或較為複雜的範疇於合併財務報表附註4披露。

合併財務報表附註

2. 主要會計政策概要*(續)*

2.1. 編製基準及會計準則的變動*(續)*

(a) 新訂及經修訂準則

本集團已採用下列於二零二一年四月一日開始的財政期間對本集團首次生效的新訂及經修訂準則：

國際財務報告準則第**16**號 — 租賃 — **COVID-19**相關租金優惠的修訂

本集團已選擇提早採納國際會計準則理事會於二零二零年五月二十八日初次採納及歐盟於二零二零年十月十二日採納的國際財務報告準則第16號 — 租賃的修訂。該修訂延長一年，並允許承租人將有關COVID-19相關租金優惠的實際權宜方法應用於租金優惠，其中租賃付款的任何減少僅影響原於二零二二年六月三十日或之前到期的付款(而非僅影響原於二零二一年六月三十日或之前到期的付款)。

本修訂旨在簡化國際財務報告準則第16號的若干條文，允許承租人將原定於二零二一年末到期的租金因衛生危機而獲授的優惠確認為負浮動租賃付款(即直接在收益表確認)，而毋須評估優惠是否根據監管履行所述租賃的合約或法律條款而授出。對合併財務報表的影響於附註24描述。

其他新訂及經修訂準則

其他數項修訂於二零二一年一月一日或之後開始的年度報告期間生效，但對合併財務報表並無重大影響：

- 利率基準改革 — 國際財務報告準則第9號、國際會計準則第39號、國際財務報告準則第7號、國際財務報告準則第4號及國際財務報告準則第16號的修訂。該等修訂處理基準利率改革過程中出現的問題，包括以另一種基準利率取代一種基準利率。
- 僱員福利 — 國際會計準則第19號的修訂。該修訂處理服務期間的個人福利分配，提供釐定服務交付費用時應考慮的分配細節。對本集團的影響並不重大。

(b) 已頒佈但本集團尚未應用的準則的影響

概無其他尚未生效的準則，預期於目前或未來報告期間對本集團及對可預見未來交易產生重大影響。

(c) 合併收益表呈列變動

在先前的合併財務報表中，本集團在合併收益表的單獨項目中呈列若干部分，例如不再及重新將L'Occitane Inc.綜合入賬、重組費用以及以淨額呈列其他收益虧損。後者「其他收益虧損」包括以下並不重大的項目：出售資產之溢利／(虧損)、政府撥款、負商譽及其他項目。

本集團已決定更改收益表的呈列方式，以簡化合併收益表的呈列，幫助投資者及其他財務報表使用者更能了解財務表現。因此，若干非核心經營收入及開支在合併收益表的兩個單獨項目中分組。

附註2.28及25表明計入其他經營收入及其他經營開支的項目性質。

2. 主要會計政策概要(續)

2.2. 聯營公司會計錯誤更正

二零一五年，本集團投資非上市公司Good Glamm Group，該公司主要在印度從事化妝品分銷業務。於二零一六年三月三十一日，初始投資金額為1,880,000歐元，權益百分比為11.06%。

自二零一五年起，Good Glamm Group的增資認購總額為17,900,000歐元。權益百分比由二零一六年三月三十一日的11.06%增至二零二零年三月三十一日的33.84%，其後降至二零二一年三月三十一日的23.34%，再降至二零二二年三月三十一日的15.53%。

自截至二零一六年三月三十一日止財政年度起，該投資按公平值計入其他綜合收益在合併資產負債表入賬(根據國際財務報告準則第9號)，考慮到基於其他投資者認購的股份價值以及這家新成立的公司業務模式的不確定性，公平值調整並不重大，因此並無入賬公平值調整。

編製合併財務報表時，管理層已根據本集團在Good Glamm Group董事會中的代表性重新評估其投資的會計處理。由於L'Occitane有權委任一名董事加入Good Glamm Group的董事會，因此認為L'Occitane有權參與Good Glamm Group的財務及經營政策決定。根據國際會計準則第28.6條，本集團認為其對Good Glamm Group具有重大影響。

這一錯誤的後果是將合併資產負債表中的投資從「其他非流動資產」重新分類為「使用權益法入賬的投資」。本集團應佔聯營公司的相關溢利已於合併收益表內「使用權益法入賬的分佔聯營公司及合營企業溢利／(虧損)」入賬。

根據國際會計準則第8號，該更改為追溯應用，本集團通過重述過往期間每個受影響的合併財務報表項目(包括對上一個比較期初(二零二零年四月一)合併資產負債表的影響的呈列)更正此錯誤。

該錯誤已通過重述過往期間每個受影響的財務報表項目如下進行更正：

合併資產負債表(摘錄)

千歐元	截至二零二一年三月三十一日止財政年度			截至二零二零年三月三十一日止財政年度		
	二零二一年三月三十一日(已刊發)	增加／(減少)	二零二一年三月三十一日(經重列)	二零二零年四月一日(已刊發)	增加／(減少)	二零二零年四月一日(經重列)
使用權益法入賬的投資	53,636	8,539	62,175	0,000	10,535	10,535
其他非流動資產	66,696	(15,880)	50,816	65,331	(14,480)	50,851
保留盈利	**920,661**	**(7,341)**	**913,320**	**798,238**	**(3,945)**	**794,293**

合併財務報表附註

2. 主要會計政策概要(續)

2.2. 聯營公司會計錯誤更正(續)

合併收益表(摘錄)

千歐元	截至二零二一年三月三十一日止財政年度			截至二零二零年三月三十一日止財政年度		
	二零二一年三月三十一日(已刊發)	溢利增加/(減少)	二零二一年三月三十一日(經重列)	二零二零年四月一日(已刊發)	溢利增加/(減少)	二零二零年四月一日(經重列)
使用權益法入賬的分佔聯營公司及合營企業溢利/(虧損)	(4,136)	(3,399)	(7,535)	–	(2,740)	(2,740)
經營溢利	220,325	(3,399)	216,836	187,263	(2,740)	184,523
年內溢利	**157,036**	**(3,399)**	**153,637**	**115,240**	**(2,740)**	**112,500**

對其他綜合收益並無重大影響。

2.3. 合併原則

合併範圍內的所有公司賬目均以三月三十一日為結算日。

(a) 附屬公司

附屬公司為本集團對其進行控制的所有實體(包括架構實體)。本集團承受或享有參與實體所得的可變回報,且有能力透過其對實體的權力影響該等回報時,則本集團控制該實體。

本集團業務合併乃按會計收購法入賬。收購一家附屬公司的轉讓代價為轉移的資產、被收購者的前擁有人產生的負債及本集團發行的股本權益的公平值。轉讓代價包括於收購當日任何或然代價安排產生的資產或負債的公平值。收購相關的成本在產生時列為支出。在業務合併過程中所收購的可識別資產、所承擔的負債及或然負債,首先以其於收購當日的公平值計量。

如業務合併分階段進行,收購方之前在被收購人持有的權益的賬面值透過收益表按收購日期的公平值計量。

商譽初步計量為轉讓對價與非控制性權益的價值總額,超過所購入可辨認資產和承擔負債淨值的差額。就個別收購基準,本集團可按公平值或按非控制性權益應佔被購買方可識別淨資產的已確認款項的比例,計量被收購方的非控制性權益。倘對價低過所購買附屬公司淨資產的公平值,該差額在收益表中確認。

2. 主要會計政策概要*(續)*

2.3. 合併原則*(續)*

(b) ***獨立財務報表***

就附註35呈列的本公司獨立資產負債表而言，附屬公司投資按成本扣除減值列賬。成本經調整以反映或有代價修改所產生的代價變動。成本亦包括投資的直接應佔成本。附屬公司業績由本公司按股息及應收款項基準列賬。

每年根據每項投資的使用價值進行減值測試。使用價值按L'Occitane International S.A.層面管理層批准預算之預測現金流量估計，以二零二二年三月三十一日加權平均資本成本折現。使用價值與股份的賬面淨值進行比較。如使用價值低於賬面淨值，則差額計提折舊。

(c) ***與非控股權益進行的交易***

本集團與非控股權益進行的交易視作為與本集團權益擁有人的交易處理。對於向非控股權益採購，所支付的任何代價與所收購附屬公司的淨資產賬面值的相關部分的差額於權益中入賬。對於向非控股權益進行的出售所產生的盈虧亦於權益入賬。

認沽期權安排

本集團已就其部分附屬公司的股權發出認沽期權，允許持有人在指定日期按其公平值將其在附屬公司的股份返還予本集團。

非控股權益的認沽期權的會計方法如下：

- 與本集團發出的非控股權益的認沽期權獲潛在行使有關的現金付款現值，入賬記作「其他財務負債」；
- 初始金額與「股權 — 交易代價超出非控股權益的部分」的相應直接扣賬一同按贖回金額現值確認於「其他財務負債」。財務負債估值的估計變動亦與「股權 — 交易代價超出非控股權益的部分」的相應記賬一同記錄；
- 倘期權屆滿時未獲行使，負債將與「股權 — 交易代價超出非控股權益的部分」的相應記賬一同終止確認。

當認沽期權入賬列作業務合併及當取得對附屬公司的控制權時，就股份已確認的非控股權益毋須受認沽期權限制。

有關期權其後按攤銷成本使用實際利率法計量，以將負債增至有關購股權於首次可行使日期的應付款項。產生的費用記作融資成本。

合併財務報表附註

2. 主要會計政策概要*(續)*

2.3. 合併原則*(續)*

(d) 聯營公司及合營安排

聯營公司

聯營公司指本集團對其有重大影響力而無控制權或共同控制權的所有實體。

一般情況下，本集團持有20%至50%的投票權。

合營安排

合營安排是指一項由兩個或兩個以上的參與方共同控制權的安排。合營安排分為合營業務和合營公司。分類視乎各投資者的合約權利及責任而定，而非合營安排的法律架構。本集團擁有合營公司，並無合營業務。

於聯營公司或合營公司的權益於合併資產負債表初步按成本確認後採用權益法入賬。

權益法

根據權益法，投資初步按成本確認，其後進行調整以於損益確認本集團應佔被投資方收購後溢利或虧損並於其他綜合收益確認本集團應佔被投資方其他綜合收益的變動。

已收或應收聯營公司及合營公司的股息確認為投資賬面值扣減。

倘本集團應佔權益入賬投資的虧損等於或超過其於該實體的權益(包括任何其他無抵押長期應收款項)，則本集團不會確認進一步虧損，除非其已代表另一實體承擔責任或作出付款。

本集團與其聯營公司及合營公司之間交易的未變現收益按本集團於該等實體的權益予以對銷。本集團與聯營／合營公司之間的上下游交易抵銷如下：

- 下游及上游交易(本集團向聯營公司及合營公司銷售)：對銷未變現收益入賬為於合營公司的投資減少及「使用權益法入賬的分佔聯營公司及合營公司溢利／虧損」減少；
- 上游交易(聯營公司及合營公司向本集團作出的銷售)：未變現收益的對銷記錄為於合營公司的投資減少及「使用權益法入賬的分佔聯營公司及合營公司溢利／虧損」減少。

除非交易提供證據顯示所轉讓資產出現減值，否則未變現虧損亦予以對銷。

權益入賬被投資方的會計政策已按需要作出變動，以確保與本集團所採納的政策一致。

權益入賬投資的賬面值於發生事件或情況變動顯示賬面值可能無法收回時進行測試。當資產賬面值超逾其可收回金額，則超出的數額將確認為減值虧損。可收回金額為資產公平值減出售成本與使用價值兩者之較高者。

2. 主要會計政策概要(續)

2.3. 合併原則(續)

(e) 擁有權權益變動

本集團將不會導致失去控制權的非控股權益交易視作與本集團權益擁有人進行的交易。擁有權權益變動導致控股權益與非控股權益賬面值之間的調整，以反映其於附屬公司的相關權益。非控股權益調整數額與任何已付或已收代價之間的任何差額於本集團擁有人應佔權益中的獨立儲備內確認。

當本集團因失去控制權、共同控制權或重大影響力而終止確認或按權益入賬一項投資時，於實體的任何保留權益重新按公平值計量，而賬面值變動於損益確認。就其後入賬列作聯營公司、合營公司或財務資產的保留權益而言，該公平值為初始賬面值。此外，先前於其他綜合收益確認與該實體有關的任何金額按猶如本集團已直接出售相關資產或負債的方式入賬。這可能意味著之前在其他綜合收益中確認的數額重新分類至損益，只有可回收的數額。

倘於合營公司或聯營公司的擁有權權益減少但保留共同控制權或重大影響力，則先前於其他綜合收益確認的金額僅有一定比例份額重新分類至損益(如適用)。

2.4. 外幣換算

(a) 功能貨幣及呈列貨幣

本集團各實體的合併財務報表所載項目以該實體經營所在的主要經濟環境的貨幣(「功能貨幣」)計量。合併財務報表以歐元呈列。

(b) 交易及結餘

外幣交易採用交易日的匯率換算為功能貨幣或項目的估值獲重新計量。該等日期的匯率為每種貨幣每日單一概約匯率(有關匯率並非有關交易日期當日通行匯率累積影響的合理約數則除外)。結算此等交易產生的匯兌盈虧以及將外幣計值的貨幣資產和負債以年終匯率換算產生的匯兌盈虧在收益表項下「匯兌收益／(虧損)」中確認，惟於其他綜合收益遞延作合資格現金流量對沖及合資格淨額投資對沖除外。

非貨幣財務資產及負債的換算差額，例如按公平值列入損益的股權，均於收益表確認為公平值收益或虧損的一部分。至於非貨幣財務資產的換算差額，例如分類為按公平值列入其他綜合收益的股權等，均於其他綜合收益中確認。

合併財務報表附註

2. 主要會計政策概要*(續)*

2.4. 外幣換算*(續)*

(c) 集團公司

本集團的實體概無擁有嚴重通貨膨脹經濟的功能貨幣。

功能貨幣有別於呈列貨幣的所有本集團實體的業績及財務狀況，均按以下方式換算為呈列貨幣：

i. 於各資產負債表呈列的資產及負債乃按有關結算日的收市匯率換算；

ii. 各收益表的收支乃按估計每月平均匯率換算(除非該平均匯率並非在有關交易日期當日通行匯率累積影響的合理估計內，在該情況下，收支於有關交易日期當日換算)；及

iii. 所有因而產生的匯兌差額於其他綜合收益確認。

於合併賬目時，換算海外業務的淨投資額(包括呈報實體於海外實體的淨投資中的貨幣項目)、借貸及其他用作對沖有關投資的貨幣工具所產生的匯兌差額均計入股東權益項下的「累計匯兌差額」。當出售海外業務時，入賬於收益表內確認的權益的匯兌差額確認為出售收益或虧損的一部分。

收購海外實體所產生的商譽及公平值調整均視為海外實體的資產及負債，並按收市匯率換算。

2.5. 分部報告

經營分部的報告方式與向主要營運決策者提供的內部報告的方式一致。主要營運決策者獲認定為作出策略決定的主席、行政總裁以及常務董事，彼等負責分配資源及評估經營分部業績。

由於ELEMIS及LimeLife的近期業務合併，本集團已修改其內部組織架構。主席、行政總裁及常務董事現時主要審閱本集團的內部報告以從品牌角度評估業績及分配資源。已識別五個經營分部：

- **L'Occitane en Provence** — 銷售L'Occitane en Provence品牌下各類香氛、護膚品、護髮產品及沐浴產品。
- **ELEMIS** — 銷售ELEMIS護膚產品，其為於美容及護膚領域分銷及創新的品牌。銷售主要透過批發、電商、百貨商場、QVC、專業水療及海運等轉售渠道驅動。
- **LimeLife** — 銷售LimeLife的化妝品，其為一個美國天然護膚及個人化妝品牌。銷售乃透過美容指引及網絡宣傳等直銷渠道驅動。

2. 主要會計政策概要*(續)*

2.5. 分部報告*(續)*

- **Sol de Janeiro** — 銷售Sol de Jainero品牌下各類香氛、護膚品、護髮產品及身體護理產品。銷售主要透過客戶通過其網站(直銷)及多家優質零售商、市場及百貨店(轉售)驅動。
- **其他品牌** — 銷售Erborian、L'Occitane au Brésil及Melvita品牌的護膚品、化妝品、花水、美容油及其他產品。該等品牌具有大致相同的經濟特點、相似的產品類別、客戶類別、分銷渠道(轉售及直銷),及財務表現,且個別及匯總計算均未超出國際財務報告準則第8號界定的量化標準。

管理層使用收益及經營溢利/(虧損)計量來評估經營分部的表現(附註5)。其他資料(包括按分部劃分的資產及負債)並無定期提供予主要營運決策人。

2.6. 無形資產

(a) 商譽

收購附屬公司的商譽計入無形資產。商譽不予攤銷但每年或(倘有事件或情況變動顯示其可能已減值)更頻繁進行減值測試,並按成本減累計減值虧損列賬。就減值測試而言,業務合併所獲得的商譽會分配至預期將受益於合併協同效應的各現金產生單位或現金產生單位組別。商譽所分配的各現金產生單位或現金產生單位組別為實體內就內部管理目的而監察商譽的最低層次。商譽乃於品牌層次進行監察。

L'Occitane en Provence商標的商譽涉及過往收購獨家分銷商及按國家監察。

(b) 合約客戶關係及未完成合約

收購該等資產為業務合併的一部分。其於收購日期按公平值確認。於收購日期的公平值透過超額溢利法釐定(客戶關係或未完成合約價值根據扣減可分配至支持及輔助資產(如商標及營運資金淨額)的現金流部分後,自資產獲得的現金流現值計算)。合約客戶關係及未完成合約以直線法於預期客戶關係平均年期(一般介乎三至十年)內攤銷(ELEMIS的未完成合約)。

合併財務報表附註

2. 主要會計政策概要*(續)*

2.6. 無形資產*(續)*

(c) 商標

獨立收購的商標按歷史成本入賬。於業務合併中收購的商標按收購日期的公平值確認。按收購日期的公平值透過專利權費方法釐定(商標價值根據業務因擁有該資產而節省的專利權費流量現值計算)。確認為無形資產的所收購商標與Melvita、Erborian 、ELEMIS及Sol de Janeiro有關。該等資產的估值計入多項因素，包括品牌知名度及專利權費率。本集團擬繼續重續商標及銷售所收購商標的產品。有關商標預期可為本集團產生現金流入淨額的年期並無可預見期限。因此，商標視為擁有不確定使用年期及不會攤銷，但會每年進行減值測試。本集團每年進行檢討以釐定事件及狀況是否繼續支持其可使用年期評估。商業及營銷策略概無變動以致須修訂無限可使用商業年期。

為進行減值測試，商標會分配至對應品牌的現金產生單位(見附註2.5)。該分配對象為預期受惠於商標的現金產生單位或現金產生單位組別。

(d) 電腦軟件

所購買的電腦軟件使用權按購買及使該特定軟件可供運用所需產生成本撥充資本。該等成本以直線基準於估計可使用年期(不超過五年)內攤銷。

與生產及測試本集團控制的可識別及獨有軟件產品直接有關的成本，而其相當可能於超過一年期間產生超出成本的經濟利益，該成本確認為無形資產。直接應佔成本包括軟件開發員工成本及相關間接成本的適當部分。該等成本以直線基準於估計可使用年期內攤銷。本集團的主要企業資源規劃(ERP)工具SAP乃於10年內攤銷。

與維護電腦軟件程序有關的成本於產生時確認為開支。

(e) 商業網站

直接歸屬於設計及測試商業網站的開發成本乃確認為無形固定資產，並於其估計可使用年期(不超過三年)內攤銷。

2. 主要會計政策概要(續)

2.6. 無形資產(續)

(f) 研發成本

研究成本於產生時確認為開支。

與項目開發有關的開發費用於符合下列標準時確認為無形資產：

- 完成項目在技術上可行，並可供使用或出售；
- 管理層擬完成項目，及使用或出售項目；
- 能夠使用或出售項目；
- 能夠論證項目將如何產生可能的未來經濟利益；
- 具備足夠的技術、財務及其他資源完成開發及使用或出售項目；
- 在項目開發期間，其應佔的開支能可靠地計量。

鑒於開發項目的數量龐大及推出有關該等項目的產品的決策的不明朗性，本集團認為，不符合部分該等資本化標準，開發成本於產生時便被確認為開支。

2.7. 物業、廠房及設備

所有物業、廠房及設備乃按歷史成本減折舊及減值虧損後列賬。歷史成本包括收購該等項目直接產生的開支。

直接歸屬於收購、興建或生產合資格資產(指必須經一段長時間處理以作其預定用途的資產)的一般及特定借貸成本，加入該等資產的成本內，直至資產大致上備妥供其預定用途或銷售為止。

當後續成本很可能於未來為本集團帶來與該項目相關的經濟利益，而相關成本能可靠計量時，有關後續成本方會計入資產的賬面值或確認為一項獨立資產(如適用)。所有其他維修及保養成本在產生該等成本的財政期間於收益表中支銷。

土地不作折舊。其他有形資產的折舊以直線基準計算，將有關成本於其估計可使用年期內分配至其剩餘價值，有關估計可使用年期如下：

物業、廠房及設備	估計可使用年期
樓宇	20年
設備及機器	5至10年
資訊系統設備及收銀機	3年
租賃物業裝修	5至10年
與店舖有關的租賃物業裝修	5年
傢俬及辦公室設備	5年

於各結算日，本集團會對資產的餘值及可使用年期進行複檢，並視乎情況作出調整。

合併財務報表附註

2. 主要會計政策概要*(續)*

2.8. 租賃

本集團租賃多個辦公室、零售店舖、設備及車輛。租賃通常為2至15年不等(租賃期初步為24年的Champs-Elysées旗艦店除外),但可能具有延長選擇權,如下文所述。租賃按個別基準協商及包括各項不同的條款及條件。

租賃產生的資產及負債以現值為基準進行初始計量。租賃負債包括下列租賃付款的淨現值:

- 固定付款額(包括實質固定付款額),扣除應收的任何租賃激勵;
- 取決於指數或比率的可變租賃付款,初步使用開始日期的指數或利率計量;
- 本集團根據餘值擔保預計應付的金額;
- 購買選擇權的行使價,前提是承租人合理確定將行使該選擇權;及
- 終止租賃的罰款金額,前提是租賃期反映出承租人將行使該選擇權。

租賃付款按照租賃內隱含利率折現。如果無法確定該利率(本集團的租賃一般屬此類情況),則採用增量借款利率,即個別承租人為在類似經濟環境下獲得價值相近的使用權資產,以類似條款、擔保及條件借入資金而必須支付的利率。

本集團面臨取決於指數或比率的可變租賃付款日後可能增加的風險,而有關指數或比率在生效前不會計入租賃負債。當根據指數或比率對租賃付款作出的調整生效時,租賃負債根據使用權資產進行重新評估及調整。

租賃付款於本金及融資成本之間分配。融資成本於租期內自損益扣除,以計算出各期間負債餘額的固定週期利率。

使用權資產按照成本計量,其中成本包括以下項目:

- 租賃負債初始計量金額;
- 在開始日期或之前支付的任何租賃付款,扣除收到的任何租賃激勵;
- 任何初始直接成本;及
- 復原成本。

與設備及汽車短期租賃及所有低價值資產租賃相關的付款按照直線法在損益中確認為開支。短期租賃是指租賃期為十二個月或不足十二個月且不設購買選擇權的租賃。低價值資產包括資訊科技設備和小型辦公傢俬。

2. 主要會計政策概要(續)

2.8. 租賃(續)

可變租賃付款

部分房地產租賃包含與店舖產生的銷售額掛鈎的可變付款條款。對於個別店舖，基於可變付款條款的租賃付款額最高可達100%，而且所採用的銷售額比例範圍廣泛。使用可變付款條款的原因有多種，包括使新設店舖的固定成本基數最小化。取決於銷售額的可變租賃付款在觸發可變租賃付款的條件發生當期在損益中確認。

延長及終止選擇權

租賃期對應承租人有權使用相關資產的不可撤銷期間，連同：

- 可延長租賃的選擇權所涵蓋的期間，倘本集團合理確定行使該選擇權；及
- 可終止租賃的選擇權所涵蓋的期間，倘本集團合理確定不行使該選擇權。

租賃期估計：延長及終止選擇權

租賃期對應承租人有權使用相關資產的不可撤銷期間，連同：

- 可延長租賃的選擇權所涵蓋的期間，倘本集團合理確定行使該選擇權；及
- 可終止租賃的選擇權所涵蓋的期間，倘本集團合理確定不行使該選擇權。

本集團的多項房地產及設備租賃包含延長及終止選擇權。在確定租賃期時，管理層考慮產生行使延長選擇權(或者不行使終止選擇權)的經濟誘因的所有事實和情況。僅合理確定延長(或不會終止)租賃時，延長選擇權(或終止選擇權之後的期間)方可計入租賃期。本集團將相關資產劃分為兩大類：

- 其他店舖：租賃期對應簽署日期的初始租賃期，即未考慮任何延長選擇權，此乃由於本集團將於租賃期內把握機會搬遷其店舖的能力視作其店舖網絡管理政策的重要部分。因此，僅於本集團已行使延長期方會將延長或甚至終止租賃的選擇權列賬。若在法國所謂的「3–6–9」商業租賃的特定情形下，授予承租人於三年或六年後終止租賃的選擇權，則基於同樣理由，本集團不會考慮延長選擇權；
- 其他物業(辦公室、物流平台、廠房)：租賃期對應初始租賃期。

若干租賃包括自動續期條款或具有不確定條款。本集團無法可靠估計該等超出其嚴格合約期租賃的租賃期。因此，有關租賃入賬列作並無延長選擇權的租賃。若發生影響評估及在承租人控制範圍內的重大事件或重大情形變動，則檢討該評估。

誠如上文附註2.1.a)所述，本集團已選擇提早採納國際會計準則理事會於二零二零年五月二十八日及歐洲聯盟於二零二零年十月十二日採納的國際財務報告準則第16號 – 租賃的修訂。對合併財務報表的影響載於附註24。

合併財務報表附註

2. 主要會計政策概要(續)

2.9. 非財務資產減值

(a) 商譽及商標

商譽及商標分配至按經營分部劃分的本集團現金產生單位組別。

獲分配商譽及商標的現金產生單位每年或(倘有單位可能已減值的跡象)更頻繁進行減值測試。倘現金產生單位的可收回金額低於單位的賬面值,則確認減值虧損。為商譽確認的減值虧損不會於後續期間撥回。

(b) 其他無形資產(商譽及商標除外)、物業、廠房及設備及使用權資產

須予攤銷的無形資產、物業、廠房及設備及使用權資產於出現顯示賬面值可能無法收回的事件或情況變動時檢討有否減值。資產賬面值超出可收回款項的金額確認為減值虧損。可收回金額為一項資產的公平值減銷售成本與使用價值兩者的較高者。評估使用價值時,估計未來現金流量以可反映現行市場對金錢時間值的評估以及該資產獨有的風險(該資產的估計未來現金流量並無調整)的折現率折現至現值。在評估公平值時,會取得外部估值或若管理層使用的假設反映市場預計,則利用管理層的最佳估計。

為評估減值,資產按獨立可識別現金流入的最低水平(現金產生單位)分類:

- 就店舖(主要包括使用權資產、建築師/裝潢師費用、租賃物業裝修、傢俬)賬面值測試而言,現金產生單位為該店舖;
- 就可識別合理及一致分配基準的公司資產(與店舖及Champs Elysées旗艦店有關的資產除外)而言,公司資產乃分配至個別現金產生單位,或分配至可識別合理及一致分配基準的現金產生單位的最小組別(就總部及Champs Elysées旗艦店而言,則為國家或全球品牌)。

於上一年度須予減值的無形資產(商譽及商標除外)、物業、廠房及設備及使用權資產於各結算日檢討有關減值可否撥回(附註7、8及10)。倘減值虧損其後撥回,該資產(或現金產生單位)的賬面值增至其修訂的估計可收回金額,然而,賬面值之增加,不得超過假若該資產(或現金產生單位)在過往年度確認並無減值虧損所應釐定之賬面值。

2.10. 按金

按金以歷史價值入賬。減值於淨現值高於估計可收回金額時入賬。不予折現的影響並不重大。

2.11. 持作出售資產及與終止業務有直接關連的資產

非流動資產或出售資產分類為持作出售資產或與終止業務有直接關連的資產,倘有關賬面值乃主要透過銷售交易而非持續使用收回及銷售被視為極為可能,則資產以賬面值或公平值減銷售成本較低者入賬。

2. 主要會計政策概要*(續)*

2.12. 存貨

存貨按成本及可變現淨值兩者間的較低者列賬(可變現淨值乃日常業務的估計售價減適用的浮動銷售成本);成本主要根據加權平均法釐定。存貨成本包括原材料、直接勞工、機器折舊及間接生產費用(以正常產能計算)。存貨不包括借貸成本。

存貨亦包括(a)擬售予第三方的分銷及營銷宣傳貨品,及(b)基本與一般產品捆綁及銷售的迷你產品、包裝袋及包裝盒。

本集團定期檢討過量存貨、停產貨品、過時及可變現淨值跌至低於成本的手頭存貨數量,並將有關跌幅於存貨結餘中「銷售成本」內計提撥備。

2.13. 應收貿易賬款

應收貿易賬款為日常業務過程中出售商品及提供服務的應收客戶款項。倘有關款項預期於一年或少於一年內收回,則分類為流動資產。否則,此等賬款呈列為非流動資產。

應收貿易賬款初步以公平值入賬,其後利用實際利率法以攤銷成本(扣除減值撥備)計量。應收貿易賬款的虧損款額乃於收益表的「分銷開支」內確認。

2.14. 財務資產

根據國際財務報告準則第9號,本集團將其財務資產按以下計量類別分類:

- 攤銷成本;
- 按公平值列入其他綜合收益(「按公平值列入其他綜合收益」)– 債務工具;
- 按公平值列入其他綜合收益(「按公平值列入其他綜合收益」)– 股本工具;或
- 按公平值列入損益(「按公平值列入損益」)。

於初步確認時,本集團按其公平值加(就並非按公平值列入損益(按公平值列入損益)的財務資產而言)收購該財務資產直接相關的交易成本計量財務資產。按公平值列入損益的財務資產的交易成本於損益中支銷。

合併財務報表附註

2. 主要會計政策概要*(續)*

2.14.財務資產*(續)*

國際財務報告準則第9號對財務資產的分類一般取決於管理財務資產的業務模式及現金流量的合約條款。倘主合約為該準則範圍內之財務資產，則嵌入合約中之衍生工具不再分割。取而代之，混合式金融工具須整體評估分類。

財務資產類別	分類性質	計量
按攤銷成本		
應收貿易賬款	應收貿易賬款為日常業務過程中出售商品或提供服務的應收客戶款項。其通常於30天內到期結算，因此歸類為流動。倘應收貿易賬款按公平值確認，則初步按無條件代價金額（另加直接歸屬於收購財務資產的交易成本）確認，除非其包含重大融資部分。本集團以收取合約現金流量為目的持有應收貿易賬款，因此其後採用實際利率法按攤銷成本計量。	該等資產其後採用實際成本利率法按攤銷成本計量。減值虧損予以沖減。 利息收入、匯兌收益及虧損以及減值於損益中確認。 終止確認的任何收益及虧損於損益中確認。
按攤銷成本計量的其他財務資產	倘財務資產符合以下兩項標準，本集團將其分類為按攤銷成本計量： • 以收取合約現金流量為目的的業務模式內持有資產；及 • 合約條款產生僅為支付本金及利息的現金流量。	該等資產其後採用實際成本利率法按攤銷成本計量。減值虧損予以沖減。 利息收入、匯兌收益及虧損以及減值於損益中確認。 終止確認的任何收益及虧損於損益中確認（附註25）。

2. 主要會計政策概要(續)

2.14.財務資產(續)

財務資產類別	分類性質	計量
按公平值列入其他綜合收益或損益		
按公平值列入其他綜合收益的財務資產 – 債務工具	僅為支付本金及利息以及通過收取合約現金流量及出售財務資產達致本集團業務模式目標的債務證券。	於初步確認時，本集團按公平值加直接歸屬於收購財務資產的交易成本計量財務資產。 該等資產其後按公平值計量。 採用實際利率法計算的利息收入、匯兌收益及虧損以及減值於損益中確認。 其他收益及虧損淨額於其他綜合收益(賬面值變動)確認。於終止確認時，於其他綜合收益累計的收益及虧損均重新分類至損益(附註25)。
按公平值列入其他綜合收益的財務資產 – 股本工具	於初步確認股本工具時，本集團可不可撤銷地選擇於其他綜合收益呈列投資公平值的後續變動。 該選擇乃按投資逐項作出。	於初步確認時，本集團按其公平值加直接歸屬於收購財務資產的交易成本計量財務資產。 本集團其後按公平值計量所有股本工具。財務資產的公平值變動均按公平值列入其他綜合收益計量。 當本集團收取付款的權利確立時，該等投資的股息繼續於收益表中確認為其他收入。 當本集團管理層選擇於其他綜合收益呈列股本工具的公平值收益及虧損時，則於終止確認投資後，公平值收益及虧損其後不會重新分類至損益(附註25)。

合併財務報表附註

2. 主要會計政策概要*(續)*

2.14.財務資產*(續)*

財務資產類別	分類性質	計量
按公平值列入損益的財務資產	上述所有並非分類為按攤銷成本或按公平值列入其他綜合收益計量的財務資產均按公平值列入損益計量。 於初步確認時，本集團可不可撤銷地指定財務資產(於其他方面符合按攤銷成本計量或按公平值列入其他綜合收益的規定)為按公平值列入損益，前提是有關指定可消除或大幅減少會計錯配發生。	於初步確認時，本集團按其公平值計量財務資產。 按公平值列入損益入賬的財務資產之交易成本於損益支銷。 該等資產其後按公平值計量。 收益及虧損淨額(包括任何利息或股息收入)於損益中確認(附註25)。

財務資產減值

應收貿易賬款

本集團應用國際財務報告準則第9號簡化法計量預期信貸虧損，其就所有應收貿易賬款使用整個存續期內預期虧損作撥備。

為計量預期信貸虧損，應收貿易賬款已根據共享信貸風險特點及逾期天數分類。

預期虧損率乃根據於二零二二年三月三十一日前36個月期間的銷售付款情況及本期間內出現的相應過往信貸虧損計算得出。過往虧損率已作出調整以反映影響客戶結算應收款項能力的宏觀經濟因素的當前及前瞻性資料。

應收貿易賬款於並無合理可收回預期時予以撇銷。並無合理可收回預期跡象包括(其中包括)債務人無法達成還款計劃以及無法就逾期超過120天的款項作出合約付款。應收貿易賬款的減值虧損於「一般及行政開支」的經營溢利內呈列為減值虧損淨額。其後收回先前撇銷的金額則計入相同條目內。

債務投資

所有按攤銷成本及按公平值列入其他綜合收益的實體債務投資均視為具低信貸風險，故於此期間確認的虧損撥備限於12個月預期虧損。其他工具於違約風險較低且發行人於近期內具有較強之履行合約現金流量責任之能力時被視為信貸風險較低。

2. 主要會計政策概要(續)

2.15.衍生金融工具及對沖活動

衍生工具於訂立衍生工具合約當日按公平值初步確認，其後按公平值重新計量。確認所得盈虧的方法，取決於衍生工具是否界定為對沖工具，如是，則取決於被對沖項目的性質。本集團界定若干衍生工具為：

- 對沖已確認資產或負債或堅定承諾的公平值(公平值對沖)；
- 對沖已確認資產或負債或非常可能進行的預測交易所附帶之特定風險(現金流量對沖)；或
- 對沖海外業務投資淨額(投資淨額對沖)。

本集團在交易開始時以文件記錄對沖工具及被對沖項目的經濟關係，以及進行各項對沖交易的風險管理的目的與策略。本集團於對沖開始並會持續就對沖交易所使用的衍生工具是否能高度有效地抵銷被對沖項目的公平值或現金流量的變化進行評估，並作記錄。

作對沖用途之多項衍生工具的公平值於附註17中披露。其他綜合收益中的對沖儲備變動載於合併股東權益變動表。

倘被對沖項目的到期日超過12個月，對沖衍生工具之公平值全數分類為非流動資產或負債，但若被對沖工具的到期日少於12個月，則分類為流動資產或負債。買賣衍生工具分類為流動資產或負債。

(a) 公平值對沖

被指定及符合資格為公平值對沖工具的衍生工具的公平值變化，連同被對沖資產或負債當中對沖風險應佔的公平值變化記入收益表中。

(b) 現金流量對沖

被指定及符合資格作為現金流量對沖工具的衍生工具，其公平值變化的有效部分於其他綜合收益中確認。與無效部分相關的盈虧，利息衍生工具即時於收益表「財務收入」或「財務成本」中確認，貨幣衍生工具則即時於收益表中「匯兌收益／(虧損)」中確認。

使用遠期合約對沖預期交易時，本集團通常僅指定與即期要素有關的遠期合約的公平值變動為對沖工具。與遠期合約即期要素變動的有效部分相關的盈虧，於權益中的現金流量對沖儲備中確認。與對沖項目相關的合約的遠期要素變動於權益中的對沖儲備成本中的其他綜合收益中確認。在某些情況下，本集團可將遠期合約(包括遠期點數)的公平值變動全部指定為對沖工具。在該等情況下，與整個遠期合約公平值變動的有效部分相關的盈虧於權益的現金流量對沖儲備中確認。

合併財務報表附註

2. 主要會計政策概要*(續)*

2.15.衍生金融工具及對沖活動*(續)*

(b) ***現金流量對沖***

在權益累積的數額，會在被對沖項目影響盈虧的期間(例如對沖的預測銷售發生)回流到收益表中。與對沖浮息借貸的利息掉期有效部分有關的盈虧於收益表「財務收入」或「財務成本」中確認。

如對沖工具期滿或售出，或如對沖不再符合對沖會計的準則，則當時在權益存在的任何累積盈虧仍然存於權益中，並會在預測的交易最終在收益表中確認時確認。如預測的交易預計不能進行，則已在權益呈報的累積盈虧會即時轉撥至收益表「財務收入」或「財務成本」(就利息衍生工具而言)中及「匯兌收益／(虧損)」(就貨幣衍生工具而言)中。

(c) ***投資淨額對沖***

海外業務的投資淨額對沖之入賬方式與現金流量對沖相若。

對沖工具與對沖有效部分相關的任何收益或虧損，於其他綜合收益中確認；與無效部分相關的收益或虧損即時於收益表「匯兌收益／(虧損)」中確認。

在權益累積的收益與虧損在海外業務部分售出或賣出時記入收益表。

本集團不使用投資淨額對沖。

(d) ***按公平值列入損益的衍生工具***

若干衍生工具不合資格作對沖會計處理。該等衍生工具的公平值變化，會即時於收益表「財務收入」或「財務成本」或「匯兌收益／(虧損)」中確認。

2.16.現金及現金等價物

現金及現金等價物包括手頭現金、短期存款及原到期日為三個月或以下的其他短期高流動性投資。

銀行透支於資產負債表的流動負債項下借貸中列賬。

2.17.股本

普通股獲歸類為權益。概無優先股。

發行新股份或購股權直接應佔之新增成本(除稅後)於權益中列為所得款項之扣減項目。

倘任何集團公司購買本集團之權益股本(庫存股份)，則所支付之代價(包括任何直接應佔之新增成本(扣除所得稅後)將從本集團權益擁有人應佔之權益中扣除。倘有關股份其後獲重新發行，則所收取之任何代價(扣除任何直接應佔之新增交易成本及相關所得稅影響後)將計入本集團權益擁有人應佔之權益。

2. 主要會計政策概要(續)

2.18.股息分派

向本集團股東作出之股息分派乃於本集團股東批准股息之期間內在本集團財務報表內確認為負債。

2.19.應付貿易賬款

應付貿易賬款乃日常業務過程中自供應商購買貨品或服務的付款責任。倘付款到期日為一年或以下，應付款項歸類為流動負債，否則歸類為非流動負債。

應付貿易賬款初步按公平值確認，其後以實際利率法按攤銷成本計量。

2.20.撥備

在本集團及其附屬公司業務的正常框架下，均可能涉及不同形式的訴訟及法律程序。本集團按其過往經驗及於結算日所知悉的事實及情況作出撥備。於下列情況，將就客戶、保證索賠、拆卸及還原責任、重組費用及法律索償確認撥備：

- 本集團因過往事件引致現時的法律或推定責任；
- 很可能需就償付有關責任而產生資源流出；
- 且有關金額能可靠估計。

重組費用撥備(如有)包括終止租約罰款及僱員遣散費。不會就未來經營虧損確認撥備。

倘有多項類似責任時，解除該等責任導致資源流出的可能性按責任的類別作整體考慮。

拆卸及還原成本的撥備

倘租約訂有責任於租約期滿時還原租賃物業的原本狀況，或就損毀作出賠償，須就拆卸及還原或償付的估計折現成本於租約期作出撥備。

視乎租約責任的性質而定，對租賃物業作出的改動可視為於訂立租約時發生。此情況下，有關負債於租約開始時記錄並入賬列為使用權資產。該項目其後於租期內折舊。

合併財務報表附註

2. 主要會計政策概要*(續)*

2.21. 僱員福利

(a) 退休金責任

本集團根據界定福利及界定供款計劃營辦多個退休金計劃：

- 界定福利計劃是一項退休金計劃，界定僱員在退休時可收取的退休金金額，金額通常取決於一項或多項因素，如年齡、服務年資及薪酬福利；
- 界定供款計劃是一項退休金計劃，本集團根據該計劃支付固定的供款予一個獨立的實體。如基金沒有足夠資產為所有僱員支付有關在當期或之前期間的僱員服務福利金，本集團並無法定或推定責任支付進一步的供款。

界定福利計劃

界定福利的唯一重大方面涉及法國的退休彌償。僱員可取得一筆款項，金額視乎其資歷及規管僱傭的集體協議的其他部分。

於資產負債表內就界定福利退休金計劃確認之負債，為於結算日之界定福利責任現值。界定福利責任每年根據預算單位貸記法計算。界定福利責任之現值，按已支付福利之同一貨幣計值，且到期日與相關退休福利責任相若之優質企業債券之利率，折算估計未來現金流出。

因過往調整及精算假設(用於計算責任(不包括計劃資產的估計回報))改變而產生之精算收益及虧損於其產生期間於「其他綜合收益」內悉數確認(見附註2.1)。

過往服務成本即時於收益表確認。

界定供款計劃

就界定供款計劃而言，本集團按強制、合約或自願基準向公營或私人管理的退休計劃供款。本集團於支付供款後毋須再承擔任何付款責任。供款於到期支付時確認為僱員福利開支。在可退回現金或減少未來付款的情況下，預付供款確認為資產。

(b) 其他離職後責任

本集團並無承擔任何離職後責任。

2. 主要會計政策概要(續)

2.21. 僱員福利(續)

(c) 以股份支付款項

本公司的母公司L'Occitane Groupe S.A.營運若干以股份支付的款項計劃，授予本集團及其附屬公司的僱員。

本集團亦就其自身股本工具授權無償股份及購股權計劃，其特徵在附註19.3描述。

股權結算以股份支付的款項
換取授出股本工具所獲得的僱員服務公平值於歸屬期內確認為開支。

總開支金額乃參考所授出股本工具的公平值釐定：

- 包括任何市場表現條件(如實體的股價)；
- 不包括任何服務及非市場表現歸屬條件(如盈利能力、銷售增長目標及僱員須在某特定時間內留任實體)的影響；及
- 包括任何非歸屬條件(如要求員工在某特定時間內儲蓄或持有股份)的影響。

非市場歸屬條件納入預期可歸屬的股本工具數目假設內。支銷總額於歸屬期(即所有特定歸屬條件將予達成的期間)確認。於各報告期末，本集團根據非市場歸屬條件修訂預期將予歸屬的股本工具數目。其於收益表確認對原來估計作出修訂的影響(如有)，並於其他儲備對權益作出相應調整。

評估授出日期的購股權時會考慮市況，且不會因隨後交割而更新市況。預期歸屬的股份數目按非市場歸屬條件估計。

股本工具行使時，已收所得款項扣除任何直接應佔交易成本後計入股本(面值)及股份溢價。

母公司就其股本工具向本公司或本集團內的附屬公司僱員授予其以股份支付的款項，被視為母公司的資本投入。收取僱員服務的公平值經參考授出日的公平值計量後在歸屬期內確認為以股份支付的款項開支，而於本公司權益擁有人應佔權益的相應影響確認為「母公司出資」。

(d) 終止服務權益

終止服務權益於僱傭在正常退休日期前被本集團終止時或僱員接納自願離職以換取該等權益時支付。本集團於以下日期(以較早者為準)確認終止服務權益：a)本集團不再撤回該等權益的提供時；及b)實體確認屬國際會計準則第37號範圍內並涉及終止服務權益付款的重組成本。

倘提出一項要約以鼓勵自願遣散，終止服務權益將按預期接納要約的僱員數目計量。在報告期結束後超過12個月支付的福利則折現至現值。

合併財務報表附註

2. 主要會計政策概要(續)

2.21. 僱員福利(續)

(e) 分佔溢利及花紅計劃

本集團就法定或合約責任或過往慣例產生的推定責任確認撥備。

(f) 僱員應享休假權利

僱員應得之年假於應計予僱員時確認。已就僱員於截至結算日提供服務享有年假的估計負債作出撥備。

2.22. 借貸

借貸初步以公平值減已產生交易成本確認。借貸其後按攤銷成本列賬。所得款項(扣除交易成本)與贖回價值的任何差額按實際利率法於借貸期間在收益表確認。

設立貸款融資支付的費用，於很可能提取若干或所有融資時確認為貸款的交易成本。於此情況下，該費用會遞延至提取融資為止。倘並無證據顯示有關融資很可能部分或全部獲提取，則將費用資本化為流動資金服務的預付款項，並在融資相關的期間內攤銷。

除非本集團擁有無條件權利將償還負債延遲至結算日後最少12個月，否則借貸歸類為流動負債。

2.23. 收益確認

收益包括本集團在日常業務過程中出售的貨品及服務已收或應收代價的公平值。收益按扣除增值稅、退貨、回扣和折扣，以及對銷集團內公司間交易後的淨值列示。

已發出發票但控制權尚未轉讓的收益，於資產負債表項下「其他流動負債」的「遞延收益」中予以遞延。

收益按下列方式確認：

(a) 貨品銷售 – 零售(直銷渠道)

本集團經營連鎖零售店。當本集團於店舖向顧客出售產品時，則確認銷售貨品所得收益。

當顧客購買產品時，交易價格即時應付。

本集團的政策並無為售予終端零售客戶的產品設立退貨權。惟於若干國家，倘顧客不滿意，則於提供退款或接受退貨時，實體可能通過零售銷售保留微不足道的所有權風險。在此情況下的收益乃於銷售時確認，前提是實體能夠可靠地估計未來退貨及本集團基於過往累積的經驗及其他相關因素針對收益就退貨於「其他流動負債」中確認負債。

2. 主要會計政策概要(續)

2.23.收益確認(續)

(b) 貨品銷售 – 批發及分銷商(轉售渠道)

當產品的控制權轉移至批發商(即交付產品予批發商時),而批發商對銷售產品的渠道及價格擁有絕對酌情權,且並無可能影響批發商接納產品的未履約義務時,本集團確認銷售。當產品付運至指定地點,陳舊及損失風險已轉移至批發商,且批發商已按照銷售合約接納產品、接納條文已經失效或本集團有客觀憑證證明所有接納條件已經達成時,則落實交付。

應收款項於貨品交付時確認,原因為從那一刻開始,付款之到期僅須時間流逝,代價成為無條件。

有時候產品會連同有條件折扣出售。銷售乃根據銷售合約/發票上訂明的價格減估計有條件折扣淨額入賬。

由於銷售之最長信貸期為90日,故並不存在融資因素。

當客戶在既定期間內有權退回產品時,本集團有責任退回購買價。預期向客戶退款的退款責任確認為「其他流動負債」中「銷售淨額」之調整。

(c) 銷售禮券

於部分地區,本集團於日常業務過程中會銷售禮券。有關收益於客戶使用禮券購買貨品時(貨品已交付予客戶)確認。

客戶尚未兌換禮券前,銷售收益於資產負債表中遞延。

有效期已過之禮券於收益表中確認。

(d) 長期支持計劃

本集團之積分列賬為授出有關積分之銷售交易之獨立可識別部分。與初始銷售有關之已收或應收代價公平值於有關部分(即已售貨品(收益)及已授積分(遞延收益)間分配。有關分配經參考有關部分之相對獨立價值(即各部分可獨立出售之金額)後作出。

積分之公平值乃參考客戶使用積分換領禮品時可得之折扣後估計得出。有關折扣的賬面值將於考慮下列因素後減少:

- 原應向並無於初始銷售中賺取積分之客戶提供之任何折扣;
- 預期客戶將喪失積分之比例。

本集團於換領積分並反映換領規律之期內確認有關積分之收益。確認之收益乃根據已換領之積分數目相對於預期將換領之積分總數釐定。

分配至已售貨品的部分代價於收益表中列為產品銷售總額,而遞延收益於資產負債表中的「其他流動負債」列賬。

合併財務報表附註

2. 主要會計政策概要(續)

2.23. 收益確認(續)

(e) 向分銷商支付之代價

在若干情況下，本集團可與分銷商訂立安排，就若干宣傳活動支付補償款項。

由於有關付款通常不可與供應關係分開，故本集團將已付代價確認為收益扣減。

2.24. 分銷開支

收益表中「分銷開支」一項包括店舖相關開支，主要為：僱員福利、租金及佔用費、折舊及攤銷、銷售運費、宣傳貨品、信用卡費用、維修及保養、電話及郵費、交通及應酬費、應收款呆賬、開辦成本及結業成本。

分銷宣傳貨品包括試用產品及提袋，於本集團取得該等物品時支銷。

分銷開支亦包括ELEMIS未完成合約於10年內的攤銷。

2.25. 營銷開支

收益表內的「營銷開支」主要包括以下開支：僱員福利、廣告開支及宣傳貨品。

推廣宣傳貨品包括新聞發佈材料、購物贈品、樣本、宣傳小冊子及櫥窗裝飾品，於本集團取得該等物品時支銷。

2.26. 研發開支

收益表「研發開支」一項主要對應僱員福利及專業費用。

2.27. 店舖的開辦成本及開業前成本

店舖的開辦成本及開業前成本於產生時在收益表的「分銷開支」中支銷。此等開支主要包括經紀及／或律師費用、開業日期前已付租金、與開業團隊相關的差旅開支。

2.28. 其他經營收入及其他經營開支

(a) 其他經營收入

其他經營收入主要包括以下：

- 不再／重新將附屬公司綜合入賬的影響；
- 於聯營公司及合營公司的權益百分比變動產生的資本收益；
- 出售資產的純利；
- 收購淨資產的公平值超過收購成本的部分(負商譽)。

2. 主要會計政策概要(續)

2.28. 其他經營收入及其他經營開支(續)

(b) 其他經營開支

其他經營開支主要包括以下：

- 於聯營公司及合營公司的權益百分比變動產生的攤薄虧損；
- 重組開支；
- 出售資產的淨虧損。

(c) 政府撥款

當能合理確定將收到政府的撥款，而本集團將遵守所有附帶條件時，政府撥款按其公平值確認。

有關成本的政府撥款將遞延處理，並於利用該等撥款用以補償該等成本的期間於收益表中確認。

有關物業、廠房及設備的政府撥款最初於非流動負債中遞延處理，之後於投入使用時分類為固定資產扣減。撥款隨後按直線法於有關資產的預計使用年期內計入收益表。

2.29. 匯兌收益／(虧損)

收益表中「匯兌收益／(虧損)」一項與下列項目相關：

- 外匯交易結算產生的匯兌盈虧及將外幣計值的貨幣資產和負債以年終匯率換算產生的匯兌盈虧(附註2.4(b))。該等匯兌盈虧主要與附屬公司的融資有關；
- 按公平值列入損益的外匯衍生工具公平值變動產生的盈虧(附註2.15及附註17)；
- 指定為對沖工具的外匯衍生工具公平值變動的無效部分產生的盈虧(附註2.15及附註17)。

合併財務報表附註

2. 主要會計政策概要*(續)*

2.30. 所得稅

年內稅項開支包括即期及遞延稅項。稅項於收益表確認，惟與於其他綜合收益或直接於權益中確認項目有關的稅項者除外。於此情況下，稅項亦分別於其他綜合收益或直接於權益中確認。

即期所得稅開支乃按本集團之附屬公司及聯營公司經營業務及產生應課稅收入所在國家於結算日已頒佈或實際已頒佈的稅務法例計算。管理層定期就適用稅務法例有待詮釋的情況評估稅務申報狀況，並按照預期將向有關稅局繳納的金額作出適當撥備。

遞延所得稅按資產及負債稅基與其於合併財務報表內賬面值間之暫時差額，以負債法確認。然而，倘遞延所得稅於初次確認一項交易(業務合併除外)的資產或負債所產生，而進行該項交易時對會計或應課稅盈利或虧損均不會造成影響，則該等遞延所得稅並不會列賬。遞延所得稅按結算日已頒佈或實際已頒佈，及預期於相關遞延所得稅資產變現或遞延所得稅負債清還時適用的稅率(及法例)釐定。

遞延所得稅資產乃於日後很可能以應課稅盈利抵銷暫時差額的情況下方予確認。

遞延所得稅乃就於附屬公司及聯營公司的投資產生的暫時差額作出撥備，惟倘本集團可控制暫時差額撥回的時間，並很有可能在可預見未來不會撥回暫時差額的情況則除外。

當有合法可強制執行的權利將即期稅項資產抵銷即期稅項負債，及當遞延所得稅資產及負債涉及同一稅務機構對該應課稅實體或不同應課稅實體徵收的所得稅，且有意以淨額基準清算結餘時，遞延所得稅資產與負債將予對銷。

2.31. 每股盈利

每股基本盈利按本集團權益持有人應佔溢利除以年內已發行普通股加權平均數計算，但不包括本集團購買及持作庫存股份的普通股。

每股攤薄盈利乃將已發行普通股之加權平均數調整以假設全部具潛在攤薄影響之普通股已獲兌換計算。

3. 財務風險管理

3.1. 財務風險因素

本集團的業務面對多項財務風險：市場風險（包括外匯風險、利率風險及價格風險）、信貸風險及流動資金風險。本集團的整體風險管理計劃集中於金融市場突發情況，務求盡量減低本集團財務表現所遭受的潛在不利影響。本集團使用衍生金融工具對沖若干風險。

(a) 市場風險

外匯風險

本集團的分銷業務遍及全球。附屬公司的銷售以當地貨幣計值。由於生產工廠設於法國，故L'Occitane en Provence生產及購買成本大部分以歐元計值。就ELEMIS 、LimeLife及Sol of Janeiro而言，出售貨品成本分別以英鎊及美元計值。因此，本集團的商業交易（不論是已知或預計）面對外匯風險。

於二零二二年三月三十一日，合併資產負債表內所面臨的外匯風險如下：

千歐元	歐元	日圓	港元	美元	英鎊	人民幣	巴西雷亞爾	台幣	瑞士法郎	加元	其他	總計
應收貿易賬款	32,223	17,744	9,436	39,520	29,678	35,626	11,794	4,712	334	923	17,633	199,623
其他流動應收款項	37,172	510	284	12,376	5,248	6,729	9,430	379	207	622	9,978	82,935
現金及現金等價物	162,142	22,883	2,458	32,504	62,313	22,723	3,679	1,071	1,397	5,715	44,014	360,899
貨幣資產	**231,537**	**41,137**	**12,178**	**84,400**	**97,239**	**65,078**	**24,903**	**6,162**	**1,938**	**7,260**	**71,625**	**643,457**
借貸	652,056	–	–	–	5,792	–	–	3,997	3,896	–	5,189	670,930
應付貿易賬款	71,409	12,563	3,657	33,889	37,301	30,174	4,476	1,531	702	2,908	11,293	209,903
社會及稅項負債	47,973	5,613	4,687	12,055	3,981	6,833	6,627	1,256	47	248	15,487	104,807
貨幣負債	**771,438**	**18,176**	**8,344**	**45,944**	**47,074**	**37,007**	**11,103**	**6,784**	**4,645**	**3,156**	**31,969**	**985,640**
於財務狀況表的總風險	**(539,901)**	**22,961**	**3,834**	**38,456**	**50,165**	**28,071**	**13,800**	**(622)**	**(2,707)**	**4,104**	**39,656**	**(342,183)**

於二零二一年三月三十一日，合併資產負債表內所面臨的外匯風險如下：

千歐元	歐元	日圓	港元	美元	英鎊	人民幣	巴西雷亞爾	台幣	瑞士法郎	加元	其他	總計
應收貿易賬款	23,892	19,356	4,285	16,487	19,424	25,335	6,545	4,180	358	519	14,957	135,338
其他流動應收款項	28,018	147	519	4,054	4,139	3,695	6,748	294	13	(256)	5,427	52,798
現金及現金等價物	263,923	22,308	2,022	23,153	47,187	10,153	1,265	906	2,258	3,117	44,924	421,216
貨幣資產	**315,833**	**41,811**	**6,826**	**43,694**	**70,750**	**39,183**	**14,558**	**5,380**	**2,629**	**3,380**	**65,308**	**609,352**
借貸	482,111	–	–	20,896	4,460	–	–	2,212	5,962	879	5,594	522,114
應付貿易賬款	14,937	13,468	11,454	13,380	38,110	36,947	4,699	4,753	1,139	2,821	19,950	161,658
社會及稅項負債	49,234	9,645	4,068	5,987	2,615	4,115	3,677	1,057	51	251	12,839	93,539
貨幣負債	**546,282**	**23,113**	**15,522**	**40,263**	**45,185**	**41,062**	**8,376**	**8,022**	**7,152**	**3,951**	**38,383**	**777,311**
於財務狀況表的總風險	**(230,449)**	**18,698**	**(8,696)**	**3,431**	**25,565**	**(1,879)**	**6,182**	**(2,642)**	**(4,523)**	**(571)**	**26,925**	**(167,959)**

合併財務報表附註

3. 財務風險管理*(續)*

3.1. 財務風險因素*(續)*

(a) ***市場風險****(續)*

外匯風險*(續)*

每當在有可能的情況下，本集團會以其附屬公司的當地貨幣向彼等開發票，以將外匯風險集中在集團層面。本集團將與商業交易及附屬公司有關的交易業務的外匯風險及與公司間融資有關的融資業務的外匯風險分開。

商業交易

本集團的財務風險管理政策是為了按最低80%有系統地對沖交易風險(開票金額)。

經濟風險(預測金額)的對沖取決於市況及管理層預計。對沖經濟風險的所有決定由本集團財務總監正式批准。

本集團使用遠期合約按最高為其主要貨幣(美元、英鎊、日圓、人民幣及盧布)風險承擔的40%對沖其外匯風險承擔及貨幣期權的主要部分。使用外匯衍生工具產品的所有決定由本集團財務總監正式批准。

本集團僅指定對沖關係內遠期匯率交易的即期要素。即期要素參照相關即期市場匯率釐定。合約遠期匯率與即期市場匯率之間的差額定義為遠期點數。倘屬重大時則對其進行折現。

外幣期權的內在價值參照相關即期市場匯率釐定。合約執行的匯率與即期市場折現匯率之差額界定為時間價值。倘屬重大時則對其進行折現。

融資業務

本集團的風險管理政策是為了每當在有可能的情況下使用多貨幣銀行融資最大限度地發揮自然對沖作用。

就多貨幣銀行融資並無涵蓋的貨幣而言，本集團的風險管理政策是為了每當在有可能的情況下以附屬公司的當地貨幣向彼等融資，以及就最高對沖成本7%對沖相應風險承擔。

於截至二零二二年及二零二一年三月三十一日止財政年度，倘歐元較下列貨幣貶值／升值10%，而所有其他變數維持不變，年內的權益、銷售淨額及除稅後溢利將如下表所示般上升／下跌：

千歐元	匯兌差額(其他綜合收益)		銷售淨額		年內溢利	
三月三十一日	*二零二二年*	*二零二一年*	*二零二二年*	*二零二一年*	*二零二二年*	*二零二一年*
美元	88,569	45,732	27,316	25,543	5,959	(2,041)
日圓	13,679	10,367	20,603	21,527	9,180	5,636
港元	(6,988)	12,670	(9,793)	10,928	(7,746)	12,282
人民幣	26,172	17,659	32,799	26,364	19,611	12,562
英鎊	49,032	34,355	23,480	17,622	11,943	(124)

上述敏感度並無計及歐元上升／下跌對外匯衍生工具的公平市場價值及已變現匯兌損益的影響。年末，該等衍生工具的公平值並不重大。

3. 財務風險管理*(續)*

3.1. 財務風險因素*(續)*

(a) ***市場風險****(續)*

現金流量及公平值利率風險

本集團現金目前用於投資短期國庫券以賺取歐元加息產生的利潤。

本集團的利率風險來自長期借貸。以浮息發行的借貸令本集團面對現金流量利率風險。按利率類別劃分的借貸分析載於附註20.3。

本集團使用浮動 ⁻ 固定利率互換管理現金流量利率風險。其可產生將借貸由浮息轉化為定息的經濟效果。根據利率互換，本集團與其他人士協定，於指定期間交換定息合約利率及浮息款額的差額，該差額乃參考協定的名義金額計算。

根據附註20.2所述的融資契約，若干銀行借貸的溢利率可以變動。

根據就二零二二年及二零二一年三月三十一日進行的模擬，倘利率上升／下跌50個基點，而所有其他變數維持不變，年內除稅後溢利將會減少／增加，主要由於浮息借貸的利息開支增加／減少(附註27)。

千歐元	*二零二二年*	*二零二一年*
財務成本的敏感度	1,091	1,970
財務收入的敏感度	401	375
除稅後溢利的敏感度	212	334

股權敏感度的影響與對除稅後溢利的影響相同，惟下述衍生工具的影響除外。

上述敏感度已計及於二零二二年及二零二一年三月三十一日現有利率衍生工具對利息開支的影響，惟並無計及利率上升／下跌對為管理現金流量利率風險浮動 ⁻ 固定利率互換而設計的衍生工具的公平市場價值的影響。期末，該等衍生工具的公平值並不重大。

價格風險

本集團並無面對重大商品價格風險。

本集團面臨來自股權、固定收入、私募股權、房地產或多資產基金等財務資產投資的價格風險。投資乃按財務投資政策設定的限制及規則作出。

於合併收益表或合併綜合收益表就本集團所持投資確認的金額於附註3.3披露。

合併財務報表附註

3. 財務風險管理*(續)*

3.1. 財務風險因素*(續)*

(b) 信貸風險

信貸風險以集團為基礎進行管理，惟與應收款項結餘有關的信貸風險除外。各地方實體負責監測及分析客戶的信貸風險。本公司已規定標準付款及交付條款及條件。信貸風險來自現金及現金等價物、債務投資的合約現金流量、按攤銷成本列賬、按公平值列入其他綜合收益及按公平值列入損益、衍生金融工具及存於銀行及金融機構的存款，以及對於批發及零售客戶的信貸風險。

本集團並無重大客戶信貸風險集中：

- 就轉售及企業對企業業務的客戶而言，銷售的信貸期一般介乎60至90日。本集團就潛在信貸虧損計提足夠撥備，並監察對手方的償債能力。於二零二二年及二零二一年三月三十一日，本集團並無與個別客戶進行任何重大集中業務，而一旦失去該名客戶，本集團的業務不會遭受嚴重影響；
- 就直銷業務的客戶而言，本集團向終端客戶進行的銷售以現金或主要信用卡交易，故一般不授予終端客戶任何信貸期。當直銷銷售產生於百貨公司時，百貨公司獲授的信貸期持續至現金轉入本集團之時。該信貸期一般介乎30至90日；
- 所有大額現金存款均存於具備投資評級的主要金融機構，並投資於具有經磋商條款及條件及利息的定期存款或互惠基金。本集團於若干國家的客戶付款存有非投資評級機構風險，有關款項轉往具投資評級的機構前，須面對暫時風險。現金及現金等價物及衍生金融工具集中於獨立評級結果至少為「BBB–」(投資級別)的少數機構(評級低於BBB－ 的國家除外)。

(c) 流動資金風險

審慎的流動資金風險管理，意味著維持充裕的現金，以及可透過額度充裕的承諾信貸融資獲取資金。由於相關業務的發展迅速，本集團致力透過可動用的承諾信貸額，維持資金的靈活性。

於截至二零二二年三月三十一日止整個年度，本集團繼續償還其借貸：

- 於二零二一年六月，二零二一財年PGE銀行貸款已償還50,200,000歐元；
- 於二零二一年七月，二零一九財年定期貸款已償還275,000,000歐元。

新的銀行借貸：

- 於二零二一年十二月，簽署新的二零二二財年定期貸款300,000,000歐元；
- 於二零二一年六月，簽署新的二零二二財年雙邊現金池融資50,000,000歐元。

3. 財務風險管理*(續)*

3.1. 財務風險因素*(續)*

(c) ***流動資金風險****(續)*

管理層按預期現金流量基準監察本集團流動資金儲備(包括未提取借貸融資和現金及現金等價物)的滾動預測。於二零二二年三月三十一日的流動資金儲備如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
現金及現金等價物以及銀行透支	360,899	421,216
未提取的借貸融資(附註20.3)	268,177	443,272
流動資金儲備	**629,076**	**864,488**

本集團持有的現金結餘用於投資通知存款賬戶、存款證、金融市場基金及證券或財務投資政策授權的任何其他財務資產。

若干銀行借貸的償還取決於一項財務契諾(附註20.2)。

下表按結算日至合約到期日餘下期間將本集團的非衍生財務負債分類至相關到期組別進行分析。表內披露的金額為訂約未折現現金流量：

千歐元	少於**1**年	**1**至**2**年	**2**至**5**年	超過**5**年	總計
借貸(附註20)	289,611	2,749	373,245	5,325	670,930
應付貿易賬款(附註22)	209,903	–	–	–	209,903
租賃負債(附註8.2)	93,722	65,812	88,800	25,898	274,232
借貸利息付款	3,267	3,099	3,348	70	9,784
二零二二年三月三十一日之總計	**596,503**	**71,660**	**465,393**	**31,293**	**1,164,849**
借貸(附註20)	502,506	2,729	8,758	8,121	522,114
應付貿易賬款(附註22)	158,781	–	–	–	158,781
租賃負債(附註8.2)	78,650	58,599	80,034	77,444	294,727
借貸利息付款	1,110	597	365	103	2,175
二零二一年三月三十一日之總計	**741,047**	**61,925**	**89,157**	**85,668**	**977,797**

借貸利息付款乃根據二零二二年三月三十一日當時的利率計算。賬面淨值與公平值相若。

合併財務報表附註

3. 財務風險管理*(續)*

3.2. 資金風險管理

本集團的資金管理目標，為保障其持續經營的能力，使其能繼續為權益擁有人提供回報，並為其他持份者提供利益，以及維持最佳資金結構，減低資金的成本。

為維持或調整資金結構，本集團或會調整向權益擁有人派付的股息、向權益擁有人退還資金、發行新股或出售資產以減低負債。

3.3. 公平值估計

金融工具的公平值

下表呈列本集團部分金融工具的賬面淨值及公平值，惟現金、應收貿易賬款、應付貿易賬款及應計開支除外(鑒於到期日短，故假設應收貿易賬款及應付貿易賬款的賬面值減減值撥備乃與其公平值相若)：

	二零二二年三月三十一日		*二零二一年三月三十一日經重列**	
千歐元	賬面淨值	公平值	賬面淨值	公平值
資產				
按公平值列入其他綜合收益的財務資產[(a)]	33,117	33,117	17,503	17,503
衍生金融工具[(a)]	1,931	1,931	72	72
總資產	**35,048**	**35,048**	**17,575**	**17,575**
負債				
浮息	670,930	670,930	522,114	522,114
總借貸	**670,930**	**670,930**	**522,114**	**522,114**
衍生金融工具[(a)]	1,208	1,208	713	713
其他財務負債[(a)]	171,865	171,865	18,671	18,671
總負債	**173,073**	**173,073**	**19,384**	**19,384**

* *有關錯誤導致重列的詳情，請參閱附註2.2。*

(a) 金融工具的公平值的計量方法如下。

3. 財務風險管理*(續)*

3.3. 公平值估計*(續)*

公平值計量層級

國際財務報告準則第13號金融工具規定按下列公平值計量層級披露公平值的計量：

- 相同資產或負債於活躍市場的報價(第一層)；
- 第一層包括的報價以外資產或負債之可觀察參數，不論直接(即價格)或間接(即衍生自價格)(第二層)；
- 並非根據可觀察市場數據的資產或負債參數(即不可觀察參數)(第三層)。

下表呈列本集團按公平值計量的資產及負債：

	二零二二年三月三十一日				*二零二一年三月三十一日經重列**			
千歐元	第一層[(a)]	第二層[(b)]	第三層[(c)]	總計	第一層[(a)]	第二層[(b)]	第三層[(c)]	總計
資產								
按公平值計量的衍生工具(附註17)	–	1,931	–	1,931	–	72	–	72
按公平值列入其他綜合收益的財務資產(附註13)	9,079	24,038	–	33,117	–	17,503	–	17,503
總資產	**9,079**	**25,969**	**–**	**35,048**	**–**	**17,575**	**–**	**17,575**
負債								
按公平值計量的衍生工具(附註17)	–	1,208	–	1,208	–	713	–	713
其他財務負債	–	–	171,865	171,865	–	–	18,671	18,671
總負債	**–**	**1,208**	**171,865**	**173,073**	**–**	**713**	**18,671**	**19,384**

* *有關錯誤導致重列的詳情，請參閱附註2.2。*

(a) *於活躍市場買賣的金融工具公平值(如股本證券)乃根據結算日的市場報價計算。如報價可於交易所、交易商、經紀、行業團體、定價服務或監管機構即時及定期取得，且該等價格代表實際及定期發生的公平市場交易，則該市場視為活躍。本集團持有的財務資產所用的市場報價為現行買入價。該等工具計入第一層。*

(b) *並非於活躍市場買賣的金融工具(如場外交易的衍生工具)的公平值乃由外部對手方使用基於各結算日現行市況的方法及假設釐定。利率掉期的公平值按估計未來現金流量的現值計算。遠期外匯合約的公平值乃按結算日所報遠期匯率計算。倘計算工具公平值的所有重要參數均可觀察，有關工具計入第二層。*

(c) *倘一項或多項重要參數並非根據可觀察市場數據，則有關工具計入第三層。*

截至二零二二年三月三十一日止年度公平值層級間並無任何轉移。於二零二二年三月三十一日並未對所採用的任何估值技術作出更改。

合併財務報表附註

3. 財務風險管理*(續)*

3.3. 公平值估計*(續)*

使用於活躍市場買賣的金融工具作出之公平值計量(第一層)

於二零二一年五月十日，本集團初步以10,000,000歐元(少於全部股份的3%)收購Carbios S.A.股份，其專注於回收塑膠及包裝產品。此投資按公平值列入其他綜合收益計量。

使用第一層包括的報價以外資產或負債之可觀察參數作出之公平值計量(第二層)

下表呈列截至二零二二年三月三十一日止期間第二層工具之變動：

千歐元	於二零二一年三月三十一日之結餘	出售	收購	於其他綜合收益確認的收益／(虧損)	於二零二二年三月三十一日之結餘
按公平值列入其他綜合收益的財務資產(附註**13**)					
SCPI FI Commerce(房地產投資基金)	9,520	–	–	–	9,520
Truffle投資	4,939	–	6,600	(1,126)	10,413
其他投資	3,044	–	1,061	–	4,105
總資產(第二層)	**17,503**	**–**	**7,661**	**(1,126)**	**24,038**

按公平值列入其他綜合收益的股本投資主要指投資於：

- 房地產投資基金(SCI Fi Commerce)9,520,000歐元，
- Truffle投資基金10,413,000歐元。

使用重大不可觀察輸入數據(第三層)作出之公平值計量

下表呈列截至二零二二年三月三十一日及二零二一年三月三十一日止年度第三層工具之變動：

千歐元	於二零二一年三月三十一日之結餘	出售	收購	折現回撥	於其他綜合收益確認的收益／(虧損)	於二零二二年三月三十一日之結餘
其他財務負債(附註6.3)	18,671	–	154,534	1,724	(3,064)	171,865
總負債(第三層)	**18,671**	**–**	**154,534**	**1,724**	**(3,064)**	**171,865**

按公平值列入其他綜合收益的財務資產對應於其他投資，代表14項個別投資，其中12項低於200,000歐元。對於所有投資，具有投票權的股份比例低於20%。該等其他投資由L'Occitane Innovation Lab及Fund Empire間接持有，本集團選擇根據國際財務報告準則第9號按公平值列入其他綜合收益計量該等投資。

3. 財務風險管理*(續)*

3.3. 公平值估計*(續)*

使用重大不可觀察輸入數據(第三層)作出之公平值計量(續)

其他財務負債對應於本集團授予非控股權益的認沽期權：

- Sol de Janeiro非控股權益之認沽期權150,463,000歐元,
- Elemis非控股權益之認沽期權15,435,000歐元,
- symbiose Cosmetics France非控股權益之認沽期權4,071,000歐元,
- L'Occitane GmbH非控股權益之認沽期權1,896,000歐元。

其他金融工具之公平值(未確認)

本集團亦擁有多項未於資產負債表按公平值計量之金融工具(銀行借貸)。大多數該等工具的公平值與其賬面值並無重大不同，原因為應收／應付利息均與現行市價接近或該等工具均屬短期性質。

4. 重大會計估計及判斷

本集團對未來作出估計及假設。顧名思義，由此產生之會計估計，於極少情況下會與相關實際結果相同。

估計用於(但不限於)非流動資產的折舊、攤銷及減值(附註2.6、2.7及2.8)、將收購成本超出所收購淨資產賬面值的金額分配至合約客戶關係及未完成合約(附註2.6)、不確定使用年期商標(附註2.6)、租賃負債計量(附註2.8)、存貨估值(附註2.12)、存貨撥備(附註2.12)、撥備計量(附註2.20)、應收貿易賬款撥備(附註2.13)、收益確認(附註2.23)、即期及遞延所得稅(附註2.30)、衍生工具公平值(附註2.15)、以股份支付款項的估值(附註19.3)、認沽期權估值(附註6.3)、或然項目(附註32)、本集團於L'Occitane Inc.的投資的公平值(附註6.1)及L'Occitane Inc.及Sol de Janeiro的購買價(附註6.1)。

估計及判斷會持續評估，並根據過往經驗及其他因素釐定，包括於有關情況下相信為對未來事件合理的預期。實際結果可能與該等估計不同。

極可能導致須對下個財政年度之資產及負債之賬面值作出重大調整之估計及判斷討論如下。

合併財務報表附註

4. 重大會計估計及判斷*(續)*

4.1. 非流動資產之減值測試

無形資產(包括商譽及商標)、物業、廠房及設備及使用權資產的減值測試乃根據附註2.9所述會計政策進行。

商譽及商標分配至經營分部(根據專責管理團隊的責任界定為一個或多個品牌)。

於品牌層面監察的現金產生單位組別可收回金額按使用價值計算基準釐定。

釐定使用價值時參照未來現金流預測，當中計及金錢時間價值及現金產生單位應佔的特定風險。未來現金流預測乃根據中期預算及計劃。該等計劃為4至5年期間制定。五年期間後的現金流使用下述估計長期增長率推算。該等長期增長率與經營商標的策略及各現金產生單位經營所在行業的特定行業報告所載的預測分析貫徹一致釐定。

Covid-19疫情擾亂生產及商業營運，導致本集團期內經常性營運的收入及溢利減少。然而，儘管商務旅行和旅游水平下降的影響在一段時間內仍然存在，但本集團相信其活動長遠不會受到重大影響。

計算主要商譽及商標可收回價值的使用價值所用的主要假設如下：

二零二二年三月三十一日 *百萬歐元*		**ELEMIS**	**LimeLife**	**Melvita**	**Sol de Janeiro**
業務計劃期間(年)		4	5	5	5
計劃內淨銷售年增長率		27.3%	32.7%	21.0%	60.0%
計劃內預算**EBITDA**(*)		24.1%	6.8%	10.7%	22.3%
長期增長率		2.1%	2.0%	1.4%	2.1%
除稅後折現率		8.7%	8.5%	8.2%	8.5%
賬面值	*商譽*	538	169	36	253
	商標	284	–	14	163
	其他項目	67	21	9	(17.6)*
可收回價值		1,279	255	80	397
所得差額		390	64	21	219

(*)　主要由就商標確認的遞延稅項資產36,300,000歐元構成(附註6.1)

4. 重大會計估計及判斷*(續)*

4.1. 非流動資產之減值測試*(續)*

二零二一年三月三十一日 *百萬歐元*		**ELEMIS**	**LimeLife**	**Melvita**
業務計劃期間(年)		4	4	5
計劃內淨銷售年增長率		28.0%	25.2%	18.1%
計劃內預算**EBITDA**		30.7%	11.4%	12.9%
長期增長率		2.1%	2.0%	1.4%
除稅後折現率		8.3%	8.2%	7.8%
賬面值	*商譽*	514	113	36
	商標	243	–	14
	其他項目	64	15	11
可收回價值		1,202	376	79
所得差額		381	248	17

(*) EBITDA佔四年或五年計劃的平均百分比

假設	釐定價值使用的方法
淨銷售年增長率 (「複合年增長率」)	計劃內平均年增長率根據過往表現、管理層對市場發展的預期、現行策略定位、目前行業趨勢及包括各區的長期通脹預測。預測年增長率可高於過往表現及目前平均行業趨勢，此乃由於實施策略定位措施及品牌國際發展的預期影響。
預算**EBITDA**	此財務指標對應經營溢利加折舊及攤銷費用淨額。基於國際財務報告準則第16號的影響，預算EBITDA不包括租賃開支。加權EBITDA表示為預測期間佔淨銷售百分比。預算EBITDA乃根據過往表現及管理層對未來的預期，當中計及各國家及分銷渠道／次級渠道(直銷：零售、線上銷售；轉售：分銷商、旅遊零售、大賣場)的業務發展策略。
長期增長率	加權平均增長率用於推算預算期後的現金流。考慮到國家組合、原材料成本上漲及通脹，增長率與預測一致。
除稅後折現率	使用商標的各國家的加權平均資本成本。其反映涉及相關分部及本集團經營所在國家的特定風險。

合併財務報表附註

4. 重大會計估計及判斷*(續)*

4.1. 非流動資產之減值測試*(續)*

假設	釐定價值使用的方法
終值	可持續長期現金流假定為以下各項的估計現金流推算： • ELEMIS的二零二六財年計劃； • Melvita、LimeLife及Sol de Janeiro的二零二七財年計劃。
其他假設	管理層已根據其過往經驗及計劃策略釐定其他假設，如營運資金需求(存貨週轉率、銷售變現天數及應付款項週轉天數)及年度資本開支。
差額	差額計算為可收回價值與本集團用以營運商標的所有資產：商譽、扣除相關遞延稅項負債的商標、使用權資產、物業、廠房及設備及營運資金的差額。

敏感度分析

如主要假設按下文所述個別變化，ELEMIS、LimeLife 、Melvita及Sol de Janeiro現金產生單位的可收回金額與其賬面值相等：

	ELEMIS	**LimeLife**	**Melvita**	**Sol de Janeiro**
複合年增長率	23.4%	30.5%	19.7%	48.7%
每年業務計劃的**EBITDA**減少百分比	5.6個百分點	2.1個百分點	2.2個百分點	7.8個百分點
加權平均資本成本	11.6%	10.4%	10.4%	11.8%
長期增長率	–1.6%	–0.5%	–1.4%	–2.5%

L'Occitane en Provence的估計使用價值大幅超出商譽賬面值，由於其幅度甚大，概無任何主要假設的合理可能變動可消除差額。

4.2. 折舊及攤銷期

本集團使用期有限的主要無形資產及物業、廠房及設備涉及店鋪。使用權資產根據附註2.8所述會計政策按直線基準攤銷。該等資產根據附註2.9所述會計政策進行減值測試。

4. 重大會計估計及判斷*(續)*

4.3. 存貨撥備

本集團就過量存貨、停產貨品、過時產品及可變現淨值下跌至低於成本的產品定期檢討手頭存貨數量，並就有關下跌為存貨結餘計提撥備。

於結算日以外日子進行年度存貨盤點時，手頭數量將予調整，以反映盤點日至結算日期間的收縮率(扣減非經常性差異後)。

4.4. 其他財務負債

本集團對因業務合併及與少數股東的其他交易而產生的非控股權益擁有多項認沽期權。認沽期權產生的負債根據合約公式估計，主要使用EBITDA或EBIT(根據公司的計劃估計，並無國際財務報告準則第16號的影響)釐定價格。該價值已折現，反映當前市場對時間價值及負債特定風險的評估。

有關Sol de Janeiro於二零二二財年入賬的新認沽期權，請參閱附註6.3。

4.5. 業務合併

年內收購的會計處理包括收購資產、負債，尤其是新確認的無形資產的估計價值。此估值過程獲外部專家支持，並納入與未來溢利增長率、EBIT利潤率及其他商業考慮相關的假設。亦估計該等新資產的可用經濟年期。所形成的估計變動，包括通過暫定價值的最終確定和資產的可用經濟年期的預期變化，可能導致資產負債表及收益表價值因收購而出現變化。

4.6. 所得稅

本集團須繳納多個司法權區的所得稅。釐定所得稅的全球撥備時，須作出重大判斷。於日常業務過程中，有多項交易及計算的最終稅務未能確定。本集團根據有否額外稅項的估計而確認所預期稅務審核事宜的責任。凡該等事宜的最終稅務結果有別於初步記錄的金額，該等差異將影響作出有關決定的期間的即期及遞延所得稅資產及負債。

合併財務報表附註

5. 分部資料

有關分部資料的會計政策，請參閱附註2.5。

5.1. 經營分部

管理層根據各經營分部的經營溢利／(虧損)計量其溢利或虧損。經營分部資料如下：

二零二二年三月三十一日 *千歐元*	**L'Occitane en Provence**	**ELEMIS**	**LimeLife**	**Sol de Janeiro**	其他品牌	總計
銷售淨額	**1,360,991**	**226,317**	**70,733**	**26,081**	**97,236**	**1,781,358**
佔總計百分比	*76.4%*	*12.7%*	*4.0%*	*1.5%*	*5.5%*	*100%*
毛利	**1,154,563**	**167,507**	**51,325**	**18,176**	**71,844**	**1,463,415**
佔銷售淨額百分比	*84.8%*	*74.0%*	*72.6%*	*69.7%*	*73.9%*	*82.2%*
分銷開支	(563,867)	(46,575)	(48,265)	(2,224)	(37,436)	(698,367)
營銷開支	(194,463)	(48,764)	(3,654)	(8,101)	(25,849)	(280,831)
研發開支	(14,570)	(1,595)	(577)	(92)	(2,073)	(18,907)
一般及行政開支	(131,060)	(18,853)	(8,155)	(7,324)	(7,609)	(173,001)
分佔聯營公司及合營公司溢利／(虧損)	(13,640)	–	–	–	–	(13,640)
其他經營收入	38,990	4	–	–	130	39,124
其他經營開支	(6,779)	(206)	–	–	(94)	(7,079)
經營溢利／(虧損)	**269,174**	**51,518**	**(9,326)**	**435**	**(1,087)**	**310,714**
佔銷售淨額百分比	*19.8%*	*22.8%*	*(13.2%)*	*1.7%*	*(1.1%)*	*17.4%*

*二零二一年三月三十一日經重列** *千歐元*	**L'Occitane en Provence**	**ELEMIS**	**LimeLife**	其他品牌	總計
銷售淨額	**1,194,227**	**158,910**	**102,155**	**82,553**	**1,537,845**
佔總計百分比	*77.7%*	*10.3%*	*6.6%*	*5.4%*	*100%*
毛利	**1,021,218**	**116,970**	**78,462**	**60,484**	**1,277,134**
佔銷售淨額百分比	*85.5%*	*73.6%*	*76.8%*	*73.3%*	*83%*
分銷開支	(537,492)	(28,116)	(63,974)	(36,572)	(666,154)
營銷開支	(159,237)	(30,115)	(3,639)	(20,781)	(213,772)
研發開支	(13,545)	(1,464)	–	(2,376)	(17,385)
一般及行政開支	(118,128)	(14,707)	(9,032)	(5,970)	(147,837)
分佔合營業務的溢利／(虧損)	(7,535)	–	–	–	(7,535)
其他經營收入	7,365	–	–	–	7,365
其他經營開支	(11,656)	(1,761)	1	(1,565)	(14,980)
經營溢利／(虧損)	**180,990**	**40,808**	**1,818**	**(6,780)**	**216,836**
佔銷售淨額百分比	*15.4%*	*25.7%*	*1.8%*	*(8.2%)*	*14.3%*

* *有關錯誤導致重列的詳情，請參閱附註2.2。*

概無重大分部間轉移或交易。

5. 分部資料*(續)*

5.2. 地理區域

(a) 按國家劃分之銷售淨額

銷售淨額乃根據發單附屬公司所在的以下國家而分配：

三月三十一日	*二零二二年*		*二零二一年*	
千歐元	總計	佔總額百分比	總計	佔總額百分比
中國	327,994	*18.4%*	263,642	*17.1%*
美國	251,725	*14.1%*	242,101	*15.7%*
日本	206,034	*11.6%*	215,273	*14.0%*
英國	197,461	*11.1%*	154,445	*10.0%*
香港	118,884	*6.7%*	94,589	*6.2%*
法國	96,011	*5.4%*	86,688	*5.6%*
盧森堡	73,471	*4.1%*	43,633	*2.8%*
俄羅斯	62,586	*3.5%*	50,966	*3.3%*
台灣	51,530	*2.9%*	47,464	*3.1%*
巴西	48,261	*2.7%*	34,452	*2.2%*
其他地區	347,401	*19.5%*	304,592	*19.8%*
銷售淨額	**1,781,358**	***100.0%***	**1,537,845**	***100.0%***

(b) 按國家劃分之非流動資產

下表呈列按擁有資產的附屬公司所在國家予以分派並按國家劃分的非流動資產的明細。

	截至三月三十一日止年度					
	二零二二年			*二零二一年*		
千歐元	物業、廠房及設備	使用權資產	無形資產	物業、廠房及設備	使用權資產	無形資產
美國	12,451	50,167	4 44,410	1,685	2,040	2 70,550
日本	6,002	23,144	399	7,380	23,283	237
中國	6,852	6,995	757	5,621	8,267	540
英國	7,662	22,819	3,652	6,733	23,691	3,271
香港	5,986	15,270	–	5,369	18,211	–
法國	59,920	18,896	16,166	71,870	1 11,156	17,216
盧森堡	810	9,399	20,087	980	11,616	22,627
俄羅斯	1,667	12,935	337	1,987	13,486	202
巴西	10,893	16,236	785	9,365	9,362	464
台灣	1,034	2,964	110	1,056	2,622	58
其他地區	15,447	86,109	652	18,301	77,537	784
總計	**128,724**	**264,934**	**487,355**	**130,347**	**301,271**	**315,949**

合併財務報表附註

6. 有關本集團架構的資料

6.1. 截至二零二二年三月三十一日止年度

6.1.1. 收購Sol de Janeiro

於二零二一年十二月二十三日，本集團以總代價378,700,000歐元收購Sol de Janeiro的82,86%（授予少數股東的認沽期權另見附註6.3）。

收購代價（百萬歐元）
代價明細如下：

已付現金	330,877
已發行普通股	–
或然代價	–
權益百分比	82.86%
本集團所收購可識別資產淨額	154,799
暫定商譽	**202,618**

所收購資產及所承擔負債

資產 *千歐元*	賬面值 – 二零二一年十二月三十一日	公平值調整	公平值
物業、廠房及設備淨額	0.9	–	0.9
無形資產淨額	1.1	156.7	157.8
遞延所得稅資產	2.7	–	2.7
其他非即期應收款項	0.3	–	0.3
非流動資產	**5.0**	**156.7**	**161.7**
存貨	20.2	–	20.2
應收貿易賬款	5.9	–	5.9
其他流動資產	6.3	–	6.3
現金及現金等價物	8.7	–	8.7
流動資產	**41.1**	**–**	**41.1**
總資產	**46.0**	**156.7**	**202.7**
負債 *千歐元*			
遞延所得稅負債	–	35.3	35.3
非流動負債	**–**	**35.3**	**35.3**
應付貿易賬款	9.3	–	9.3
社會及稅項負債	0.4	–	0.4
其他流動負債	3.0	–	3.0
流動負債	**12.7**	**–**	**12.7**
負債總額	**12.7**	**35.3**	**47.9**
所收購可識別資產淨額	33.3	121.4	154.8
減：非控股權益	(5.7)	(20.8)	(26.5)
加：商譽	–	–	202.6
所收購資產淨額	**27.6**	**100.6**	**330.9**

6. 有關本集團架構的資料*(續)*

6.1. 截至二零二二年三月三十一日止年度*(續)*

6.1.1.收購Sol de Janeiro(續)

收購代價(百萬歐元)*(續)*

本集團按非控股權益在被收購實體可識別資產中的比例份額確認被收購實體的非控股權益。

商譽歸因於本集團在品牌知名度及識別、產品質量、管理能力以及增長、盈利能力和現金產生前景方面的戰略契合。此次收購符合本集團打造領先優質美容品牌組合的策略。

購買價分配及公平值調整

當確認上述資產及負債，進行購買價分配時，Sol de Janeiro的可識別資產及負債按二零二一年十二月三十一日的公平值計量。

公平值調整如下：

- 商標的公平值採用特許權使用費法估計，淨特許權使用費率為7.7%，除稅後折現率為10.3%，包括稅項攤銷收益效應；
- 遞延稅項負債於商標公平值調整時確認。

截至二零二二年三月三十一日，上述公平值為暫定基準。所收購可識別資產淨值乃基於二零二一年十二月三十一日資產及負債賬面淨值。

二零二一年十二月二十三日收購日期與二零二一年十二月三十一日的合併之間的影響並不重大。

對銷售淨額及溢利的貢獻

收購業務對本集團二零二一年十二月三十一日至二零二二年三月三十一日期間的銷售淨額及溢利的貢獻分別為26,100,00歐元及2,000,000歐元。

如收購在二零二一年四月一日發生，截至二零二二年三月三十一日止年度合併經審核備考收入及溢利將分別為90,500,000歐元及15,500,000歐元。

收購相關成本

收購相關成本為2,900,000歐元，確認為行政開支。收購成本包括500,000歐元的保險成本，對應保險公司承保並由本公司支付的責任擔保條款。

合併財務報表附註

6. 有關本集團架構的資料*(續)*

6.1. 截至二零二二年三月三十一日止年度*(續)*

6.1.2. L'Occitane, Inc.申請第11章破產保護令的程序

背景

於二零二一年一月十四日，董事會批准就L'Occitane Inc.申請第11章破產保護令的決定。該案件於二零二一年一月二十六日向新澤西州破產法院(「法院」)提交。程序旨在促進與出租人磋商租賃安排。目標為達成一致計劃，據此，一般無抵押債權人(主要為出租人)同意接受少於負債全額的付款。並無計劃將附屬公司清盤。

本集團擁有L'Occitane Inc.的100%權益。然而，根據第11章破產保護令程序適用的法律限制，L'Occitane Inc.的經營活動乃透過須經法院認可的動議管理。法院向L'Occitane Inc.授出經營業務的動議可由同一法院推翻。本集團不再控制相關活動。因此，L'Occitane Inc.的獨家控制權於破產程序提交後隨即失去。L'Occitane Inc.於向法院提起訴訟之日(二零二一年一月二十六日)不再綜合入賬。於終止確認L'Occitane Inc.的資產及負債後，本集團於L'Occitane Inc.的投資採用權益法入賬。

於二零二一年八月三十一日，第11章破產保護令由法院審結及該日視為L'Occitane Inc.重新綜合入賬的生效日期，因為法院對L'Occitane Inc.並無任何控制權。故此，本集團於該日取回附屬公司的獨家控制權，其已綜合入賬至本集團的合併財務報表。

於合併財務報表，L'Occitane Inc.營運的影響呈列如下：

- 於二零二一年四月一日至二零二一年八月三十一日作為使用權益法入賬的投資。合併收益財務報表的純損為8,900,000歐元及呈列為「使用權益法入賬的分佔聯營公司及合營企業溢利／(虧損)」(附註11)；
- 於二零二一年九月作為透過完全整合法綜合入賬的附屬公司。二零二一年九月至二零二二年三月的銷售淨額及純利為89,700,000歐元及2,500,000歐元。

6. 有關本集團架構的資料*(續)*

6.1. 截至二零二二年三月三十一日止年度*(續)*

6.1.2. L'Occitane, Inc.申請第11章破產保護令的程序(續)

本集團於**L'Occitane Inc.**的投資公平值

於二零二一年八月三十一日，本集團重新計量L'Occitane Inc.的公平值，金額為0歐元，包括與本集團的債權人往來賬目19,942,000歐元，視為淨債務的一部分。

估計L'Occitane Inc.的零公平值的主要相關假設如下：

- 根據折現現金流量法(50%的比重)及上市公司倍數法(50%的比重)，企業價值估計介乎40,000,000美元至44,900,000美元；
- 就折現現金流量法而言，年增長率(複合年增長率)及EBIT利潤率估計為2%及2.5%。所採用加權平均資本成本為9.5%。最終價值計及與美國通脹預測數據一致的2%長期增長率。
- 就上市公司倍數法而言，適用的收益倍數乃按0.23倍至0.27倍的範圍估計及所適用的EBIT倍數估計介乎10.6倍至11.6倍。
- 債務淨額由企業價值減少42,300,000美元，以計入公司間貸款、現金、營運資金淨額正常化及有關第11章破產保護令程序完結的現金支出(應付業主賬款、應付業主賬款拒付部分及專業費用)。

合併財務報表附註

6. 有關本集團架構的資料*(續)*

6.1. 截至二零二二年三月三十一日止年度*(續)*

6.1.2. L'Occitane, Inc.申請第11章破產保護令的程序(續)

重新綜合入賬**L'Occitane Inc.**的已獲得資產及已承擔負債

L'Occitane Inc.投資的公平值0歐元視為收購價的一部分。

於二零二一年八月三十一日，以下L'Occitane Inc.資產及負債因重新綜合入賬而確認如下：

資產 *千歐元*	賬面值 – 二零二一年八月三十一日	公平值調整	暫定公平值
物業、廠房及設備淨額	12.3	–	12.3
無形資產淨額	0.3	–	0.3
使用權資產	55.3	–	55.3
遞延所得稅資產	14.1	–	14.1
其他非即期應收款項	0.6	–	0.6
非流動資產	**82.5**	**–**	**82.5**
存貨	16.1	–	16.1
應收貿易賬款	5.9	–	5.9
即期所得稅	0.9	–	0.9
其他流動資產	3.8	–	3.8
現金及現金等價物	20.9	–	20.9
流動資產	**47.5**	**–**	**47.5**
總資產	**130.1**	**–**	**130.1**
負債 *千歐元*			
借貸	–	–	–
租賃負債	45.0	–	45.0
其他非流動負債	0.3	–	0.3
非流動負債	**45.3**	**–**	**45.3**
應付貿易賬款	50.3	–	50.3
社會及稅項負債	3.4	–	3.4
借貸	19.9	–	19.9
租賃負債	12.6	–	12.6
其他流動負債	3.7	–	3.7
撥備	0.1	–	0.1
流動負債	**90.1**	**–**	**90.1**
負債總額	**135.4**	**–**	**135.4**
獲得淨額	**(5.3)**	**–**	**(5.3)**
少數股東	1.3	–	1.3
L'Occitane公平值	–	–	–
商譽	**6.6**	**–**	**6.6**

6. 有關本集團架構的資料*(續)*

6.1. 截至二零二二年三月三十一日止年度*(續)*

6.1.2. L'Occitane, Inc.申請第11章破產保護令的程序(續)

購買價分配及公平值調整

當確認上述資產及負債，進行購買價分配時，L'Occitane Inc.的可識別資產及負債按二零二一年八月三十一日的公平值計量。

公平值調整如下：

- L'Occitane Inc.並無擁有任何商標；
- 客戶關係(轉售分銷渠道)：鑒於並無長期獨家分銷協議，公平值被視為不重大；
- 使用權資產按相等於已確認負債的金額計量。由於第11章破產保護令期間與業主重新磋商租賃條款，新條款反映市場條款及毋須公平值調整；
- 遞延稅項資產乃根據稅務計劃確認，當中計及本集團的轉讓定價政策；
- 租賃負債根據國際財務報告準則第16號計量及確認，猶如租賃合約於二零二一年八月三十一日為新租賃。

此業務合併產生的商譽源於未來協同效應，主要受惠於獲得經重組店舖網絡及重新磋商租賃安排。

就稅務而言概無可扣稅商譽。

6.1.3. 投資Carbios

於二零二一年五月十日，本集團初步以10,000,000歐元(少於全部股份的3%)收購Carbios S.A.股份，其專注於回收塑膠及包裝產品(附註3.3)。

6.1.4. 投資L'Occitane Middle East

於二零二一年十月一日，本集團對L'Occitane Middle East額外投資4,924,138歐元以發展於杜拜的業務。權益比例穩定在51%。

合併財務報表附註

6. 有關本集團架構的資料*(續)*

6.1. 截至二零二二年三月三十一日止年度*(續)*

6.1.5. 收購Elemis少數股東權益

於二零二二年三月二十八日，本集團以購買價76,600,000歐元向Chasselas Equity S.A.購回926股Elemis股份(相當於LOI Elemis Sarl已發行股本總額7.72%)。該等股份於二零一九年三月六日售予Chasselas Equity S.A.。此收購後，權益百分比由90.9%增至98.62%。

本集團確認非控股權益減少及本集團擁有人應佔權益減少。此收購的影響概述如下：

千歐元	*二零二二年三月三十一日*
所得非控股權益賬面值	68,878
已付非控股權益的代價	76,579
在權益中的與非控股權益的交易儲備中確認已付代價超額(本集團擁有人應佔)	**(7,701)**

6.1.6. Symbiose France的新少數股東權益

於二零二一年十二月十六日，Symbiose France的總經理以購買價1,000,000歐元收購Symbiose France的2.21%(相當於31股)。權益百分比由100%降至97.79%。

本集團確認非控股權益增加及本集團擁有人應佔權益增加。

The effect of this acquisition is summarized as follows: 此收購的影響概述如下：

千歐元	*二零二二年三月三十一日*
所售非控股權益賬面值	147
已收非控股權益的代價	1,000
在權益中的與非控股權益的交易儲備中確認已收代價超額(本集團擁有人應佔)	**853**

Symbiose France的少數股東及總經理獲授4,071,000歐元的認沽期權。認沽期權可於二零二五年行使。

6. 有關本集團架構的資料*(續)*

6.2 截至二零二一年三月三十一日止年度

6.2.1 L'Occitane Inc.申請第11章破產保護令

L'Occitane Inc.的控制權變動

於二零二一年一月十四日，董事會批准就L'Occitane Inc.申請第11章破產保護令的決定。本集團擁有L'Occitane Inc.的100%權益。然而，根據第11章破產保護令程序適用的法律限制，L'Occitane Inc.的經營活動乃透過須經法院認可的動議管理。因此，本集團不再控制相關活動。L'Occitane Inc.的獨家控制權於破產程序提交後隨即失去。因此於向法院提交法律程序當日不再將L'Occitane Inc.綜合入賬。

本集團仍參與管理L'Occitane Inc.，並對該附屬公司維持重大影響力：

- 本集團為L'Occitane Inc.的唯一股東；
- 營銷策略於本集團層面界定；
- 本集團為商標的擁有人及商品的獨家供應商；
- 本集團確保L'Occitane Inc.業務的融資；
- L'Occitane Inc.仍經營業務，惟在法院的監督下進行。

於終止確認L'Occitane Inc.的資產及負債後，本集團於L'Occitane Inc.的投資採用權益法入賬。

合併財務報表附註

6. 有關本集團架構的資料*(續)*

6.2 截至二零二一年三月三十一日止年度*(續)*

6.2.1 L'Occitane Inc.申請第11章破產保護令(續)

終止確認**L'Occitane Inc.**的資產及負債

於二零二一年一月三十一日(申報日期至月底的五日期間由管理層評估為不重大),以下L'Occitane Inc.的資產(包括商譽)及負債已終止確認:

資產 *千歐元*	二零二一年 一月三十一日
物業、廠房及設備	16.4
使用權資產	71.4
商譽	5.8
無形資產	0.2
遞延所得稅資產	13.3
其他非流動資產	0.6
非流動資產	**107.7**
存貨	13.7
應收貿易賬款	6.5
其他流動資產	1.1
現金及現金等價物	7.7
流動資產	**29.0**
總資產	**136.7**
借貸	–
租賃負債	66.5
其他非流動負債	0.3
非流動負債	**66.8**
應付貿易賬款	22.5
薪金及稅項負債	4.5
流動所得稅負債	–
借貸	19.9
租賃負債	17.9
撥備	–
其他流動負債	4.0
流動負債	**68.8**
負債總額	**135.6**
非控股權益AVL	1.3
資產淨值	**2.4**

於終止確認附屬公司前,母須就L'Occitane Inc.非流動資產的攤銷時間表及剩餘價值進行減值測試或審閱。

6. 有關本集團架構的資料*(續)*

6.2 截至二零二一年三月三十一日止年度*(續)*

6.2.1 L'Occitane Inc.申請第11章破產保護令(續)

本集團於**L'Occitane Inc.**的投資公平值

於二零二一年一月三十一日，本集團在外聘顧問的協助下釐定L'Occitane Inc.的公平值為零。估計L'Occitane Inc.公平值的主要相關假設如下：

- 根據折現現金流量法(50%的比重)及上市公司倍數法(50%的比重)，企業價值估計介乎43,300,000美元至48,100,000美元；
- 就折現現金流量法而言，年增長率(複合年增長率)及EBIT利潤率估計分別為5.6%及2.5%。所採用加權平均資本成本為9.5%。最終價值計及與美國通脹預測數據一致的2%長期增長率；
- 就上市公司倍數法而言，適用的收益倍數乃按0.27倍至0.32倍的範圍估計及所適用的EBIT倍數估計介乎10.6倍至12.8倍；
- 債務淨額由企業價值減少45,800,000美元，以計入公司間貸款、現金、營運資金淨額正常化及有關第11章破產保護令程序的現金支出(應付業主賬款、應付業主賬款拒付部分、關閉店舖的終止費用、專業費用)。

失去**L'Occitane Inc.**控制權的收益

於合併收益表的「其他經營收入」(附註25)內「重新／不再將L'Occitane Inc.綜合入賬」一項錄得的收益分析如下：

千歐元

按賬面值終止確認L'Occitane Inc.的資產及負債	2,727
按公平值確認於L'Occitane Inc.保留的投資	–
將先前於其他綜合收益表確認的金額重新分類至收益表(匯兌差額)	3,029
不再將L'Occitane Inc.綜合入賬所得收益淨額	**5,756**

按賬面值終止確認L'Occitane Inc.的資產及負債亦包括確認入賬收益3,704,000歐元(主要為對銷公司間利潤)。

L'Occitane Inc.於二零二一年二月一日至二零二一年三月三十一日的虧損於合併收益表「使用權益法入賬的分佔聯營公司及合營公司溢利／(虧損)」內呈列(見附註11)。

申請第11章破產保護令的其他影響(包括重組成本)於合併收益表「重組開支」呈列(附註26)。

與申請第11章破產保護令前提供的服務相關的外部費用(律師、房地產經紀、財務顧問)於合併收益表「其他經營開支」內「重組開支」支銷2,336,000歐元(附註25、26)。於二零二一年一月三十一日後所提供服務相應的外部費用於應佔L'Occitane Inc.溢利／(虧損)中入賬1,025,000歐元(附註11)。

合併財務報表附註

6. 有關本集團架構的資料*(續)*

6.2 截至二零二一年三月三十一日止年度*(續)*

6.2.1 L'Occitane Inc.申請第11章破產保護令(續)

名義購買價分配

進行名義購買價分配時，L'Occitane Inc.的可識別資產及負債按二零二一年一月三十一日的公平值計量。

已進行購買價分配以估計L'Occitane International S.A.的公平值。公平值為零。

公平值調整如下：

- 現有商譽不被視為可識別資產，但直接計入本集團於L'Occitane Inc.的投資公平值與所收購L'Occitane Inc.資產淨值公平值之間的剩餘價值；
- L'Occitane Inc.並無擁有任何商標；
- 客戶關係(轉售分銷渠道)：鑒於並無長期獨家分銷協議，公平值被視為不重大；
- 於L'Occitane Inc.申請第11章破產保護令時，25間店舖關閉，而相關租賃概無附帶使用權資產；
- 使用權資產按相等於已確認負債的金額計量，並作出調整以反映租賃相對於市場條款的任何不利條款。此舉導致使用權資產金額較租賃負債金額10,599,000歐元有所減少。該分析乃根據房地產經紀建議的市場租金開支範圍而顯著進行；
- 遞延稅項資產乃根據稅務計劃確認，當中計及現時重組及重組L'Occitane Inc，並以本集團的轉讓定價政策為依據；
- 租賃負債根據國際財務報告準則第16號計量及確認，猶如租賃合約於二零二一年一月三十一日為新租賃。

6.2.2.於中東地區設立合營公司

於二零一九年十月十七日，本集團與中東地區現有分銷商簽署意向書，成立一家新公司「L'Occitane Middle East」，該公司由L'Occitane International S.A.持有51%股權，由分銷商持有49%股權。股東及分銷協議於二零二零年六月三日簽立。就51%已付代價為10,103,000歐元，收購成本為零。

合營協議要求所有相關活動須經各方一致同意。因此，本集團確定其對此實體有共同控制權，意味著採用權益法計量股份。

於二零二一年三月三十一日，本集團分佔L'Occitane Middle East虧損於合併收益表內以「使用權益法入賬的分佔合營公司溢利／(虧損)」確認金額為100,000歐元。

6. 有關本集團架構的資料*(續)*

6.2 截至二零二一年三月三十一日止年度*(續)*

6.2.3.與86 Caffé Retail之間的交易

於二零二零年八月一日，本集團向L'Occitane Groupe S.A(.L'Occitane International的母公司)收購86 Café Retail的95%，總收購成本為10,000歐元，根據國際財務報告準則第3號入賬。此附屬公司於巴黎香榭麗舍大道的旗艦店內經營咖啡廳。

百萬歐元	於二零二零年八月一日的價值	公平值調整	暫定公平值
已收購權益淨額	(1.4)	–	(1.4)
與L'Occitane International的借貸	2.5	–	2.5
已收購之可識別淨資產	1.1	–	1.1
收購價	0.6	–	0.6
已收購淨資產公平值超過收購成本的差額(附註25)	0.6	–	0.6

收購價中已考慮L'Occitane International與86 Café Retail之間經往來賬戶建立的既存關係淨額為645,000歐元。

上述負商譽在合併收益表內「其他經營收入」(附註25)確認。新附屬公司產生期內虧損664,000歐元。

6.2.4.於Capsum的投資

於二零二一年一月十二日，本集團收購Capsum的26%，總收購成本為27,946,593歐元。該實體專門從事化妝品行業的封裝，並為知名化妝品品牌共同開發及製造定制配方的產品。

由於本集團對Capsum有重大影響力，該投資採用權益法入賬(附註11)。

6.2.5.與南非少數股東之間的交易

於二零二零年十二月八日，本集團以購買價200,000歐元收購少數股東於L'Occitane South Africa持有的25%權益。本集團現時擁有該附屬公司之100%權益。

合併財務報表附註

6. 有關本集團架構的資料*(續)*

6.3. 其他財務負債

其他財務負債主要對應認沽期權安排。本集團已向非控股權益授出以下認沽期權：

千歐元	具有認沽期權之少數股東權益百分比	二零二一年三月三十一日	增加	行使價估值估計變動	折現回撥（附註**23**）	二零二二年三月三十一日
Sol de Janeiro非控股權益的認沽期權	17.3%	–	150,463	–	–	150,463
ELEMIS非控股權益的認沽期權	1.4%	14,143	–	(258)	1,550	15,435
Symbiose France非控股權益的認沽期權	2.2%	–	4,071	–	–	4,071
L'Occitane GmbH非控股權益的認沽期權	30%	4,528	–	(2,806)	174	1,896
其他財務負債總額	**–**	**18,671**	**154,534**	**(3,064)**	**1,724**	**171,865**

6. 有關本集團架構的資料*(續)*

6.3. 其他財務負債*(續)*

下表概述有關授予非控股權益的主要認沽期權贖回金額現值計量使用的重大不可觀察輸入數據的計量資料：

千歐元	贖回金額現值		不可觀察輸入數據	輸入數據範圍		不可觀察輸入數據與價值的關係
	二零二一年三月三十一日	*二零二二年三月三十一日*		*二零二一年三月三十一日*	*二零二二年三月三十一日*	
Sol de Janeiro非控股權益的認沽期權	–	150,463	折現率	–	1%	折現率增加100個基點及EBITDA年增長率減少100個基點會使公平值減少8,270,000歐元。
			EBITDA年增長率	–	17%–27%	折現率減少100個基點及EBITDA年增長率增加100個基點會使公平值增加8,828,000歐元。
Elemis非控股權益的認沽期權	14,143	15,435	折現率	10.7%	0.7%	折現率增加100個基點及EBITDA年增長率減少100個基點會使公平值減少305,000歐元。
			EBITDA年增長率	不可觀察輸入數據與ELEMIS業務計劃所用及附註4.1所披露者相同。		折現率減少100個基點及EBITDA年增長率增加100個基點會使公平值增加311,000歐元。

合併財務報表附註

6. 有關本集團架構的資料*(續)*

6.3. 其他財務負債*(續)*

千歐元	贖回金額現值		不可觀察輸入數據	輸入數據範圍		不可觀察輸入數據與價值的關係
	二零二一年三月三十一日	*二零二二年三月三十一日*		*二零二一年三月三十一日*	*二零二二年三月三十一日*	
Symbiose Cosmetics非控股權益的認沽期權	–	4,071	折現率	–	1%	折現率增加100個基點及EBITDA年增長率減少100個基點會使公平值減少270,000歐元。
			EBITDA年增長率	–	17%–27%	折現率減少100個基點及EBITDA年增長率增加100個基點會使公平值增加296,000歐元。
L'Occitane GmbH非控股權益的認沽期權	4,528	1,896	折現率	0.7%	0.7%	折現率增加100個基點及EBITDA年增長率減少100個基點會使公平值減少92,000歐元。
			EBITDA年增長率	2%–4%	3%–5%	折現率減少100個基點及EBITDA年增長率增加100個基點會使公平值增加97,000歐元。

6. 有關本集團架構的資料*(續)*

6.3. 其他財務負債*(續)*

假設	釐定價值使用的方法
折現率	反映時間價值的當前市場評估及負債特定的風險。
時期	管理層假設於行使期開始時行使認沽期權。
EBITDA年增長率因素	根據公司計劃估計，不計及國際財務報告準則第16號的影響。
EBIT年增長率因素	根據公司計劃估計，不計及國際財務報告準則第16號的影響。
Sol de Janeiro認沽期權安排	授予Sol de Janeiro非控股權益的認沽期權可於不同期間行使，行使價基於EBIT倍數(20倍至17倍之間)。在少數股東離開的若干情況下，倍數減少，最低為17倍。因特定原因終止僱傭關係時減少支付的或然代價安排，對應合併後服務的薪酬入賬列為社會負債，並在3年歸屬期內確認為薪酬開支(附註24)。

合併財務報表附註

7. 物業、廠房及設備

7.1. 截至二零二二年三月三十一日止年度

於二零二二年三月三十一日，物業、廠房及設備可分析如下：

千歐元	土地	樓宇	機器及設備	其他物業、廠房及設備	有關店舖的租賃物業裝修	有關店舖的其他物業、廠房及設備	在建物業、廠房及設備	總計
於二零二一年三月三十一日的成本	**3,246**	**59,169**	**67,828**	**105,793**	**127,170**	**32,737**	**5,417**	**401,360**
添置	35	41	2,737	8,184	13,295	2,982	3,457	30,731
出售	–	–	(320)	(4,599)	(17,734)	(5,097)	(124)	(27,874)
收購附屬公司	–	–	457	2,627	7,413	2,704	–	13,201
其他變動	–	722	574	(1,757)	3,172	456	(3,353)	(186)
匯兌差額	195	1,094	449	2,892	3,499	1,200	105	9,434
於二零二二年三月三十一日的成本	**3,476**	**61,026**	**71,725**	**113,140**	**136,815**	**34,982**	**5,502**	**426,666**
於二零二一年三月三十一日的累計折舊	**–**	**(28,129)**	**(44,894)**	**(82,845)**	**(89,889)**	**(25,256)**	**–**	**(271,013)**
折舊	–	(3,805)	(6,516)	(13,434)	(16,483)	(5,414)	–	(45,652)
減值虧損	–	–	–	–	(3,784)	–	–	(3,784)
撥回減值虧損	–	–	–	41	1,144	–	–	1,185
出售	–	–	275	4,607	16,999	4,965	–	26,846
收購附屬公司	–	–	–	–	–	–	–	–
其他變動	–	–	(6)	(1,280)	1,052	(4)	–	(238)
匯兌差額	–	(120)	(196)	(1,259)	(2,880)	(831)	–	(5,286)
於二零二二年三月三十一日的累計折舊	**–**	**(32,054)**	**(51,337)**	**(94,170)**	**(93,841)**	**(26,540)**	**–**	**(297,942)**
於二零二二年三月三十一日的賬面淨值	**3,476**	**28,972**	**20,388**	**18,970**	**4 2,974**	**8,442**	**5,502**	**128,724**

期內添置主要與開設及翻新80間店舖有關，為13,295,000歐元。

期內出售主要涉及110間店舖結業。

撇除非現金項目，總現金添置為31,726,000歐元。

7. 物業、廠房及設備*(續)*

7.2. 截至二零二一年三月三十一日止年度

於二零二一年三月三十一日，物業、廠房及設備可分析如下：

千歐元	土地	樓宇	機器及設備	其他物業、廠房及設備	有關店舖的租賃物業裝修	有關店舖的其他物業、廠房及設備	在建物業、廠房及設備	總計
於二零二零年三月三十一日的成本	**3,371**	**59,904**	**65,477**	**118,734**	**164,037**	**50,140**	**8,027**	**469,690**
添置	–	–	1,909	5,898	7,348	1,620	5,542	22,316
出售	–	–	(264)	(7,925)	(9,657)	(3,995)	(502)	(22,343)
收購附屬公司	–	–	65	57	2,726	–	–	2,848
不再將L'Occitane Inc.綜合入賬	–	–	(506)	(10,285)	(36,479)	(14,092)	(2,348)	(63,710)
其他變動	–	–	1,472	1,322	1,387	422	(5,189)	(586)
匯兌差額	(125)	(735)	(325)	(2,007)	(2,192)	(1,358)	(113)	(6,855)
於二零二一年三月三十一日的成本	**3,246**	**59,169**	**67,828**	**105,793**	**127,170**	**32,737**	**5,417**	**401,360**
於二零二零年三月三十一日的累計折舊	**–**	**(24,366)**	**(38,474)**	**(83,190)**	**(109,323)**	**(33,832)**	**–**	**(289,185)**
折舊	–	(3,794)	(6,872)	(14,690)	(19,601)	(6,163)	–	(51,120)
減值虧損	–	–	–	–	(519)	–	–	(519)
撥回減值虧損	–	–	–	18	928	–	–	946
出售	–	–	205	7,235	8,984	3,712	–	20,135
收購附屬公司	–	–	–	(29)	(1,356)	–	–	(1,385)
不再將L'Occitane Inc.綜合入賬	–	–	487	6,502	29,835	10,180	–	47,004
其他變動	–	–	(372)	1	105	(5)	–	(272)
匯兌差額	–	31	133	1,309	1,058	852	–	3,383
於二零二一年三月三十一日的累計折舊	**–**	**(28,129)**	**(44,894)**	**(82,845)**	**(89,889)**	**(25,256)**	**–**	**(271,013)**
於二零二一年三月三十一日的賬面淨值	**3,246**	**31,040**	**22,934**	**22,948**	**37,281**	**7,481**	**5,417**	**130,347**

期內添置主要與開設及翻新61間店舖有關，為7,348,000歐元。

期內出售主要涉及145間店舖結業。

撇除非現金項目，總現金添置為22,582,000歐元。

合併財務報表附註

7. 物業、廠房及設備*(續)*

7.3. 物業、廠房及設備折舊於收益表中的分類

本集團於合併收益表扣除的物業、廠房及設備的折舊如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
銷貨成本	10,189	11,987
分銷開支	29,251	32,656
營銷開支	114	108
研發開支	890	904
一般及行政開支	5,208	5,465
折舊開支	**45,652**	**51,120**

7.4. 物業、廠房及設備的減值測試

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
於年初的累計減值撥備	**(3,701)**	**(8,235)**
減值撥備	(3,784)	(519)
減值撥備撥回(已動用)	125	527
減值撥備撥回(未動用)	1,060	419
不再將L'Occitane Inc.綜合入賬	–	3,943
收購附屬公司	(154)	–
匯兌差額	(25)	164
於三月三十一日的累計減值撥備	**(6,479)**	**(3,701)**

物業、廠房及設備分配至本集團的現金產生單位，並如附註2.7所述進行減值測試。

於二零二二年三月三十一日及二零二一年三月三十一日，入賬至「銷售成本」及「分銷開支」以調整若干有關工廠及店舖固定資產賬面值的減值虧損分別為3,784,000歐元及519,000歐元。

已動用減值撥備撥回與停業店舖有關。

8. 租賃

本附註載有本集團為承租人的租賃的資料。

8.1. 使用權資產

於合併資產負債表確認的金額

使用權資產變動分析如下：

千歐元	店舖	辦公室	其他	總計
於二零二一年三月三十一日的賬面淨值	**243,271**	**47,815**	**10,185**	**301,271**
添置	88,919	6,424	12,995	108,338
出售及估計租賃期變動	(92,594)	(1,176)	(767)	(94,537)
折舊（附註24.3）	(73,524)	(16,868)	(5,723)	(96,115)
不再將L'Occitane Inc.綜合入賬（附註6.1）	44,875	8,399	2,004	55,278
減值虧損（扣除撥回）（附註24.3）	(17,768)	–	–	(17,768)
匯兌差額	6,796	1,607	64	8,467
於二零二二年三月三十一日的賬面淨值	**199,975**	**46,201**	**18,758**	**264,934**

截至二零二二年三月三十一日止年度，有關添置主要與新店鋪（6,665,000歐元）及延長或重續合約或新辦事處等其他影響（101,673,000歐元）有關。

減值虧損（扣除撥回）主要與位於法國巴黎Champs-Elysées的旗艦店之估計租賃期變動有關。本集團訂立租賃協議時，經考慮存在延長租賃的選擇權及該店鋪的特徵（優越的位置）及初始投資金額，本集團合理確定行使該選擇權。因此，租賃期初步對應簽署日期的初始租賃期（12年），已計入延長期（12年）。由於該店鋪表現欠佳，本集團重新評估較短的租賃期。

Champs-Elysées的旗艦店的頂手費已質押，以取得15,599,273歐元，作為二零一九財年長期貸款的抵押品。

於合併收益表確認的金額

合併收益表呈列以下關於租賃的金額：

二零二二年三月三十一日 *千歐元*	店舖	辦公室	其他	總計
分銷開支	(73,524)	–	–	(73,524)
一般及行政開支	–	(16,868)	(5,723)	(22,591)
折舊開支	**(73,524)**	**(16,868)**	**(5,723)**	**(96,115)**

合併財務報表附註

8. 租賃(續)

8.1. 使用權資產(續)

使用權資產減值測試

截至三月三十一日止期間 *千歐元*	*二零二二年*	*二零二一年*
年初累計減值	**(9,792)**	**(5,764)**
減值虧損	(19,923)	(10,193)
減值虧損撥回(已動用)	2,155	591
不再將L'Occitane Inc.綜合入賬	–	5,367
其他變動	–	154
匯兌差額	(1)	53
於三月的累計減值撥備	**(27,561)**	**(9,792)**

使用權資產分配至本集團現金產生單位及按附註2.8所述者進行減值測試。附註4.1描述使用價值計算所用的關鍵假設。

於二零二二年三月三十一日的減值虧損6,646,000歐元已記錄於「分銷開支」項下，以調整關於店舖的若干使用權資產的賬面值。

已動用減值撥備撥回與停業店舖有關。

8.2. 租賃負債

於合併資產負債表確認的金額

租賃負債到期日分析如下：

千歐元	*二零二二年*	*二零二一年*
一年內	93,722	78,538
一至兩年	65,812	58,599
兩至五年	88,800	80,034
五年以上	25,898	77,556
截至三月三十一日止期間	**274,232**	**294,727**

截至二零二二年三月三十一日止年度的租賃現金流出總額為108,536,000歐元。

於合併收益表確認的金額

合併收益表呈列以下關於租賃的金額：

千歐元	*二零二二年 三月三十一日*
利息開支(計入財務成本)	8,861
與短期租賃有關的開支(計入分銷開支)	5,956
並無於上文列示為短期租賃的與低價值資產租賃有關的開支(計入已售商品成本及行政開支)	8
並無計入租賃負債與可變租賃付款有關的開支(計入分銷開支)	74,119
總計	**88,944**

9. 商譽

商譽由管理層於商標層面監察(附註2.9)。

9.1. 商譽變動及明細

商譽變動分析如下：

千歐元	二零二零年三月三十一日	添置	其他	不再將L'Occitane Inc.綜合入賬	匯兌差額	二零二一年三月三十一日	添置	重新將L'Occitane Inc.綜合入賬	匯兌差額及其他	二零二二年三月三十一日
ELEMIS	514,910	–	10,738	–	(1,347)	524,301	–	–	13,355	537,656
Sol de Janeiro	–	–	–	–	–	–	202,618	–	6,260	208,878
LimeLife	121,336	–	–	–	(7,944)	113,392	–	–	6,362	119,754
L'Occitane en Provence [a]										
於：俄羅斯	25,385	–	–	–	(609)	24,776	–	–	(695)	24,081
日本	21,833	–	–	–	(1,854)	19,979	–	–	(779)	19,200
馬來西亞	9,454	–	–	–	(253)	9,201	–	–	386	9,587
挪威	4,356	–	–	–	660	5,016	–	–	147	5,163
美國	6,174	–	–	(5,791)	(383)	–	–	6,620	372	6,992
其他國家	21,163	–	–	–	(300)	20,863	–	–	1,000	21,863
Melvita	35,931	–	–	–	–	35,931	–	–	–	35,931
Erborian	2,384	–	–	–	–	2,384	–	–	–	2,384
總成本	**762,926**	**–**	**10,738**	**(5,791)**	**(12,030)**	**755,843**	**202,618**	**6,620**	**26,408**	**991,489**
累計減值虧損	(1,000)	–	–	–	–	(1,000)	–	–	–	(1,000)
總成本	**761,926**	**–**	**10,738**	**(5,791)**	**(12,030)**	**754,843**	**202,618**	**6,620**	**26,408**	**990,489**

(a) 有關L'Occitane en Provence的商譽涉及上述國家的獨家分銷商的過往收購。

9.2. 商譽的減值測試

主要假設及敏感度分析於附註4.1披露。

合併財務報表附註

10. 無形資產

10.1. 截至二零二二年三月三十一日止年度

無形資產包括：

- 所收購具無限使用年限的商標(Sol de Janeiro、Elemis、Melvita)；
- 內部使用軟件，包括企業資源計劃系統、銷售點系統及其他。

無形資產變動可分析如下：

千歐元	網站	商標	軟件	合約客戶關係	在建無形資產	其他無形資產	總計
於二零二一年三月三十一日的成本	**56**	**259,155**	**73,321**	**33,191**	**6,102**	**23,456**	**395,281**
添置	141	27	3,858	–	4,495	275	8,796
出售	(446)	(637)	(3,661)	(334)	(1)	–	(5,079)
收購附屬公司	–	157,761	41	–	106	148	158,056
其他變動	1,069	–	2,684	–	(5,076)	1,539	216
匯兌差額	(1)	18,538	749	1,710	49	46	21,091
於二零二二年三月三十一日的成本	**819**	**434,844**	**76,992**	**34,567**	**5,675**	**25,464**	**578,361**
於二零二一年三月三十一日的累計攤銷及減值	**(7)**	**(611)**	**3**	**(59,274)**	**(8,586)**	**(10,857)**	**(79,332)**
攤銷	(183)	–	(8,731)	(3,478)	–	(3,337)	(15,729)
出售	446	624	3,476	334	–	–	4,880
其他變動	(603)	–	698	–	–	–	95
匯兌差額	(1)	–	(446)	(453)	–	(20)	(920)
於二零二二年三月三十一日的累計攤銷及減值	**(348)**	**13**	**(5,000)**	**(62,871)**	**(8,586)**	**(14,214)**	**(91,006)**
於二零二二年三月三十一日的賬面淨值	**471**	**434,857**	**71,992**	**(28,304)**	**(2,911)**	**11,250**	**487,355**

添置主要與以下各項有關：

- 在建資產的金額4,495,000歐元主要與軟件有關。
- 3,858,000歐元的軟件。

10. 無形資產(續)

10.2. 截至二零二一年三月三十一日止年度

無形資產包括：

- 所收購具無限使用年限的商標；
- 內部使用軟件，包括企業資源計劃系統、銷售點系統及其他。

無形資產可分析如下：

千歐元	網站	商標	軟件	合約客戶關係	在建無形資產	其他無形資產	總計
於二零二零年三月三十一日的成本	**9**	**276,216**	**68,746**	**35,272**	**5,935**	**20,523**	**406,701**
添置	47	–	3,750	–	5,673	883	10,353
出售	–	–	(947)	–	(230)	–	(1,177)
不再將L'Occitane Inc.綜合入賬	–	(854)	–	(219)	(72)	(1,145)	
其他變動	–	–	3,121	–	(5,156)	2,091	56
匯兌差額	(0)	(17,061)	(494)	(2,081)	99	31	(19,506)
於二零二一年三月三十一日的成本	**56**	**259,155**	**73,321**	**33,191**	**6,102**	**23,456**	**395,281**
於二零二零年三月三十一日的累計攤銷及減值	**(0)**	**(611)**	**–**	**(51,129)**	**(5,371)**	**(8,013)**	**(65,124)**
攤銷	(7)	–	–	(10,185)	(3,406)	(2,854)	(16,452)
出售	–	–	–	945	–	–	945
不再將L'Occitane Inc.綜合入賬	–	–	–	854	–	52	906
匯兌差額	0	–	3	241	191	(42)	393
於二零二一年三月三十一日的累計攤銷及減值	**(7)**	**(611)**	**3**	**(59,274)**	**(8,586)**	**(10,857)**	**(79,332)**
於二零二一年三月三十一日的賬面淨值	**49**	**258,544**	**73,324**	**(26,083)**	**(2,484)**	**12,599**	**315,949**

添置主要與以下各項有關：

- 在建資產的金額5,673,000歐元主要與軟件有關。
- 3,750,000歐元的軟件。

合併財務報表附註

10. 無形資產*(續)*

10.3. 無形資產攤銷於合併收益表中的分類

自收益表扣除的無形資產攤銷如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
銷貨成本	12	13
分銷開支	4,775	4,219
營銷開支	288	496
研發開支	–	13
一般及行政開支	10,654	11,711
攤銷開支	**15,729**	**16,452**

10.4. 無形資產的減值測試

誠如附註2.9所述，無形資產分配至本集團的現金產生單位，並進行減值測試。附註4.1載述計算使用價值所用主要假設。

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
於年初的累計減值撥備	**(27)**	**(27)**
首次應用國際財務報告準則第16號	–	–
減值撥備	–	–
撥回減值撥備	–	–
匯兌差額	–	–
於三月三十一日的累計減值撥備	**(27)**	**(27)**

11. 合營公司及聯營公司

本集團擁有「L'Occitane Middle East」(合營公司)51%權益、L'Occitane Inc.(聯營公司)100%權益(二零二一年四月一日至二零二一年八月三十一日期間，附註6.1.2所披露)、CAPSUM(聯營公司)26%權益及Good Glamm Group 15.53%權益。

11.1.於聯營公司及合營公司的權益

於聯營公司及合營公司的權益披露的金額如下：

千歐元		佔擁有權			二零二二財年分佔溢	二零二二財年
實體名稱	業務地點	權益百分比	關係性質	計量方法	利／(虧損)	賬面值
L'Occitane Inc. (6.1)	美國	100%	聯營公司	權益法	(8,920)	–
Good Glamm Group	印度	15.53%	聯營公司	權益法	(5,019)	24,677
L'Occitane Middle East	中東	51%	合營公司	權益法	678	15,890
CAPSUM	歐洲／美國	26%	聯營公司	權益法	(379)	26,672
於聯營公司及合營公司之投資總額					**(13,640)**	**67,239**

權益入賬投資的賬面值變動如下：

	L'Occitane Middle East	**Capsum**	**Good Glamm Group** *經重列**	**L'Occitane Inc.**
二零二一年三月三十一日*經重列**	9,624	28,091	8,539	15,921
資本增加	4,924	–	–	–
資本收益，扣除權益攤薄(附註25)	–	–	20,117	–
期內溢利／(虧損)	678	(379)	(5,019)	(8,920)
外匯換算影響	664	–	1,040	68
重新綜合入賬(附註6.1.2)	–	–	–	(7,069)
控股權益變動	–	(1,040)	–	–
二零二二年三月三十一日	**15,890**	**26,672**	**24,677**	**–**

合併財務報表附註

11. 合營公司及聯營公司*(續)*

11.1.於聯營公司及合營公司的權益*(續)*

有關錯誤導致重列的詳情，請參閱附註2.2。
在15,921,000歐元中，本集團授予L'Occitane Inc.的貸款被認為是本集團於該附屬公司淨投資的一部分。

分佔權益入賬合營公司溢利／(虧損)於合併收益表「使用權益法入賬的分佔聯營公司及合營企業溢利／(虧損)」一項入賬。

對於Good Glamm Group，攤薄虧損的計算方法乃將出售權益賬面值與L'Occitane分佔合營公司聯繫人發行新股份收取所得款項之份額進行比較。此攤薄虧損於合併收益表「其他經營開支」一項入賬(附註25)。

聯營公司及合營公司從功能貨幣轉換為本集團的呈列貨幣產生的匯兌差額於本集團的其他綜合收益入賬：L'Occitane Middle East為664,000歐元，Good Glamm Group為1,040,000歐元及L'Occitane Inc.為68,000歐元。

11.2.聯營公司及合營公司的資產負債表概要

	L'Occitane Middle East	**CAPSUM**	**Good Glamm Group**
千歐元	*二零二二年*	*二零二二年*	*二零二二年*
賬面值對賬	*三月三十一日*	*三月三十一日*	*三月三十一日*
資產淨值	**3,232**	**25,987**	**169,765**
本集團應佔百分比	51%	26%	15.53%
本集團應佔千歐元	1,648	6,757	26,365
名義商譽	14,242	19,915	(1,688)
賬面值	**15,890**	**26,672**	**24,677**

11. 合營公司及聯營公司*(續)*

11.3.聯營公司及合營公司的綜合收益表概要

二零二二年三月三十一日 *千歐元*	L'Occitane Middle East	CAPSUM	Good Glamm Group
銷售淨額	22,798	38,707	30,273
銷售成本	(9,356)	(32,643)	(11,606)
毛利	**13,442**	**6,064**	**18,667**
分銷開支	(2,866)	(2,526)	–
營銷開支	(3,690)	–	–
一般及行政開支	(4,026)	(4,534)	(42,154)
其他收益／(虧損)淨額	(1,004)	(10)	(2,199)
其他財務權益	(164)	–	(2,675)
所得稅開支	–	(454)	–
期內溢利／(虧損)	**1,692**	**(1,460)**	**(28,361)**
其他綜合收益	–	–	–
綜合收益總額	**1,692**	**(1,460)**	**(28,361)**

Good Glamm Group的收益表按性質呈列。因此，所有經營開支僅分類為上市收益表的一行。

11.4.聯營公司及合營公司的資產負債表概要

概要資產負債表 *千歐元*	L'Occitane Middle East *二零二二年三月三十一日*	Capsum *二零二二年三月三十一日*	Good Glamm Group *二零二二年三月三十一日*
流動資產			
現金及現金等價物	2,188	812	113,458
其他流動資產	10,124	19,550	40,558
流動資產總額	**12,312**	**20,362**	**154,016**
非流動資產	12,505	53,719	68,445
流動負債	(8,084)	(25,668)	(14,708)
非流動負債	(13,501)	(22,426)	(37,988)
資產淨值	**3,232**	**25,987**	**169,765**

11.5.有關聯營公司及合營公司的承擔及或然負債

概無承擔為合營公司及聯營公司資本提供資金，亦無或然負債(與其他投資者共同產生的或然負債或本集團須個別承擔的負債)。

合併財務報表附註

12. 於其他實體的權益

擁有對本集團而言屬重大的非控股權益(非控股權益)的各附屬公司的財務資料概要載列如下。

非控股權益的重大程度乃基於各種量化及質化因素而定，主要為附屬公司對本集團合併財務報表的貢獻百分比、年末非控股權益金額及附屬公司對本集團策略的重要性。

各附屬公司所披露的金額並未扣除集團公司間之任何對銷。

資產負債表概要

	二零二二年三月三十一日			*二零二一年三月三十一日*	
千歐元	**LimeLife**	**ELEMIS**	**Sol de Janeiro**	**LimeLife**	**ELEMIS**
流動資產	42,237	198,468	385,597	29,466	134,439
流動負債	50,168	51,380	354,910	31,967	40,027
流動資產／(負債)淨值	**(7,931)**	**147,088**	**30,687**	**(2,501)**	**94,412**
非流動資產	131,604	841,968	379,515	118,779	815,089
非流動負債	7,228	54,725	39,367	5,394	48,450
非流動資產／(負債)淨值	**124,376**	**787,243**	**340,148**	**113,385**	**766,639**
資產／(負債)淨值	**116,445**	**934,331**	**370,835**	**110,884**	**861,051**
本集團擁有的權益百分比	58.0%	90.9%	82.9%	58.6%	90.9%
累計非控股權益	3,433	12,371	28,307	5,594	73,946

綜合收益表概要

	二零二二年三月三十一日			*二零二一年三月三十一日*	
千歐元	**LimeLife**	**ELEMIS**	**Sol de Janeiro**	**LimeLife**	**ELEMIS**
收益	71,103	206,860	25,487	101,535	148,447
年內溢利／(虧損)	**(7,372)**	**44,988**	**1,964**	**(615)**	**30,988**
其他綜合收益／(開支)	6,797	28,184	11,109	(8,595)	(17,413)
綜合收益／(開支)總額	**(575)**	**73,172**	**13,073**	**(9,210)**	**13,575**

其他綜合收益主要關於商譽、商標及無形資產的貨幣換算調整。

LimeLife的其他綜合收益主要與商譽的貨幣換算調整有關。

12. 於其他實體的權益(續)

現金流量表概要

	二零二二年三月三十一日			二零二一年三月三十一日	
千歐元	**LimeLife**	**ELEMIS**	**Sol de Janeiro**	**LimeLife**	**ELEMIS**
經營活動產生的現金流量	(13,747)	10,769	(3)	6,224	45,530
投資活動產生的現金流量	(368)	(7,993)	8,017	(1,532)	(35,046)
融資活動產生的現金流量	18,261	(5,027)	3,285	(3,339)	(4,467)
現金及現金等價物增加／(減少)淨額	**4,146**	**(2,251)**	**11,299**	**1,353**	**6,017**

ELEMIS的投資活動產生的現金流量關於轉讓予L'Occitane International S.A.的現金。

13. 其他非流動資產

其他非流動資產分析如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年* *經重列**
按金	24,800	24,763
按公平值列入其他綜合收益(「按公平值列入其他綜合收益」)的股本投資(附註3.3)	33,117	17,503
應收稅項	7,315	6,848
其他	2,546	1,702
其他非流動資產	**67,778**	**50,816**

* *有關錯誤導致重列的詳情，請參閱附註2.2。*

14. 存貨

存貨分析如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
原材料及供應物料	37,480	25,037
製成品及在製品	249,304	189,815
存貨總額	**286,784**	**214,852**
減撥備	(23,622)	(15,992)
存貨	**263,162**	**198,860**

存貨增加主要關於重新將L'Occitane Inc.綜合入賬(16,136,000歐元)及收購Sol de Janeiro(22,312,000歐元)。

合併財務報表附註

15. 應收貿易賬款

應收貿易賬款分析如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
應收貿易賬款總額	204,939	139,320
減呆賬撥備	(5,316)	(3,982)
應收貿易賬款	**199,623**	**135,338**

本集團應收貿易賬款的賬面值與其公平值相若。於結算日，鑒於本集團的客戶分佈全球各地，數目眾多，故此其應收貿易賬款並不涉及信貸集中風險。各結算日最高的信貸風險為上列應收款項的公平值。本集團並無持有任何抵押品作抵押。

應收貿易賬款賬齡分析報告如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
即期及逾期3個月內	191,999	133,161
3至6個月	7,872	2,321
6至12個月	2,337	1,746
超過12個月	2,731	2,092
應收貿易賬款總額	**204,939**	**139,320**

本集團就應收貿易賬款減值的撥備變動如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
年初	(3,982)	(2,674)
減值撥備	(1,891)	(3,410)
減值撥回	1,301	1,707
重新分類	–	497
不再將L'Occitane Inc.綜合入賬	–	8
收購Sol de Janeiro	(554)	–
匯兌差額	(190)	(110)
年終	**(5,316)**	**(3,982)**

就已減值應收款項撥備之增設及解除，已計入分銷開支內。

15. 應收貿易賬款*(續)*

已減值應收款項撥備根據到期日的賬齡如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
3個月內	1,349	1,060
3至6個月	1,343	849
6至12個月	725	714
超過12個月	1,899	1,359
已減值應收款項	**5,316**	**3,982**

個別已減值應收款項涉及突然陷入財政困難的批發商。

於二零二二年及二零二一年三月三十一日，已逾期但未減值應收貿易賬款根據到期日的賬齡分析如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
3個月以內	28,907	9,358
3至6個月	6,527	1,472
6至12個月	1,612	1,032
超過12個月	833	734
已逾期但未減值應收貿易賬款	**37,879**	**12,596**

該等應收貿易賬款與多名根據過往經驗並無嚴重財政困難的客戶有關。逾期金額可予收回。

本集團認為，該等已逾期應收款項並不涉及無法收回的風險。

16. 其他流動資產

下表載列其他流動資產的詳情：

千歐元	*二零二二年 三月三十一日*	*二零二一年 三月三十一日*
應收增值稅及其他應收稅項及薪金項目	23,095	16,836
預付開支[(a)]	21,515	18,907
應收所得稅	10,844	3,894
向供應商預付款項	12,168	10,331
L'Occitane Middle East往來賬戶	7,112	–
其他流動資產	8,201	2,830
其他流動資產總額	**82,935**	**52,798**

(a) *應收所得稅與首付所得稅的金額高於年內預計支付的最終所得稅開支有關。*

合併財務報表附註

17. 衍生金融工具

17.1. 衍生金融工具的分析

衍生金融工具的分析如下：

千歐元	*二零二二年三月三十一日*		*二零二一年三月三十一日*	
	資產	負債	資產	負債
按公平值列入損益的外匯衍生工具	1,931	1,208	72	657
按公平值列入損益的衍生金融工具小計	**1,931**	**1,208**	**72**	**657**
按公平值列入其他綜合收益的利率衍生工具	–	–	–	56
指定作對沖工具的衍生金融工具小計	**–**	**–**	**–**	**56**
衍生金融工具流動部分	**1,931**	**1,208**	**72**	**713**

持作買賣之衍生工具歸類為流動資產或負債。倘若獲對沖項目餘下期限超過12個月，指定作對沖工具的衍生工具公平值歸類為非流動資產或負債，倘若獲對沖項目的期限不足12個月，指定作對沖工具的衍生工具公平值則歸類為流動資產或負債。

以外幣計值獲對沖極可能預測交易預計在未來12個月多個日期發生。期終指定作對沖工具的外匯遠期合約在其他綜合收益中的對沖儲備內確認之損益，將於獲對沖預測交易影響收益表的期間在收益表內確認入賬。一般而言為自結算日起12個月內。

按公平值計入損益的衍生工具公平值變動於收益表內確認，有關利息衍生工具的部分計入「財務收入」／「財務成本」而有關貨幣衍生工具的部分則計入「外幣收益／(虧損)」。

17.2. 按公平值列入損益的衍生工具

與按公平值列入損益的衍生工具有關的公平值變動如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
— 就貨幣衍生工具計入「外幣收益／(虧損)」(附註28)	1,308	(1,401)
按公平值列入損益衍生工具公平值總變動：收益／(虧損)	**1,308**	**(1,401)**

17. 衍生金融工具*(續)*

17.3. 指定作對沖工具的衍生工具

指定按公平值列入其他綜合收益的衍生工具於附註17披露。

17.4. 衍生工具名義金額

未結算外匯遠期衍生工具的名義本金額如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
賣出貨幣		
人民幣	51,971	23,371
美元	29,810	10,376
港元	23,931	7,147
日圓	13,947	2,819
英鎊	9,161	2,799
盧布	8,586	3,249
墨西哥比索	4,597	3,573
泰銖	2,653	2,681
澳元	1,494	470
新加坡元	799	–
挪威克朗	578	268
捷克克朗	312	77
波蘭茲羅提	256	174
南非蘭特	204	69
匈牙利福林	200	60
瑞典克朗	92	111
買入貨幣		
人民幣	6,056	–
匈牙利福林	57	–
墨西哥比索	308	–

合併財務報表附註

18. 現金及現金等價物

下表呈列現金及現金等價物的詳情：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
銀行存款及手頭現金	358,230	419,319
現金等價物	2,669	1,897
現金及現金等價物	**360,899**	**421,216**

現金等價物包括短期銀行存款中流動性極高的投資。

銀行存款及手頭現金的實際利率如下：

	二零二二年	*二零二一年*
歐元現金	歐元銀行同業隔夜拆息或歐洲銀行同業拆息＋差額	歐元銀行同業隔夜拆息或歐洲銀行同業拆息＋差額
外幣現金	本地市場拆息＋差額	本地市場拆息＋差額

現金等價物的實際利率如下：

	二零二二年	*二零二一年*
歐元現金等價物（短期銀行存款）	歐洲銀行同業／本地市場拆息	歐洲銀行同業／本地市場拆息

19. 資本及儲備

L'Occitane International S.A.是在盧森堡大公國註冊成立的股份有限公司。本公司的法定資本為1,500,000,000歐元，其中44,309,000歐元於二零二二年三月三十一日已發行。同日，本公司72.28%的股本由於盧森堡註冊成立的L'Occitane Groupe S.A（.「LOG」或「母公司」）持有。CIME S.C.A.為於盧森堡註冊成立的最終母公司。

本公司全部已發行股份已繳足，附帶同等權利及義務。

19.1.股本及額外實繳資本

股數、股本及額外實繳資本的變動概列如下（千歐元，惟「股數」除外）：

	股數	股本	額外實繳資本
於二零二一年三月三十一日	**1,476,964,891**	**44,309**	**342,851**
於二零二二年三月三十一日	**1,476,964,891**	**44,309**	**342,851**

19.2.庫存股份

於二零二一年三月三十一日，本公司持有10,286,970股庫存股份，而購買股份的總價為16,381,000歐元，於權益內扣除作為「庫存股份儲備」。

於二零二二年三月三十一日，本公司持有6,829,070股庫存股份，而購買股份的總價為15,476,000歐元，於權益內扣除作為「庫存股份儲備」。

19. 資本及儲備(續)

19.3.以股份支付款項

本公司授出三類以股份支付款項：(i)涉及LOI股本工具的以股份支付款項；(ii)涉及LimeLife股本工具的股份支付款項；及(iii)涉及LOG股本工具的以股份支付款項。

(i) 授出購股權的公平值

授出日期公平值乃使用經調整的Black-Scholes模型單獨釐定，該模型採用Monte Carlo模擬法，當中計及購股權的行使價、年期、於授出日期的股價、預期股息收益、購股權年期內的無風險利率，以及同類集團公司的關聯性及波幅。

(ii) 涉及LOI工具的計劃的主要特性及詳情

股票期權

股票期權計劃概述如下：

	二零二二年三月三十一日		*二零二一年三月三十一日*	
	每份購股權的平均行使價（港元）	購股權數目	每份購股權的平均行使價（港元）	購股權數目
於期初	15.94	12,512,350	15.94	19,535,672
期內已行使	15.69	(5,544,450)	15.61	(4,945,400)
期內已註銷／失效	15.12	(271,300)	21.73	(2,077,922)
於期末	**14.63**	**6,696,600**	**15.94**	**12,512,350**

已取消的購股權與歸屬期結束前離任本公司的僱員有關。

於期末時未到期購股權的歸屬日期及行使價如下：

			購股權數目	
			二零二二年	*二零二一年*
授出日期	歸屬日期	行使價	*三月三十一日*	*三月三十一日*
二零一二年十月二十六日	二零一六年十月二十六日	23.60港元	–	–
二零一二年十一月二十八日	二零一六年十一月二十九日	24.47港元	–	–
二零一三年十二月四日	二零一七年十二月四日	17.62港元	–	1,254,250
二零一五年二月二十三日	二零一九年二月二十三日	19.22港元	–	238,000
二零一六年三月二十一日	二零二零年三月二十一日	14.36港元	520,500	1,711,250
二零一七年二月二日	二零二一年二月二日	15.16港元	1,473,350	4,337,050
二零一八年三月二十九日	二零二二年三月二十九日	14.50港元	4,702,750	4,971,800
總計			**6,696,600**	**12,512,350**

合併財務報表附註

19. 資本及儲備*(續)*

19.3.以股份支付款項*(續)*

(ii) ***涉及LOI工具的計劃的主要特性及詳情****(續)*

無償股份

無償股份計劃概述如下：

	二零二二年三月三十一日		*二零二一年三月三十一日*	
	每股無償股份的平均公平值（港元）	無償股份數目	每股無償股份的平均公平值（港元）	無償股份數目
於期初	14.50	3,360,300	14.50	3,371,400
期內已歸屬	14.50	(2,333,700)	–	–
期內已沒收	14.50	(1,026,600)	14.50	(11,100)
於期末	**–**	**–**	**14.50**	**3,360,300**

年底的未到期無償股份的屆滿日期及行使價如下：

			無償股份數目	
			二零二二年	*二零二一年*
授出日期	歸屬日期	行使價	*三月三十一日*	*三月三十一日*
二零一八年三月二十九日	二零二二年三月二十九日	–	–	3,360,300
總計		**–**	**–**	**3,360,300**

(iii) ***涉及LimeLife股本工具的計劃的主要特性及詳情***

L'Occitane International S.A.向LimeLife的少數股東授出LimeLife的股本工具的權利。本無償股份計劃乃基於二零一七年十二月十二日起計四年期間的存在情況。概無任何履行標準。

本計劃概述如下：

	二零二二年三月三十一日		*二零二一年三月三十一日*	
	每股無償股份的平均公平值（歐元）	無償股份數目	每股無償股份的平均公平值（歐元）	無償股份數目
於四月一日	6.4	1,266,891	6.4	844,594
於年內歸屬	6.4	422,297	6.4	422,297
於三月三十一日	**6.4**	**1,689,188**	**6.4**	**1,266,891**

19. 資本及儲備(續)

19.3.以股份支付款項(續)

(iii) 涉及LimeLife股本工具的計劃的主要特性及詳情(續)

		無償股份數目	
		二零二二年	*二零二一年*
授出日期	歸屬日期	*三月三十一日*	*三月三十一日*
二零一七年十二月十二日	二零一八年十二月十二日	422,297	422,297
二零一七年十二月十二日	二零一九年十二月十二日	422,297	422,297
二零一七年十二月十二日	二零二零年十二月十二日	422,297	422,297
二零一七年十二月十二日	二零二一年十二月十二日	422,297	422,297
總計		**1,689,188**	**1,689,188**

股份於授出日期的經評估公平值乃按LimeLife於二零一七年十二月十二日的企業價值(透過已折讓未來現金流量)釐定。

(iv) 涉及LOG股本工具的計劃的主要特性及詳情

L'Occitane International S.A.的母公司LOG向L'Occitane International S.A.及其附屬公司的僱員授出其本身股本工具的權利。

(v) 以股份支付的開支總額

截至二零二一年三月三十一日及二零二二年三月三十一日止年度，於僱員福利確認以股份支付的開支如下：

千歐元	*二零二二年*	*二零二一年*
LOI股本工具	772	2,470
LOG股本工具	6,798	7,478
LimeLife工具	1,056	1,207
社會負擔費用	983	1,240
總計(附註**24**)	**9,609**	**12,395**

於二零二二年三月三十一日，一筆444,000歐元的款項記錄為LimeLife少數股東的以股份支付款項。

將於日後僱員福利確認的其餘以股份支付的開支總額如下：

千歐元	*二零二二年*	*二零二一年*
LOI股本工具	–	2,050
LOG股本工具	7,230	9,660
LimeLife工具	–	469
總計	**7,230**	**12,179**

19.4.可分派儲備

於二零二二年三月三十一日，L'Occitane International S.A.可分派儲備為839,965,536歐元(於二零二一年三月三十一日為758,631,786歐元)。

合併財務報表附註

19. 資本及儲備*(續)*

19.5. 每股股息

於二零二一年九月二十九日，股東週年大會批准分派54,189,000歐元，相當於每股0.03687歐元(不包括9,576,670股庫存股份)，並已於二零二一年十月二十二日派付。

19.6. 額外實繳資本

額外實繳資本包括：

- 在個別公司的法定財務報表確認的額外實繳資本；
- 以股份發行形式支付收購事項之股份按市值進行估值之影響；
- 於二零零七年二月二十六日，獲兌換為權益的複合金融工具之賬面值(扣除稅項)與名義金額之差額。

19.7. 匯兌差額

截至二零二二年三月三十一日止期間，匯兌差額主要包括以美元、盧布及巴西雷亞爾作為功能貨幣的附屬公司的匯兌差額，主要為商譽及若干非流動資產。

20. 借貸

借貸分析如下：

千歐元	*二零二二年三月三十一日*	*二零二一年三月三十一日*
二零二二財年定期貸款	300,354	–
二零二一財年循環融資	64,604	36,821
二零二一財年PGE銀行貸款(COVID)	–	50,203
二零二一財年聯屬公司貸款(COVID)	–	996
二零二零財年NEU CP融資	282,800	135,000
二零一九財年定期貸款	–	275,000
二零一九財年長期貸款	15,602	17,598
二零一二財年銀行借貸	3,571	4,286
其他銀行借貸	3,996	2,197
銀行透支	3	13
總額	**670,930**	**522,114**
(扣除)即期部分：		
二零二二財年定期貸款	(354)	–
二零二一財年循環融資	275	(36,821)
二零二一財年PGE銀行貸款(COVID)	–	(50,203)
二零二一財年聯屬公司貸款(COVID)	–	(544)
二零二零財年NEU CP融資	(282,800)	(135,000)
二零一九財年定期貸款	–	(275,000)
二零一九財年長期貸款	(2,018)	(1,999)
二零一二財年銀行借貸	(714)	(715)
其他銀行借貸	(3,997)	(2,197)
銀行透支	(3)	(13)
流動部分總額	**(289,611)**	**(502,492)**
非流動部分總額	**381,319**	**19,622**

20. 借貸(續)

20.1. 非流動借貸期限

截至二零二二年及二零二一年三月三十一日止年度，非流動借貸(不包括流動部分)的期限明細如下：

千歐元	**1至2年**	**2至5年**	**超過5年**	**總額**
二零二二財年定期貸款	–	300,000	–	300,000
二零二一財年循環融資	–	64,879	–	64,879
二零一九財年長期貸款	2,035	6,223	5,326	13,584
二零一二財年銀行借貸	714	2,142	–	2,856
於二零二二年三月三十一日到期	**2,749**	**373,244**	**5,326**	**381,319**
二零二一財年聯屬公司貸款(COVID)	–	452	–	452
二零一九財年長期貸款	2,015	6,163	7,421	15,599
二零一二財年銀行借貸	714	2,143	714	3,571
於二零二一年三月三十一日到期	**2,729**	**8,758**	**8,135**	**19,622**

20.2. 信貸融資協議

二零二二財年定期貸款

於二零二一年十二月二十一日，簽訂300,000,000歐元的三年期定期貸款協議。於二零二二年三月三十一日已支取300,000,000歐元等額。

二零二二財年定期貸款協議包括重新定價選擇權。

利率視乎每年於本集團刊發合併財務報表後計算的上述槓桿比率而定。利率按比率變動重新定價如下：

槓桿比率	重新定價
比率超過2.5	歐洲銀行同業拆息+差額
比率介乎2.0至2.5	歐洲銀行同業拆息+差額－0.25
比率介乎1.5至2.0	歐洲銀行同業拆息+差額－0.45
比率介乎1.0至1.5	歐洲銀行同業拆息+差額－0.55
比率介乎0.5至1.0	歐洲銀行同業拆息+差額－0.65
比率低於0.5	歐洲銀行同業拆息+差額－0.75

截至二零二二年三月三十一日止年度，利率基於歐洲銀行同業拆息+差額－0.55。

合併財務報表附註

20. 借貸*(續)*

20.2. 信貸融資協議*(續)*

二零二二財年定期貸款(續)

二零二二財年定期貸款須遵守一項財務契諾：倘本公司未能將其槓桿比率維持於低於指定水平，將觸發違約事件及提早償還該貸款。槓桿比率(基於本集團年度合併財務報表)按合併債務淨額除以EBITDA計算。計量該比率時使用以下釋義：

合併債務淨額	即期及非即期借貸(包括融資租賃及其他承擔，但不包括國際財務報告準則第16號範圍內的租賃承擔、長期僱員福利、原材料承擔及向基金會的資助) － 現金及現金等價物
EBITDA	除折舊、攤銷及減值前及除撥備變動淨額前的經營溢利(惟國際財務報告準則第16號之影響除外)

槓桿比率必須低於2.5。於二零二二年三月三十一日，未有超過契諾水平。

與發放該二零二二財年定期貸款協議相關的直接應佔交易成本為1,550,000歐元。由於該項融資為定期貸款，故將該費用撥充資本，並在貸款期間內攤銷。

二零二二財年雙邊現金池融資

於二零二一年六月三十日，本公司就金額50,000,000美元簽署無擔保的美元雙邊現金池融資，為期一年，另外可選擇按年自動延期。該融資並無自動延期，並於二零二二年三月三十一日取消。因此於二零二二年三月三十一日並無支取款項。

二零二二財年雙邊現金池融資包括重新定價選擇權。

利率視乎每年於本集團刊發合併財務報表後計算的下述槓桿比率而定。利率根據比率變化重新定價如下：

槓桿比率	重新定價
比率超過2.5	歐洲銀行同業拆息／倫敦銀行同業拆息+差額
比率介乎2.0至2.5	歐洲銀行同業拆息／倫敦銀行同業拆息+差額－0.25
比率介乎1.5至2.0	歐洲銀行同業拆息／倫敦銀行同業拆息+差額－0.45
比率介乎1.0至1.5	歐洲銀行同業拆息／倫敦銀行同業拆息+差額－0.55
比率介乎0.5至1.0	歐洲銀行同業拆息／倫敦銀行同業拆息+差額－0.65
比率低於0.5	歐洲銀行同業拆息／倫敦銀行同業拆息+差額－0.75

截至二零二二年三月三十一日止年度，利率乃基於歐洲銀行同業拆息+差額－0.75。

倘二零二二財年雙邊現金池融資以美元提取，保證金將會增加15個基點。

20. 借貸(續)

20.2. 信貸融資協議(續)

二零二二財年雙邊現金池融資(續)

二零二二財年雙邊現金池融資須遵守一項年度財務契諾：倘本公司未能將其槓桿比率維持於低於指定水平，將觸發違約事件及提早償還該貸款。槓桿比率(基於本集團年度合併財務報表)按合併債務淨額除以EBITDA計算。計量該比率時使用以下釋義：

合併債務淨額	即期及非即期借貸(包括融資租賃及其他承擔，但不包括國際財務報告準則第16號範圍內的租賃承擔、長期僱員福利、原材料承擔及向基金會的資助) − 現金及現金等價物
EBITDA	除折舊、攤銷及減值前及除撥備變動淨額前的經營溢利(惟國際財務報告準則第16號之影響除外)

槓桿比率必須低於2.5(在業務合併的情況下可暫時延長至3.0兩次)。該契約按年計算。截至二零二二年三月三十一日止財政年度，未有超過契諾水平。

二零二一財年循環信貸融資

於二零二一年三月三十一日，為對二零一五財年循環信貸融資及二零二一財年循環融資(COVID-19)進行再融資，本公司簽訂金額為600,000,000歐元的無抵押多貨幣循環融資協議，為期五年，並可選擇再延長兩年。第一次延長一年至二零二七年三月三十一日已於二零二二年二月二十八日啟動。於二零二二年三月三十一日已支取64,604,162歐元。

二零二一財年循環信貸融資包括重新定價選擇權。

利率視乎每年於本集團刊發合併財務報表後計算的下述槓桿比率而定。利率按比率變動重新定價如下：

槓桿比率	重新定價
比率超過2.5	歐洲銀行同業拆息+差額
比率介乎2.0至2.5	歐洲銀行同業拆息+差額 − 0.25
比率介乎1.5至2.0	歐洲銀行同業拆息+差額 − 0.45
比率介乎1.0至1.5	歐洲銀行同業拆息+差額 − 0.55
比率介乎0.5至1.0	歐洲銀行同業拆息+差額 − 0.65
比率低於0.5	歐洲銀行同業拆息+差額 − 0.75

截至二零二二年三月三十一日止年度，利率基於歐洲銀行同業拆息／倫敦銀行同業拆息+差額− 0.75。

倘循環信貸融資以美元提取，保證金將增加15個基點。

合併財務報表附註

20. 借貸*(續)*

20.2. 信貸融資協議*(續)*

二零二一財年循環信貸融資(續)

4項企業社會責任(企業社會責任)關鍵績效指標可獲得1個基點的花紅：

- 產品所用植物的可追溯性；
- 使用可再生電力；
- 直接供應商企業社會責任評級；
- 共益企業(B-Corp)認證(將於二零二三財年適用)。

二零二一財年循環信貸融資須遵守一項財務契諾：倘本公司未能將其槓桿比率維持於低於指定水平，將觸發違約事件及提早償還該貸款。槓桿比率(基於本集團年度合併財務報表)按合併債務淨額除以EBITDA計算。計量該比率時使用以下釋義：

合併債務淨額	即期及非即期借貸(包括融資租賃及其他承擔，但不包括國際財務報告準則第16號範圍內的租賃承擔、長期僱員福利、原材料承擔及向基金會的資助) − 現金及現金等價物
EBITDA	除折舊、攤銷及減值前及除撥備變動淨額前的經營溢利(惟國際財務報告準則第16號之影響除外)

槓桿比率必須低於2.5(倘進行業務合併，可暫時延長至3.0兩次)。截至二零二二年三月三十一日止財政年度，未有超過契諾水平。

與發放該二零二一財年循環信貸融資協議相關的直接應佔交易成本為2,848,561歐元。由於並無證據顯示有關融資很可能部分或全部獲提取，則將費用資本化為遞延費用撥充資本，並在融資期間內攤銷。

二零二一財年PGE銀行貸款(COVID-19)

為應對COVID-19危機對其營運的影響，於二零二零年六月十二日，Laboratoire M&L簽訂50,000,000歐元的新定期貸款，由法國政府擔保90%(「Prêt Garanti par l'Etat」，PGE)，初始期限為一年，可選擇延期最多五年(二零二六年六月)。於二零二一年三月三十一日支取全額。

二零二一財年PGE銀行貸款並無任何財務契諾。

於二零二二年三月三十一日，PGE已悉數償付。

二零二零財年NEU CP融資

於二零一九年十月十七日，本集團簽署於法國銀行(Banque de France)管理的歐元區商業票據市場發行短期有價債務工具(「NEU CP」)的計劃。可用總金額為300,000,000歐元。

多項短期有價債務工具於年內支取。

於二零二二年三月三十一日，初始到期期限介乎6日至266日的加權平均比率為 −0.23%的結餘為282,800,000歐元。

20. 借貸(續)

20.2. 信貸融資協議(續)

二零一九財年定期貸款

於二零一九年一月三十一日，本公司就ELEMIS收購事項簽訂300,000,000歐元的三年期定期貸款協議。於二零一九年三月三十一日已支取全額300,000,000歐元。25,000,000歐元於截至二零二一年三月三十一日止年度償付。

於二零二一年七月，二零一九財年定期貸款之待償還總額275,000,000歐元已悉數償還。

於二零二二年三月三十一日，二零一九財年定期貸款已悉數償付。

二零一九財年長期貸款

於二零一八年九月四日，本集團簽訂22,500,000歐元的11年期長期貸款協議，有關款項可由M&L Distribution France支取。於二零一八年十月三十一日，銀行借貸已悉數支取。該貸款按季度償還，且於二零二一年六月、二零二一年九月、二零二一年十二月及二零二二年三月作出四次償還，金額分別為497,082歐元、498,287歐元、499,495歐元及500,707歐元。於二零二二年三月三十一日，未償還款項為15,599,273歐元。

長期貸款利率為0.97%(固定利率)。

二零一九財年長期貸款由位於巴黎的86 Champs Elysées旗艦店之營業資產作抵押。

二零一二財年銀行借貸

於二零一一年六月二十日，本集團簽訂10,000,000歐元的15年期銀行借貸協議。借貸僅可由Laboratoires M&L(前稱L'Occitane S.A.)支取。

該貸款按年度償還，且於二零二一年十二月作出一次償還，金額為714,286歐元。於二零二二年三月三十一日，未償還款項為3,571,429歐元。

銀行借貸利率為三個月歐洲銀行同業拆息+差額。

二零一二財年銀行借貸由Laboratoires M&L於法國馬諾斯克購入用於興建新物流平台的土地及樓宇作抵押。

20.3. 借貸融資

本集團備有未提取的借貸融資如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
浮息：		
– 一年內屆滿	15,856	15,080
– 一年以上屆滿	252,321	428,192
定息：		
– 一年內屆滿	–	–
– 一年以上屆滿	–	–
總計	**268,177**	**443,272**

合併財務報表附註

20. 借貸*(續)*

20.4. 借貸現金流量變化

本集團確認現金流量及非現金變化產生的變化：

千歐元	*二零二一年三月三十一日*	現金流量 所得款項	現金流量 預付款項	*二零二二年三月三十一日*
二零二二財年定期貸款	–	300,354	–	300,354
二零二一財年循環融資	36,821	64,604	(36,821)	64,604
二零二一財年PGE銀行貸款(COVID)	50,203	–	(50,203)	–
二零二一財年聯屬公司貸款(COVID)	996	–	(996)	–
二零二零財年NEU CP融資	135,000	282,800	(135,000)	282,800
二零一九財年定期貸款	275,000	–	(275,000)	–
二零一九財年長期貸款	17,598	–	(1,996)	15,602
二零一二財年銀行借貸	4,286	–	(715)	3,571
其他銀行借貸	2,197	8,557	(6,758)	3,996
銀行透支	13	–	(10)	3
總計	**522,114**	**656,315**	**(507,499)**	**670,930**

21. 其他流動及非流動負債

其他流動及非流動負債包括以下各項：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
退休彌償保證	12,135	13,146
長期僱員福利	1,068	976
拆卸及重整撥備	8,390	7,746
向基金會提供資助	–	75
其他	1,359	1,313
非流動負債總額	**22,952**	**23,256**
向基金會提供資助	172	166
遞延收益[(a)]	19,014	17,083
ELEMIS少數股東之出售	77,409	–
拆卸及重整撥備	2,019	1,749
已退還貨品的權利	2,145	1,359
流動負債總額	**100,759**	**20,357**

(a) 遞延收益與下列各項有關：(i)於年結的控制權及相關風險仍未轉讓的銷售；及(ii)就任何長期支持計劃而言，獲分配獎勵積分而收取的代價公平值。

21. 其他流動及非流動負債(續)

21.1. 退休福利撥備

本集團的附屬公司一般向國家退休金計劃作供款，此乃定額供款責任。就該等界定供款計劃確認的開支分類至「僱員福利」中的「社會保障金」(附註24)。

除該等界定供款計劃外，法國存在一項界定福利計劃。在僱員年屆退休之齡當日亦會作出一次性款項，就每人獲授款項的金額，是按服務年期及預測最終薪金等因素釐定。本集團並無退休基金資產。

在資產負債表及收益表確認之金額

在資產負債表確認之金額按下列者予以釐定：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
未出資責任之現值	12,135	13,146
資產負債表之負債	**12,135**	**13,146**

年度界定福利責任的變動如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
年初	13,146	12,168
即期服務成本	1,634	1,279
過往服務成本	–	1,105
利息成本	60	126
國際會計準則第19號之變動	(1,347)	–
精算(收益)／虧損	(1,073)	(1,399)
匯兌差額	(34)	16
支付福利	(251)	(149)
年終	**12,135**	**13,146**

在收益表確認之金額如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
即期服務成本	1,634	1,279
利息成本	60	126
計入僱員福利開支總額(附註24)	**1,694**	**1,405**

合併財務報表附註

21. 其他流動及非流動負債*(續)*

21.1. 退休福利撥備*(續)*

主要假設

所用主要精算假設如下：

三月三十一日 %	*二零二二年*	*二零二一年*
折現率	1.80	0.70
通漲率	2.00	1.70
未來薪金增幅	3.00	2.50
退休年齡(年齡)	62–65	62–65

折現率乃參考公司債券收益率設定：十年期iBoxx歐元區AA級公司債券。

有關未來死亡率經驗的假設乃根據各地區公佈的統計數據及經驗而按精算意見作出。有關法國(以僱員人數計最為重要的國家)的死亡率假設乃根據Insee TD/TV 2009年－11一表作出。

有關僱員流動的假設乃根據法國附屬公司過往年度的歷史統計數據作出。

整體退休金責任對主要假設變化的敏感度並不大：折現率上升／下降0.25%將導致界定福利責任增加／減少320,000歐元。

21.2. 拆卸及重整成本撥備

於二零二二年三月三十一日，拆卸及重整成本撥備如下：

千歐元	*二零二一年三月三十一日*	在收益表記錄入賬撥備	扣自／(計入)收益表撥回未用金額	年內已用	以物業、廠房及設備組成部分記錄入賬為撥備	重新分類	匯兌差額	*二零二二年三月三十一日*
按租期記錄撥備	3,844	440	(19)	119	–	–	127	4,511
於租期開始時記錄撥備	5,651	196	–	181	–	–	(130)	5,898
總計	**9,495**	**636**	**(19)**	**300**	**–**	**–**	**(3)**	**10,409**

22. 應付貿易賬款

供應商分別授予生產及分銷附屬公司的信貸期一般介乎80至110天及30至60天。

各結算日，應付貿易賬款按到期日劃分的賬齡分析如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
即期及逾期3個月之內	204,349	156,259
逾期3至6個月	1,272	1,639
逾期6至12個月	1,093	2,555
逾期超過12個月	3,189	1,205
應付貿易賬款	**209,903**	**161,658**

23. 撥備

於二零二二年三月三十一日，撥備之分析如下：

	二零二一年	扣自／(計入)收益表					*二零二二年*
千歐元	*三月三十一日*	額外撥備	撥回未用金額	年內已用	收購附屬公司	匯兌差額	*三月三十一日*
僱員相關糾紛[a]	962	70	(44)	(418)	94	91	755
商業索償[b]	471	853	–	(130)	–	(46)	1,148
稅務風險	244	43	–	(114)	–	63	236
總計	**1,677**	**966**	**(44)**	**(662)**	**94**	**108**	**2,139**

(a) 僱員相關糾紛主要涉及僱員就員工福利提出的糾紛或社會保障機關提出的潛在索償。

(b) 商業索償主要有關分銷商提出的索償。

管理層認為，經聽取合適的法律意見，有關法律索償的虧損金額並不重大，不會超出各結算日的撥備金額。

預計有關撥備不予付還，故此並無就此確認相關的資產。

未用已撥回撥備主要與接近適用時效結束時的若干風險有關。

合併財務報表附註

24. 按性質分類之開支

24.1. 按性質分類之開支明細

按性質分類開支包括下列金額：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
僱員福利開支[(a)]	423,705	371,992
租金及佔用[(b)]	109,546	89,229
已耗原材料及易耗品	230,066	208,968
製成品及在製品的存貨變動	(23,505)	(18,495)
廣告成本[(c)]	228,104	167,182
核數師酬金[(d)]	1,751	1,798
專業費用[(e)]	172,951	160,115
折舊、攤銷及減值(附註24)	177,863	190,701
運輸開支	99,673	76,060
其他開支[(f)]	68,895	58,309
銷售成本、分銷開支、營銷開支、研發開支與一般及行政費用開支總計*	**1,489,049**	**1,305,859**

(a) *僱員福利包括工資、薪金、花紅、以股份支付款項、社會保障金、離職後福利及臨時員工成本。由於COVID-19危機，若干附屬公司自本地政府收取補助或補貼總額20,991,000歐元，入賬列為二零二一年僱員福利開支減少。*

(b) *於二零二二年三月三十一日的租金及佔用費主要包括按銷售額而定的浮動租賃付款74,119,000歐元、與短期租賃有關的租金及佔用成本5,956,000歐元及低價值租賃8,000歐元。此金額亦包括3,423,000歐元租金優惠入賬列為負浮動租金(附註2.1)。*

(c) *廣告成本亦包括所有派發給客戶的促銷貨品，而客戶沒有任何購買產品的義務。增加的主要原因是中國、Elemis及Sol de Janeiro。*

(d) *核數師酬金涉及核數服務費用1,677,400歐元(截至二零二一年三月三十一日止財政年度為1,452,000歐元)及審核相關服務費用707,537歐元(截至二零二一年三月三十一日止財政年度為346,000歐元)。*

(e) *專業費用主要包括支付予倉管公司、營銷代理及律師的款項。*

(f) *其他開支主要包括旅遊實際開支、資訊科技服務、電話及郵資。增加的主要原因是受二零二一財年COVID-19影響的旅遊開支及資訊科技服務。*

* *截至二零二一年三月三十一日止期間L'Occitane Inc.於開支總額的總影響為95,732,000歐元。*

24. 按性質分類之開支(續)

24.2. 員工及僱員福利

僱員福利包括下列金額：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
工資、薪金及花紅	332,468	295,106
以股份支付款項(附註19.3)	9,609	12,395
社會保障金	76,117	62,058
授予非控股權益合併後服務薪酬(附註6.3)	501	–
離職後福利(附註21.1)	1,694	1,405
其他	3,316	1,028
僱員福利總額	**423,705**	**371,992**
員工人數(約當全職人數)	**9,042**	**8,733**

工資、薪金及花紅包括臨時員工成本。

本集團員工人數以年終的僱員人數列示。

24.3. 折舊、攤銷及減值明細

折舊、攤銷及減值包括以下各項：

千歐元	*二零二二年 三月三十一日*	*二零二一年 三月三十一日*
物業、廠房及設備折舊(附註7.3)	45,652	51,120
物業、廠房及設備減值(附註7.4)	3,784	519
物業、廠房及設備減值撥回(附註7.4)	(1,185)	(946)
使用權資產折舊(附註8.1)	96,115	113,954
使用權資產減值(附註8.1)	17,768	9,602
無形資產攤銷(附註10)	15,729	16,452
折舊、攤銷及減值	**177,863**	**190,701**

變化主要由於不再將L'Occitane Inc.綜合入賬的影響所致。於二零二二年三月，L'Occitane Inc.的折舊、攤銷及減值總額為12,049,000歐元(於二零二一年三月為25,433,000歐元)。

合併財務報表附註

25. 其他經營收入／開支

其他收益／虧損淨額詳情如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年* *經重列**
重新／不再將L'Occitane Inc.綜合入賬	12,873	5,756
於聯營公司及合營公司的權益百分比變動產生的資本收益（附註11.1）	25,062	–
政府撥款[(a)]	1,044	1,115
已收購淨資產公平值超過收購成本的差額（負商譽）[(b)]	145	494
其他經營收入	**39,124**	**7,365**
重組開支（附註26）	(1,448)	(13,246)
出售資產虧損（附註31.1）	(590)	(1,719)
於聯營公司及合營公司的權益百分比變動產生的攤薄虧損（附註11.1）	(4,945)	–
其他項目	(96)	(15)
其他經營開支	**(7,079)**	**(14,980)**

(a) *政府撥款即研發成本及僱員溢利分享計劃撥款。*

(b) *與於二零二一財年的年內86 Café Retail收購有關。*

26. 重組開支

重組開支明細如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
全球重組計劃的僱員終止福利	(73)	(10,910)
有關L'Occitane Inc.第11章個案的費用	(1,375)	(2,336)
重組開支總額	**(1,448)**	**(13,246)**

截至二零二一年三月僱員終止福利與L'Occitane附屬公司內約10%的公司人手的重組計劃有關。

27. 財務收入及財務成本

財務收入及財務成本明細如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
現金及現金等價物利息	1,908	2,847
財務收入	**1,908**	**2,847**
利息開支	(5,845)	(7,707)
租賃負債的已付／應付利息及財務費用（附註8.2）	(8,857)	(11,533)
其他財務資產折價回撥（附註6.3）	(1,728)	(1,946)
財務資產減值	–	–
財務成本	**(16,430)**	**(21,186)**
財務成本淨額	**(14,522)**	**(18,339)**

利息開支乃與銀行借貸、與非控股權益及關聯方的往來賬戶（不包括母公司提供的融資）以及銀行透支有關。

28. 外幣收益／（虧損）

外幣收益／（虧損）明細如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
外匯差額	(1,616)	(1,560)
衍生工具公平值收益／（虧損）（附註17）	1,308	(1,401)
外幣收益／（虧損）	**(308)**	**(2,961)**

外匯差額主要與下列各項相符：

- 未變現外匯收益淨額：420,000歐元（截至二零二一年三月三十一日止年度為虧損淨額2,557,000歐元）；
- 已變現外匯虧損淨額：112,000歐元（截至二零二一年三月三十一日止年度為收益淨額5,517,000歐元）。

合併財務報表附註

29. 所得稅開支

29.1. 所得稅開支

所得稅開支明細如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
即期所得稅	(60,160)	(44,227)
遞延所得稅	6,185	2,328
所得稅開支總額	**(53,975)**	**(41,899)**

已呈報所得稅開支與利用標準稅率計算所得理論金額的對賬如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
以權益法入賬的除稅前溢利以及分佔合營公司溢利／(虧損)	289,410	203,071
按企業稅率(於二零二二年及二零二一年三月三十一日的盧森堡稅率為*24.94%*)計算所得稅	(72,179)	(50,646)
外國不同稅率的影響	24,491	19,228
稅率變動	(268)	(79)
未確認稅項資產的影響	(3,919)	(2,819)
不可扣稅開支	(945)	(5,072)
稅務風險撥備	(142)	–
未分派稅項盈利的影響	(916)	(2,509)
最低稅務付款	(97)	(2)
所得稅開支	**(53,975)**	**(41,899)**

29. 所得稅開支(續)

29.2. 遞延所得稅資產及負債的組成部分

遞延所得稅資產及負債的性質

於二零二二年及二零二一年三月三十一日記錄入賬的遞延所得稅淨資產明細如下：

	二零二二年	*二零二一年*
千歐元		
資產		
存貨的公司間邊際	31,412	22,893
稅基超出物業、廠房及設備賬面值的部分	14,028	9,170
結轉稅務虧損	22,519	16,704
租賃負債	7,368	6,627
僱員福利	7,110	5,144
已支銷宣傳貨品	3,848	2,962
存貨估值	6,591	3,406
長期支持計劃	2,662	2,491
新稅務法規	269	265
其他暫時性差額	11,298	5,710
總資產	**107,105**	**75,372**
12個月後收回	*46,349*	*35,449*
12個月內收回	*60,756*	*39,923*
負債		
業務合併時認定的商標(附註6)	(79,222)	(40,856)
商譽稅項攤銷	(20,825)	(13,521)
未分派盈利所得稅(附註29.4)	(7,718)	(7,836)
衍生金融工具	(244)	–
其他暫時性差額	(1,287)	(91)
總負債	**(109,296)**	**(62,304)**
12個月後收回	*(101,334)*	*(34,477)*
12個月內收回	*(7,962)*	*(27,827)*
遞延所得稅淨額	**(2,191)**	**13,068**
遞延所得稅資產	*94,005*	*65,854*
遞延所得稅負債	*(96,196)*	*(52,786)*

確認遞延所得稅資產

獲確認的遞延所得稅資產限於可能通過未來須課稅溢利而變現之有關利益。

於二零二二年三月三十一日，本集團轉結的稅務虧損為172,811,000歐元，產生的潛在遞延所得稅資產為45,266,000歐元。於二零二一年三月三十一日的數額分別為129,426,000歐元及32,344,000歐元。

於二零二二年三月三十一日，未確認的遞延所得稅資產為22,519,000歐元(於二零二一年三月三十一日為15,640,000歐元)。

合併財務報表附註

29. 所得稅開支(續)

29.3. 遞延稅項資產及負債變動淨額

年內遞延稅項資產及負債淨額變動如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
年初	**13,068**	**34,500**
(扣自)／計入收入(附註29.1)	6,185	2,328
(扣自)／計入權益(附註29.5)	(564)	(171)
重新／不再將L'Occitane Inc. 綜合入賬	14,078	(13,133)
收購附屬公司	(32,543)	–
其他[a]	–	(10,738)
匯兌差額	(2,415)	282
年終	**(2,191)**	**13,068**

截至二零二一年三月三十一日止年度，可自美國應課稅業績中扣除的ELEMIS無形資產的稅項價值已予調整。此調整導致商標的額外遞延稅項負債，金額為10,738,000歐元。與Elemis相關的商譽據此進行修改，以計及此調整。

29.4. 未分派盈利所得稅

本集團會就其外國附屬公司及聯屬公司未分派盈利的遞延所得稅撥備，除非本集團擬無限期將有關附屬公司盈利作重新投資。在大多司法權區，本集團擬將其外國附屬公司的未分派盈利作無限期重新投資。

本集團不擬將若干附屬公司的未分派盈利作無限期重新投資之司法權區，相關的盈利分派或須繳納稅項。因此，本集團就須課稅的盈利分派之遞延所得稅計提撥備。於二零二二年三月三十一日及二零二一年三月三十一日，相關遞延稅項負債的金額分別為7,718,000歐元及7,836,000歐元。

29.5. 其他綜合收益各組成部分的所得稅

與其他綜合收益各組成部分有關的稅項(費用)／抵免如下：

	二零二二年三月三十一日			*二零二一年三月三十一日*		
千歐元	除稅前	稅項(費用)／抵免	除稅後	除稅前	稅項(費用)／抵免	除稅後
現金流量對沖公平值收益／(虧損)(附註17)	1,890	–	1,890	596	–	596
界定福利責任精算收益／(虧損)(21.1)	2,398	(564)	1,834	404	(171)	233
匯兌差額	50,485	–	50,485	(36,846)	–	(36,846)
其他綜合收益	**54,773**	**(564)**	**54,209**	**(35,846)**	**(171)**	**(36,017)**

30. 每股盈利

本集團應用上文附註2.31所述規管每股盈利之規則。

30.1. 每股基本盈利

每股基本盈利乃以本公司權益擁有人應佔溢利除以期內發行在外普通股加權平均數計算，但不包括本集團購買及持作庫存股份的普通股(附註19.2)。

三月三十一日	*二零二二年*	*二零二一年*
		*經重列**
本公司權益持有人應佔年內溢利*(千歐元)*	**242,034**	**151,180**
已發行普通股加權平均數[(a)]	1,470,135,821	1,466,677,921
每股基本盈利*(每股歐元)*	**0.165**	**0.103**

* *有關錯誤導致重列的詳情，請參閱附註2.2。*

(a) 庫存股份乃扣自已發行的全部股份，以供計算每股盈利。

30.2. 每股攤薄盈利

本集團有兩類潛在攤薄普通股：購股權及無償股份。就購股權而言，會進行計算以釐定按公平值(按本公司股份的年平均市場股價釐定)可購入的股份數目(根據未行使購股權所附帶認購權的貨幣價值)。按上述方法計算的股份數目與假設行使購股權原應發行的股份數目進行比較。

	二零二二年	*二零二一年*
		*經重列**
本公司權益持有人應佔年內溢利*(千歐元)*	**242,034**	**151,180**
已發行普通股加權平均數[(a)]	1,470,135,821	1,466,677,921
就購股權作出調整	3,017,232	1,167,450
就無償股份作出調整	–	2,933,794
用於計算每股已發行股份攤薄盈利的普通股加權平均數	1,473,153,053	1,470,779,165
每股攤薄盈利*(每股歐元)*	**0.164**	**0.103**

* *有關錯誤導致重列的詳情，請參閱附註2.2。*

(a) 庫存股份乃扣自已發行的全部股份，以供計算每股盈利。

合併財務報表附註

31. 補充披露現金流量資料

31.1. 出售資產所得款項

於合併現金流量表內，出售資產所得款項包括以下各項：

	二零二二年				二零二一年			
三月三十一日 *千歐元*	無形資產	物業、廠房及設備	使用權資產	總計	無形資產	物業、廠房及設備	使用權資產	總計
出售 – 成本	5,079	27,874	2,391	35,344	1,177	22,343	1,651	25,171
出售 – 累計折舊及攤銷	(4,880)	(26,846)	(1,801)	(33,527)	(945)	(20,135)	(250)	(21,330)
賬面淨值(附註7及10)	**199**	**1,028**	**590**	**1,817**	**232**	**2,208**	**1,401**	**3,841**
出售資產溢利／(虧損)(附註25)	73	(809)	146	(590)	(210)	(1,264)	(245)	(1,719)
出售資產所得款項	**272**	**219**	**736**	**1,227**	**22**	**944**	**1,156**	**2,122**

出售資產溢利／(虧損)在合併收益表「其他經營收入／開支」一項中列示(附註25)。

31.2. 撥備變動淨額

於合併現金流量表內，計入合併收益表的撥備變動淨額包括以下各項：

三月三十一日 *千歐元*	*附註*	*二零二二年*	*二零二一年*
與僱員有關的爭議	(23)	(392)	136
商業索償	(23)	723	242
稅務風險	(23)	(71)	(70)
拆卸及重整	(21.2)	917	1,251
退休福利	(21.1)	1,443	1,256
其他		–	63
撥備變動淨額		**2,620**	**2,878**

31.3. 其他非現金項目

本集團已授出附註19.3所述的以股份支付款項。

31.4. 匯率波動對現金及現金等價物增加／(減少)淨額的影響

合併現金流量表內所述匯率波動影響包括下列各項：

- 按收盤匯率換算外幣現金及現金等價物；
- 外幣現金及現金等價物由平均匯率變為收盤匯率的匯率影響；
- 未於年結時結算的集團內公司間交易的匯率變動。

31.5. 按淨額基準呈報的現金流量

根據國際會計準則第7.23號，週轉速度迅速、金額龐大且期限短的借貸所得款項及償還借貸在合併現金流量表內按淨額基準呈報。

32. 或然事項

32.1. 法律程序

本集團在日常業務過程中或涉及法律程序、申索、稅項、習俗、與僱員有關及其他的爭議。管理層預期，解決該等其他事宜的最終成本，不會對本集團合併財務狀況、收益表或現金流量構成重大不利影響。

32.2. 其他或然負債

本集團在其日常業務過程中產生有關銀行、其他擔保及其他事宜的或然負債。預期或然負債不會產生任何重大負債。本集團提供的所有擔保載於附註33。

33. 承擔

33.1. 資本及其他開支承擔

結算日已訂約但尚未產生的資本及其他開支如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
物業、廠房及設備	4,746	1,241
無形資產	20	83
原材料	6,717	2,299
總計	**11,483**	**3,623**

於二零二二年三月三十一日及二零二一年三月三十一日的金額主要與法國廠房有關。

33.2. 其他承擔

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
物業質押（土地及樓宇）	19,171	21,884
總計	**19,171**	**21,884**

本集團亦承諾向投資基金Truffle Capital投資高達20,000,000歐元（期限為5年，可選擇重續2年）。本集團已累計投資13,000,000歐元。

於二零二二財年，本集團承諾向Livelihoods Carbon fund Sicav投資總額為5,000,000歐元。Livelihoods於二零零八年在Danone的領導下成立，旨在恢復退化的生態系統、重建當地經濟和應對氣候變化。作為回報，預計在二零三零年前以實物股息的形式獲得碳補償。

合併財務報表附註

34. 與關聯方的交易

與關聯方的交易載列如下。

34.1. 主要管理人員薪酬

主要管理人員包括董事(本公司董事會執行及非執行成員)及高級管理人員。

董事酬金

董事為董事會成員。年內已支銷董事酬金分析如下：

二零二二年三月三十一日 *千歐元*	薪金及其他實物利益	僱主對退休福利計劃的供款	花紅	董事袍金	以股份支付款項	服務	總計
執行董事							
Reinold Geiger [(a)]	–	–	150	–	–	697	847
André Hoffmann [(b)]	618	–	278	–	–	–	896
Yves Blouin	428	70	115	–	121	–	734
Thomas Levilion	385	94	150	–	127	–	756
Séan Harrington	544	–	805	–	32	–	1,381
Karl Guénard	116	31	120	–	14	–	281
非執行董事							
Martial Lopez	–	–	–	10	–	–	10
獨立非執行董事							
Mark Broadley	–	–	–	45	5	–	50
Pierre Milet [(c)]	18	–	–	–	–	–	18
Valérie Bernis	–	–	–	30	5	–	35
吳植森	–	–	–	39	5	–	44
劉文思 [(c)]	–	–	–	–	–	–	–
總計	**2,091**	**195**	**1,618**	**142**	**309**	**697**	**5,052**

(a) Reinold Geiger為主席。

(b) André Hoffman為行政總裁。

(c) Pierre Milet已於二零二二年三月一日由劉文思接替。

34. 與關聯方的交易*(續)*

34.1. 主要管理人員薪酬*(續)*

董事酬金 *(續)*

二零二一年三月三十一日 *千歐元*	薪金及其他實物利益	僱主對退休福利計劃的供款	花紅	董事袍金	以股份支付款項	服務	總計
執行董事							
Reinold Geiger [(a)]	–	–	250	–	–	772	1,022
André Hoffmann	472	1	209	–	–	–	682
Yves Blouin [(b)]	96	15	56	–	–	–	167
Thomas Levilion	382	77	190	–	418	–	1,067
Séan Harrington [(c)]	480	–	681	–	–	–	1,161
Karl Guénard	115	30	53	–	86	–	284
非執行董事							
Martial Lopez	–	–	–	19	–	–	19
獨立非執行董事							
Mark Broadley	–	–	–	50	–	–	50
Pierre Milet	–	–	–	28	–	–	28
Valérie Bernis	–	–	–	28	–	–	28
吳植森	–	–	–	43	–	–	43
總計	**1,545**	**123**	**1,439**	**168**	**504**	**772**	**4,551**

(a) *Reinold Geiger為主席兼行政總裁。*

(b) *Yves Blouin已於二零二一年一月十四日獲委任為執行董事及集團常務董事。*

(c) *Séan Harrington已於二零二零年九月三十日獲委任為執行董事。*

概無董事的界定福利責任。

合併財務報表附註

34. 與關聯方的交易*(續)*

34.1. 主要管理人員薪酬*(續)*

董事於交易、安排或合約中的重大權益

於年底或於本年度內任何時間，概無存續或實施由本公司訂立而且本公司董事在當中擁有(不論直接或間接)重大權益的本集團業務相關重大交易、安排及合約。

五名最高薪酬人士

五名最高薪酬人士如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
薪金及其他實物利益	2,014	1,582
僱主對退休福利計劃的供款	105	141
花紅	1,848	1,773
董事袍金	–	–
以股份支付款項	182	969
服務	697	773
總計	**4,846**	**5,238**

三名董事的袍金計入二零二二年及二零二一年三月三十一日的金額。

概無五名最高薪酬人士的界定福利責任。

五名最高薪酬人士之薪酬按下列組別分析如下：

三月三十一日 *人數*	*二零二一年*	*二零二零年*
零至700,000歐元	–	–
700,000歐元至800,000歐元	1	–
800,000歐元至900,000歐元	2	–
900,000歐元至1,000,000歐元	1	1
1,000,000歐元以上	1	4
總計	**5**	**5**

年內已支銷高級管理人員薪酬

高級管理人員(終止服務權益者除外)薪酬如下：

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
薪金及其他實物利益	3,168	2,680
僱主對退休福利計劃的供款	324	262
花紅	1,172	1,230
董事袍金	–	–
以股份支付款項	1,339	1,858
總計	**6,003**	**6,030**

概無高級管理人員的界定福利責任。

34. 與關聯方的交易(續)

34.1. 主要管理人員薪酬(續)

年內已支銷高級管理人員薪酬

高級管理人員(終止服務權益者除外)的薪酬按下列組別分析如下:

三月三十一日 *人數*	*二零二二年*	*二零二一年*
零至200,000歐元	0	1
200,000歐元至300,000歐元	3	–
300,000歐元至400,000歐元	2	1
400,000歐元至500,000歐元	0	1
500,000歐元以上	7	7
總計	**12**	**10**

34.2. 產品及服務銷售

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
貨品及服務銷售		
– 向Les Minimes銷售L' Occitane產品[(a)]	–	34
– 向L'Occitane Middle East銷售L'Occitane產品	10,612	9,619
– 向Capsum銷售L'Occitane產品	–	24
– 向L'Occitane Inc.銷售L'Occitane產品	13,334	2,767
– 向L'Occitane Middle East銷售Erborian產品	368	–
– 向L'Occitane Middle East銷售Melvita產品	46	–
– 將管理費計入母公司[(b)]	231	271
– 向LOG Investments銷售服務	42	359
– 向Pierre Hermé SAS銷售服務[(c)]	–	508
產品銷售總額	**24,633**	**13,582**
就上述產品銷售應收關聯方款項		
– 應收母公司款項[(b)]	271	–
– 應收LOG Investments款項	53	36
– 應收L'Occitane Middle East款項	6,921	3,283
– 應收L'Occitane Inc.款項	–	2,966
– 應收LOG款項	–	271
應收款項總額	**7,245**	**6,556**

(a) 在本集團日常業務過程中,本集團向Les Minimes SAS出售L'Occitane產品。母公司及Reinold Geiger先生分別擁有Les Minimes SAS的79.5%及20.5%權益。

(b) 本公司向母公司開具的管理費發票為231,000,000歐元(截至二零二一年三月三十一日止財政年度為271,000歐元)。

(c) 二零二一年十二月前,本公司與Pierre Hermé SAS(L'Occitane Group S.A.的聯營公司)共同運營兩家分別位於巴黎及倫敦的旗艦店。本集團將巴黎旗艦店的部分分租予Pierre Hermé SAS並向其收回若干經營開支。

合併財務報表附註

34. 與關聯方的交易 *(續)*

34.3. 購買貨品及服務

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
向以下各方購買		
— 董事的服務[a]	–	4
— Les Minimes的服務[b]	–	1
— 母公司的服務	(109)	4
— Pierre Hermé的貨品及服務[c]	1,468	1,027
— Capsum的貨品	3,489	4,281
— L'Occitane Inc.的貨品	–	422
購買總額	**4,848**	**5,739**
就上述服務應付下列關聯方款項		
— Pierre Hermé的貨品及服務[c]	293	156
— L'Occitane Middle East的貨品	51	7
— Capsum的貨品	230	435
— L'Occitane Inc.的貨品	–	311
應付款項總額	**574**	**909**

(a) L'Occitane International就財務顧問服務與Martial Lopez先生擁有的全資公司Esprit-fi Eurl訂有合約。

(b) 法國附屬公司Laboratoires M&L就傳訊及營銷服務與Les Minimes SAS公司訂有合約，母公司及Reinold Geiger先生分別間接擁有Les Minimes SAS的79.5%及20.5%權益。該酒店亦提供場地供培訓及項目使用。

(c) 本公司與Pierre Hermé SAS（L'Occitane Group S.A.的聯營公司）共同運營兩家分別位於巴黎及倫敦的旗艦店。本公司採購以分享Pierre Hermé SAS的甜品外賣銷售額。

34.4. 來自關聯方的借貸／向關聯方的貸款

三月三十一日 *千歐元*	*二零二二年*	*二零二一年*
向關聯方的貸款		
— 應收L'Occitane Inc.款項（附註6）	–	19,942
— 應收L'Occitane Middle East款項	6,945	–
向關聯方的貸款總額	**6,945**	**19,942**

34.5. 成立合營公司／收購附屬公司額外權益

除附註6所列者外，截至二零二二年三月三十一日及二零二一年三月三十一日止年度，本公司概無與關聯方進行有關成立合營公司或額外收購附屬公司權益之交易。

34.6. 承擔及或然負債

本集團並無就向任何主要管理人員提供的任何貸款作出擔保。

35. 公司層面資料

35.1. 公司資產負債表

資產 *千歐元*	*二零二二年* *三月三十一日*	*二零二一年* *三月三十一日*
物業、廠房及設備	810	980
使用權資產	9,399	11,616
無形資產	24,045	26,585
於附屬公司的投資	1,605,518	1,243,854
於證券的投資	9,162	–
應收附屬公司其他非流動應收款項	4,090	4,090
其他非流動應收款項	10,073	9,974
非流動資產	**1,663,097**	**1,297,099**
存貨	23,758	19,069
應收附屬公司貿易賬款	162,439	69,622
應收貿易賬款	15,455	14,365
應收附屬公司其他流動資產	163,735	10,484
其他流動資產	19,151	11,427
衍生金融工具	1,931	72
現金及現金等價物	252,414	344,338
流動資產	**638,883**	**469,377**
總資產	**2,301,980**	**1,766,476**

權益及負債 *千歐元*	*二零二二年* *三月三十一日*	*二零二一年* *三月三十一日*
股本	44,309	44,309
額外實繳資本	342,851	342,851
保留盈利	669,481	735,688
總權益	**1,056,641**	**1,122,848**
借貸	364,878	–
租賃負債	7,288	9,202
遞延所得稅負債	2,176	2,094
其他財務負債	171,865	18,671
非流動負債	**546,207**	**29,967**
應付附屬公司貿易賬款	96,375	83,573
應付貿易賬款	13,797	16,036
社會及稅項負債	28,304	20,040
借貸	475,582	487,466
租賃負債	3,004	2,744
應付附屬公司其他流動負債	80,262	2,559
衍生金融工具	1,208	713
撥備	600	530
流動負債	**699,132**	**613,661**
權益及負債總額	**2,301,980**	**1,766,476**

合併財務報表附註

35. 公司層面資料*(續)*

35.2. 公司權益變動表

千歐元	股本	額外實繳股本	保留盈利	總計
二零二零年四月一日	**44,309**	**342,851**	**680,260**	**1,067,420**
年內溢利	–	–	68,259	68,259
已宣派股息	–	–	(32,618)	(32,618)
僱員購股權：僱員服務的價值	–	–	18,171	18,171
與ELEMIS非控股權益進行的交易	–	–	1,253	1,253
現金流量對沖公平值收益／(虧損)(除稅)	–	–	363	363
二零二一年三月三十一日	**44,309**	**342,851**	**735,688**	**1,122,848**
二零二一年四月一日	**44,309**	**342,851**	**735,688**	**1,122,848**
年內溢利	–	–	136,256	136,256
已宣派股息	–	–	(54,141)	(54,141)
僱員購股權：僱員服務的價值	–	–	3,092	3,092
授予非控股權益認沽期權行使價估值估計變動	–	–	3,064	3,064
授予非控股權益的新認沽期權	–	–	(154,534)	(154,534)
現金流量對沖公平值收益／(虧損)(除稅)	–	–	56	56
二零二二年三月三十一日	**44,309**	**342,851**	**669,481**	**1,056,641**

36. 資產負債表後事項

重組本公司瑞士分公司

本集團決定成立一個獨立的瑞士法人實體及附屬公司(簡稱「L'Occitane International (Suisse) S.A.」)，自二零二二年一月二十六日起合法存在。

所有須轉讓予L'Occitane International (Suisse) S.A的資產(主要是與附屬公司及分銷商的商業活動以及融資活動)：於二零二二年四月一日由L'Occitane International S.A.轉讓。對合併財務資料並無影響。

36. 資產負債表後事項(續)

收購Grown Alchemist

二零二二年四月一日，L'Occitane International S.A.以5,032,000歐元(已於二零二二年四月十六日支付)向L'Occitane Group(母公司)收購Grown Alchemist的49%股份。Grown Alchemist為澳洲品牌，在護膚品、身體護理、護髮和營養化妝品(補充劑)領域取得跨界成功。這是一個強大的品牌，擁有現代包裝和道德「清潔」產品、來自世界各地的天然成分、高效且經過科學驗證的配方。

割讓L'Occitane Russia

於二零二二年五月十九日，本集團決定退出其附屬公司L'Occitane Russia。該附屬公司佔截至二零二二年三月三十一日合併銷售淨額3.5%及本集團於二零二二年三月三十日總資產的2.1%。於二零二二年六月三日，本集團與該附屬公司的四名主要董事簽立股份購買協議。四名主要董事各自將持有先前由本集團持有股份總額之23%至31%。

股份付款將於二零二五年六月至二零二八年六月期間分四期支付。股份付款以二零二二年六月三日簽署的質押協議作擔保。

本集團於二零二五年、二零二六年、二零二七年、二零二八年及二零二九年四月一日可行使認購期權。行使價以公平值為基礎。

基於該等協議，本集團將失去對該俄羅斯實體的獨家控制權且並無任何重大影響力。

因此，截至二零二二年三月三十一日，與該俄羅斯附屬公司相關的資產估值測試是針對與銷售相關的應收款項現值進行。該價值取決於新實體產生現金流量的能力。根據管理層的判斷，並無跡象表明本集團無法收回該應收款項。在此基礎上，管理層總結認為截至二零二二年三月三十一日L'Occitane Russia資產賬目33,000,000歐元並無減值入賬。管理層所使用主要假設的合理變動不會導致所測試資產的任何重大減值。

於二零二二年六月三日失去獨家控制權之日，股份應收款項現值(相當於從股份收購方收取之遞延付款)將約為48,000,000歐元。應收款項現值將按12.5%貼現率計算，並計及新實體未來產生足夠現金流量的風險。

該金額大致相當於L'Occitane Russia於該日的資產淨值(包括先前就L'Occitane Russia於其他綜合收益入賬的貨幣換算差額及抵銷公司間利潤率的影響)。因此，預期不會出現重大資本收益或虧損。

合併財務報表附註

37. 附屬公司及聯營公司名單

附屬公司及聯營公司名單

附屬公司		城市 – 國家	權益百分比 三月三十一日 二零二二年	 二零二一年	綜合方式 三月三十一日 二零二二年	 二零二一年
L'Occitane International S.A.		Luxembourg (盧森堡)	母公司	母公司	全球	全球
Laboratoires M&L	*	Manosque – France (馬諾斯克 – 法國)	100.0	100.0	全球	全球
M&L Distribution France S.a r.l	**	Manosque – France (馬諾斯克 – 法國)	100.0	100.0	全球	全球
Cafe Retail 86	*	Paris – France (巴黎 – 法國)	100.0	100.0	全球	全球
L'Occitane Inc.	*	New York – USA (紐約 – 美國)	100.0	100.0	全球	權益
L'Occitane (Far East) Limited	*	Hong Kong (香港)	100.0	100.0	全球	全球
L'Occitane Singapore Pte. Limited	**	Singapore (新加坡)	100.0	100.0	全球	全球
L'Occitane Japon K.K.	***	Tokyo-Japan (東京 – 日本)	100.0	100.0	全球	全球
Melvita Japon K.K.	**	Tokyo-Japan (東京 – 日本)	100.0	100.0	全球	全球
L'Occitane Do Brasil	*	Jundjai –Brazil (容迪亞伊 – 巴西)	100.0	100.0	全球	全球
Espaço Do Banho	***	Sao Paulo-Brazil (聖保羅 – 巴西)	100.0	100.0	全球	全球
L'Occitane Ltd.	*	London-UK (倫敦 – 英國)	100.0	100.0	全球	全球
L'Occitane GmbH	*	Villach-Austria (菲拉赫 – 奧地利)	70.0	70.0	全球	全球
L'Occitane GmbH	*	Dusseldorf-Germany (杜塞爾多夫 – 德國)	100.0	100.0	全球	全球
L'Occitane Italia S.r.l.	*	Milan-Italy (米蘭 – 意大利)	100.0	100.0	全球	全球
L'Occitane Australia Pty Ltd	**	Sydney-Australia (悉尼 – 澳洲)	100.0	100.0	全球	全球
L'Occitane (Suisse) S.A.	*	Geneva – Switzerland (日內瓦 – 瑞士)	100.0	100.0	全球	全球
L'Occitane Espana S.L	*	Madrid-Spain (馬德里 – 西班牙)	100.0	100.0	全球	全球
L'Occitane Central Europe s.r.o.	*	Prague – Czech Rep (. 布拉格 – 捷克)	100.0	100.0	全球	全球
L'Occitane (Taiwan) Limited	***	Taipei-Taiwan (台北 – 台灣)	100.0	100.0	全球	全球
L'Occitane Belgium Sprl	*	Antwerpen – Belgium (安特衛普 – 比利時)	100.0	100.0	全球	全球
L'Occitane Trading (Shanghai) Co. Limited	**	Shanghai-China (上海 – 中國)	100.0	100.0	全球	全球
L'Occitane (Korea) Limited	**	Seoul-Korea (首爾 – 韓國)	100.0	100.0	全球	全球
L'Occitane Airport Venture LLC	**	Dallas-USA (達拉斯 – 美國)	65.0	65.0	全球	全球
L'Occitane Mexico S.A. de CV	*	Mexico City – Mexico (墨西哥城 – 墨西哥)	99.9	99.9	全球	全球
L'Occitane (China) Limited	**	Hong Kong (香港)	100.0	100.0	全球	全球
L'Occitane Macau Limited	**	Macau (澳門)	100.0	100.0	全球	全球
L'Occitane Rus LLC (Russia)	*	Moscow – Russia (莫斯科 – 俄羅斯)	100.0	100.0	全球	全球
Melvita (International) SAS (前稱Verveina SAS)	**	Manosque – France (馬諾斯克 – 法國)	100.0	100.0	全球	全球
L'Occitane Thailand Ltd.	**	Bangkok-Thailand (曼谷 – 泰國)	100.0	100.0	全球	全球
L'Occitane Ventures (Thailand) Ltd.	**	Bangkok – Thailand (曼谷 – 泰國)	100.0	100.0	全球	全球
L'Occitane Polska Sp.z.o.o	*	Warsaw-Poland (華沙 – 波蘭)	100.0	100.0	全球	全球
L'Occitane Canada Corp	*	Toronto – Canada (多倫多 – 加拿大)	100.0	100.0	全球	全球
L'Occitane India Private Limited	**	New Delhi-India (新德里 – 印度)	51.0	51.0	全球	全球
L'Occitane Nederland B.V.	*	Amsterdam, The Netherlands (阿姆斯特丹 – 荷蘭)	100.0	100.0	全球	全球
L'Occitane Malaysia SDN	**	Kuala Lumpur – Malaysia (吉隆坡 – 馬來西亞)	100.0	100.0	全球	全球
L'Occitane Ireland Ltd	*	Dublin – Ireland (都柏林 – 愛爾蘭)	100.0	100.0	全球	全球
Symbiose Cosmetics France SAS	*	Paris – France (巴黎 – 法國)	97.8	100.0	全球	全球
Symbiose Cosmetics Korea	**	Seoul-Korea (首爾 – 韓國)	97.8	100.0	全球	全球
L'Occitane Nordic AB	*	Stockholm – Sweden (斯德哥爾摩 – 瑞典)	100.0	100.0	全球	全球
L'Occitane South Africa	*	Johannesburg – South Africa (約翰內斯堡 – 南非)	100.0	100.0	全球	全球
L'Occitane International GMBH	*	Dusseldorf-Germany (杜塞爾多夫 – 德國)	100.0	100.0	全球	全球

37. 附屬公司及聯營公司名單*(續)*

附屬公司及聯營公司名單*(續)*

附屬公司		城市 – 國家	權益百分比 三月三十一日 二零二二年	 二零二一年	綜合方式 三月三十一日 二零二二年	 二零二一年
L'Occitane Portugal Unipessoal LDA	*	Lisbon – Portuga (里斯本 – 葡萄牙)	100.0	100.0	全球	全球
L'Occitane Norge AS	*	Oslo – Norway (奧斯陸 – 挪威)	100.0	100.0	全球	全球
L'Occitane Distribution Asia Pte. Ltd.	**	Singapore (新加坡)	100.0	100.0	全球	全球
L'Occitane Opera Industria e Comercio de Cosmeticos LTDA	***	São Paulo – Brazil (聖保羅 – 巴西)	100.0	100.0	全球	全球
LimeLife Co-Invest Sarl (Lux)	**	Luxembourg-Luxembourg (盧森堡 – 盧森堡)	58.0	58.6	全球	全球
Limelife USA LLC	**	New-York – USA (紐約 – 美國)	58.0	58.6	全球	全球
LimeLife Canada	**	Toronto – Canada (多倫多 – 加拿大)	58.0	58.6	全球	全球
LimeLife Brasil Comercio De Cosmeticos e Produtos De Perfumaria LTDA	**	Sao Paulo – Brazil (聖保羅 – 巴西)	58.0	58.6	全球	全球
LimeLife Servicos de Cobranca Ltda	**	Sao Paulo – Brazil (聖保羅 – 巴西)	58.0	58.6	全球	全球
LimeLife Gesta de sistema de franquia Eireli	**	Sao Paulo – Brazil (聖保羅 – 巴西)	58.0	58.6	全球	全球
LimeLife France SAS	**	Paris – France (巴黎 – 法國)	58.0	58.6	全球	全球
LimeLife by Alcone UK Ltd	**	London – UK (倫敦 – 英國)	58.0	58.6	全球	全球
LimeLife Deutschland GMBH	**	Berlin – Germany (柏林 – 德國)	58.0	58.6	全球	全球
LimeLife Italia S.P.A.	**	Milan-Italy (米蘭 – 意大利)	58.0	58.6	全球	全球
LimeLife by Alcone Espana S.L.	**	Madrid-Spain (馬德里 – 西班牙)	58.0	58.6	全球	全球
Limelife Australia	**	Sydney – Australia (悉尼 – 澳洲)	58.0	58.6	全球	全球
Limelife Ireland (branch of UK) (英國分部)	**	Dublin – Ireland (都柏林 – 愛爾蘭)	58.0	58.6	全球	全球
Limelife Japan	**	Tokyo – Japan (東京 – 日本)	58.0	0.6	全球	全球
LimeLife Fempire Fund LLC	**	New-York – USA (紐約 – 美國)	58.0	0.0	全球	不綜合
LOI Participations SARL	*	Luxembourg – Luxembourg (盧森堡 – 盧森堡)	100.0	100.0	全球	全球
L'Occitane Innovation Lab	*	Manosque – France (馬諾斯克 – 法國)	100.0	100.0	全球	全球
LOI ELEMIS SARL	*	Luxembourg – Luxembourg (盧森堡 – 盧森堡)	98.6	90.9	全球	全球
ELEMIS Ltd USA	**	Coral Gables – US (科勒爾蓋布爾斯 – 美國)	98.6	90.9	全球	全球
Elemis SPS LLC	**	Wilmington – US (威爾明頓 – 美國)	98.6	90.9	全球	全球
ELEMIS Ltd UK	**	Bristol – UK (布裡斯托爾 – 英國)	98.6	90.9	全球	全球
Elemis Spa Ltd (UK)	**	Bristol – UK (布裡斯托爾 – 英國)	98.6	90.9	全球	全球
Elemis Asia Pacific Limited	**	Hong-Kong – China (香港 – 中國)	98.6	90.9	全球	全球
Duolab International SARL	*	Plan les Ouates – Switzerland (普朗萊烏特 – 瑞士)	100.0	100.0	全球	全球
Duolab UK Limited	**	London – UK (倫敦 – 英國)	100.0	100.0	全球	全球
Capsum S.A.	*	Marseille – France (馬賽 – 法國)	26.0	27.7	權益	權益
Capsum Inc.	*	Texas – USA (德薩斯 – 美國)	26.0	27.7	權益	權益
Good Glamm Group	*	Pune – India (浦那 – 印度)	15.5	23.3	權益	權益

合併財務報表附註

37. 附屬公司及聯營公司名單*(續)*

附屬公司及聯營公司名單*(續)*

附屬公司		城市 – 國家	權益百分比 三月三十一日 *二零二二年*	 *二零二一年*	綜合方式 三月三十一日 *二零二二年*	 *二零二一年*
LOC SOL Holding Inc.	*	Dover Kent County – USA (多佛肯特縣 – 美國)	100.0	0.0	全球	不綜合
LOC SOL Owners Inc.	**	Dover Kent County – USA (多佛肯特縣 – 美國)	83.0	0.0	全球	不綜合
LOC SOL Target Inc.	**	Dover Kent County – USA (多佛肯特縣 – 美國)	83.0	0.0	全球	不綜合
Sol de Janeiro Holding Inc.	**	Dover Kent County – USA (多佛肯特縣 – 美國)	83.0	0.0	全球	不綜合
Sol de Janeiro USA Inc.	**	Dover Kent County – USA (多佛肯特縣 – 美國)	83.0	0.0	全球	不綜合
Sol de Janeiro SAS	**	Paris – France (巴黎 – 法國)	83.0	0.0	全球	不綜合
Sol de Janeiro IP Inc.	**	Dover Kent County – USA (多佛肯特縣 – 美國)	83.0	0.0	全球	不綜合
L'Occitane Middle East FZCO JV	*	Dubai – UAE (杜拜 – 阿聯酋)	51.0	51.0	權益	權益
L'Occitane Arabia	**	Jeddah KSA (吉達 – 沙特阿拉伯)	51.0	0.0	權益	不綜合
L'Occitane Emirates LLC	**	Dubai – UAE (杜拜 – 阿聯酋)	51.0	0.0	權益	不綜合

* *本公司直接持有*

** *本公司間接持有*

*** *本公司直接及間接持有*

所佔權益百分比代表投票權，原因為股份並不附帶多重投票權。於批准財務報表日期，有關百分比並無變動。

附屬公司及聯營公司名單的主要變動披露於附註6。

37. 附屬公司及聯營公司名單*(續)*

使用權益法入賬的附屬公司及投資資料

註冊成立日期，附屬公司的股本及主要業務如下：

使用權益法入賬的附屬公司及投資		城市 – 國家	註冊成立日期	股本	主要業務
L'Occitane International S.A.		Luxembourg(盧森堡)	二零零零年	38,231,891.72歐元	持股及分銷
Laboratoires M&L	*	Manosque – France(馬諾斯克 – 法國)	一九七六年	8,126,409.35歐元	生產
M&L Distribution France S.a.r.l.	**	Manosque – France(馬諾斯克 – 法國)	一九九四年	3,097,000歐元	分銷
Café Retail 86	*	Paris – France(巴黎 – 法國)	二零二零年	1,622,44300歐元	分銷
L'Occitane Inc.	*	New York – USA(紐約 – 美國)	一九九五年	1美元	分銷
L'Occitane (Far East) Limited	*	Hong Kong(香港)	一九九二年	8,000,000港元	持股及分銷
L'Occitane Singapore Pte. Limited	**	Singapore(新加坡)	一九九七年	100,000新加坡元	分銷
L'Occitane Japon K.K.	***	Tokyo-Japan(東京 – 日本)	一九九八年	100,000,000日圓	分銷
Melvita Japon K.K.	**	Tokyo-Japan(東京 – 日本)	二零一零年	50,000,000日圓	分銷
L'Occitane Do Brasil	*	Jundjai –Braz(il容迪亞伊 – 巴西)	一九九九年	8,700,000巴西雷亞爾	分銷
Espaço Do Banho	***	Sao Paulo-Braz(il聖保羅 – 巴西)	一九九六年	3,800,000巴西雷亞爾	分銷
L'Occitane Ltd.	*	London-UK(倫敦 – 英國)	一九九六年	1,398,510.75英鎊	分銷
L'Occitane GmbH	*	Villach-Austria(菲拉赫 – 奧地利)	二零零零年	70,000歐元	分銷
L'Occitane GmbH	*	Dusseldorf-Germany (杜塞爾多夫 – 德國)	二零零四年	25,000歐元	分銷
L'Occitane Italia S.r.l.	*	Milan-Italy(米蘭 – 意大利)	二零零一年	80,000歐元	分銷
L'Occitane Australia Pty Ltd	**	Sydney-Australia(悉尼 – 澳洲)	二零零零年	5,000,000澳元	分銷
L'Occitane (Suisse) S.A.	*	Geneva –Switzerland(日內瓦 – 瑞士)	二零零二年	100,000瑞士法郎	分銷
L'Occitane Espana S.L	*	Madrid-Spain(馬德里 – 西班牙)	二零零三年	6,459,650.10歐元	分銷
L'Occitane Central Europe s.r.o.	*	Prague –Czech Rep.(布拉格 – 捷克)	二零零四年	9,361,000捷克克朗	分銷
L'Occitane (Taiwan) Limited	***	Taipei-Taiwan(台北 – 台灣)	二零零五年	28,500,000台幣	分銷
L'Occitane Belgium Sprl	*	Antwerpen –Belgium (安特衛普 – 比利時)	二零零五年	20,000歐元	分銷
L'Occitane Trading (Shanghai) Co. Limited	**	Shanghai-China(上海 – 中國)	二零零五年	1,400,000美元	分銷
L'Occitane (Korea) Limited	**	Seoul-Korea(首爾 – 韓國)	二零零五年	2,505,000,000韓圜	分銷
L'Occitane Airport Venture LLC	**	Dallas-USA(達拉斯 – 美國)	二零零六年	10,000美元	分銷
L'Occitane Mexico S.A. de CV	*	Mexico City – Mexico (墨西哥城 – 墨西哥)	二零零六年	28,250,000墨西哥比索	分銷
L'Occitane (China) Limited	**	Hong Kong(香港)	二零零六年	10,000港元	分銷
L'Occitane Macau Limited	**	Macau(澳門)	二零零七年	25,000澳門元	分銷
L'Occitane Rus LLC (Russia)	*	Moscow – Russia(莫斯科 – 俄羅斯)	二零零六年	10,000盧布	分銷
Melvita (International) SAS (前稱Verveina SAS)	**	Manosque – France(馬諾斯克 – 法國)	二零零八年	37,000歐元	暫無業務
L'Occitane Thailand Ltd.	**	Bangkok-Thailand(曼谷 – 泰國)	二零零八年	20,000,000泰銖	分銷
L'Occitane Ventures (Thailand) Ltd.	**	Bangkok – Thailand(曼谷 – 泰國)	二零一二年	451,700泰銖	分銷
L'Occitane Polska Sp.z.o.o	*	Warsaw-Poland(華沙 – 波蘭)	二零零九年	3,754,000茲羅提	分銷
L'Occitane Canada Corp	*	Toronto – Canada(多倫多 – 加拿大)	二零零九年	6,000,000加元	分銷
L'Occitane India Private Limited	**	New Delhi-India(新德里 – 印度)	二零零九年	17,500,000盧比	分銷
L'Occitane Nederland B.V.	*	Amsterdam, The Netherlands (阿姆斯特丹 – 荷蘭)	二零一零年	200,000歐元	分銷
L'Occitane Malaysia SDN	**	Kuala Lumpur – Malaysia (吉隆坡 – 馬來西亞)	二零一一年	2林吉特	分銷
L'Occitane Ireland Ltd	*	Dublin – Ireland(都柏林 – 愛爾蘭)	二零一二年	100歐元	分銷
Symbiose Cosmetics France SAS	*	Paris – France(巴黎 – 法國)	二零一二年	140,000歐元	分銷
Symbiose Cosmetics Korea	**	Seoul-Korea(首爾 – 韓國)	二零一二年	100,000,000韓圜	生產
L'Occitane Nordic AB	*	Stockholm – Sweden(斯德哥爾摩 – 瑞典)	二零一二年	50,000瑞典克朗	分銷
L'Occitane South Africa	*	Johannesburg – South Africa (約翰內斯堡 – 南非)	二零一三年	750蘭特	分銷
L'Occitane International GmbH	*	Dusseldorf-Germany(杜塞爾多夫 – 德國)	二零一四年	25,000歐元	持股
L'Occitane Portugal Unipessoal LDA	*	Lisbon – Portuga(l里斯本 – 葡萄牙)	二零一三年	50,000歐元	分銷
L'Occitane Norge AS	*	Oslo – Norway(奧斯陸 – 挪威)	二零一四年	129,000克朗	分銷
L'Occitane Distribution Asia Pte. Ltd.	**	Singapore(新加坡)	二零一六年	10,000新加坡元	一般倉存
L'Occitane Opera Industria e Comercio de Cosmeticos LTDA	***	São Paulo – Brazil(聖保羅 – 巴西)	二零一七年	1,000,000巴西雷亞爾	生產

合併財務報表附註

37. 附屬公司及聯營公司名單*(續)*

使用權益法入賬的附屬公司及投資資料*(續)*

使用權益法入賬的附屬公司及投資		城市 – 國家	註冊成立日期	股本	主要業務
LimeLife Co-Invest Sarl (Lux)	**	Luxembourg-Luxembourg (盧森堡 – 盧森堡)	二零一八年	42,229,729美元	持股
Limelife USA LLC	**	New-York – USA (紐約 – 美國)	二零一七年	5,830,313美元	分銷
LimeLife Canada	**	Toronto – Canada (多倫多 – 加拿大)	二零一七年	529,310加元	分銷
LimeLife Brasil Comercio De Cosmeticos e Produtos De Perfumaria LTDA	**	Sao Paulo – Braz (il聖保羅 – 巴西)	二零一七年	11,279,388巴西雷亞爾	分銷
LimeLife Servicos de Cobranca Ltda	**	Sao Paulo – Braz (il聖保羅 – 巴西)	二零一八年	1,000巴西雷亞爾	分銷
LimeLife Gesta de sistema de franquia Eireli	**	Sao Paulo – Braz (il聖保羅 – 巴西)	二零一八年	111,000巴西雷亞爾	分銷

附屬公司		城市 – 國家	註冊成立日期	股本	主要業務
LimeLife France SAS	**	Paris – France (巴黎 – 法國)	二零一八年	333,400歐元	分銷
LimeLife by Alcone UK Ltd	**	London – UK (倫敦 – 英國)	二零一七年	300,880英鎊	分銷
LimeLife Deutschland GMBH	**	Berlin – Germany (柏林 – 德國)	二零一八年	30,000歐元	分銷
LimeLife Italia S.P.A.	**	Milan – Italy (米蘭 – 意大利)	二零一八年	50,000歐元	分銷
LimeLife by Alcone Espana S.L.	**	Madrid – Spain (馬德里 – 西班牙)	二零一九年	30,000歐元	分銷
Limelife Australia	**	Sydney – Australia (悉尼 – 澳洲)	二零一九年	40,000澳元	分銷
Limelife Ireland (branch of UK) (英國分部)	**	Dublin – Ireland (都柏林 – 愛爾蘭)	二零一八年	0歐元	分銷
Limelife Japan	**	Tokyo – Japan (東京 – 日本)	二零一九年	5,000,000日圓	分銷
LimeLife Fempire Fund LLC	**	New-York – USA (紐約 – 美國)	二零二一年	2,000,000美元	投資
LOI Participations SARL	*	Luxembourg-Luxembourg (盧森堡 – 盧森堡)	二零一七年	10,000,000歐元	持股
L'Occitane Innovation Lab	*	Manosque – France (馬諾斯克 – 法國)	二零一七年	5,000,000歐元	投資
LOI ELEMIS SARL	*	Luxembourg-Luxembourg (盧森堡 – 盧森堡)	二零一九年	12,000歐元	持股
ELEMIS Ltd USA	**	Coral Gables – US (科勒爾蓋布爾斯 – 美國)	二零一九年	178,850,000美元	分銷
ELEMIS SPS LLC	**	Wilmington – US (威爾明頓 –– 美國)	二零零二年	100美元	分銷
ELEMIS Ltd UK	**	Bristol – UK (布裡斯托爾 – 英國)	一九八八年	795,000英鎊	分銷
Elemis Spa Ltd (UK)	**	Bristol – UK (布裡斯托爾 – 英國)	一九九三年	2英鎊	分銷
Duolab International SARL	*	Plan les Ouates – Switzerland (普朗萊烏特 – 瑞士)	二零一九年	272,000歐元	開發、生產、分銷
Duolab UK Limited	**	London – UK (倫敦 – 英國)	二零一九年	50,000英鎊	分銷
Elemis Asia Pacific Limited	**	Hong-Kong – China (香港 – 中國)	二零一九年	1港元	分銷
Capsum S.A.	*	Marseille – France (馬賽 – 法國)	二零零八年	556,940歐元	生產、分銷
Caspum Inc.	*	Texas – USA (德薩斯 – 美國)	二零一五年	22,194,186美元	生產
Good Glamm Group	*	Pune – India (浦那 – 印度)	二零一五年	1,598,520,613盧比	持股、投資、分銷
LOC SOL Holding Inc.	*	Dover Kent County – USA(多佛肯特縣 – 美國)	二零二一年	1美元	持股、分銷
LOC SOL Owners Inc.	**	Dover Kent County – USA(多佛肯特縣 – 美國)	二零二一年	100美元	分銷
LOC SOL Target Inc.	**	Dover Kent County – USA(多佛肯特縣 – 美國)	二零二一年	1美元	分銷
Sol de Janeiro Holding Inc.	**	Dover Kent County – USA(多佛肯特縣 – 美國)	二零一九年	2,674美元	持股、分銷
Sol de Janeiro USA Inc.	**	Dover Kent County – USA(多佛肯特縣 – 美國)	二零一九年	1美元	分銷
Sol de Janeiro SAS	**	Paris – France (巴黎 – 法國)	二零二零年	0歐元	分銷
Sol de Janeiro IP Inc.	**	Dover Kent County – USA(多佛肯特縣 – 美國)	二零一九年	1美元	分銷
L'Occitane Middle East FZCO JV	*	Dubai – UAE (杜拜 – 阿聯酋)	二零二零年	27,000美元	分銷
L'Occitane Arabia	**	Jeddah KSA (吉達 – 沙特阿拉伯)	二零二一年	30,000,000沙特里亞爾	分銷
L'Occitane Emirates LLC	**	Dubai – UAE (杜拜 – 阿聯酋)	二零二一年	300,000迪拉姆	分銷

* *本公司直接持有*

** *本公司間接持有*

*** *本公司直接及間接持有*

**** *本公司不再直接或間接持有*

37. 附屬公司及聯營公司名單*(續)*

使用權益法入賬的附屬公司及投資資料*(續)*

附屬公司及聯營公司名單的主要變動披露於附註6。

免責聲明：在表格內呈列的部分資料已四捨五入至最接近的整數或最接近的小數點。因此，欄內數字的總和未必與該欄所示的總數完全一致。此外，表格內呈列的部分百分比反映在四捨五入前根據相關資料計算所得結果，故未必與假使相關結果乃以經四捨五入的數字計算而得出的百分比完全一致。

財務概要

最後五個財政年度的本集團合併業績及資產、負債、股權及少數股東權益概要載列如下。

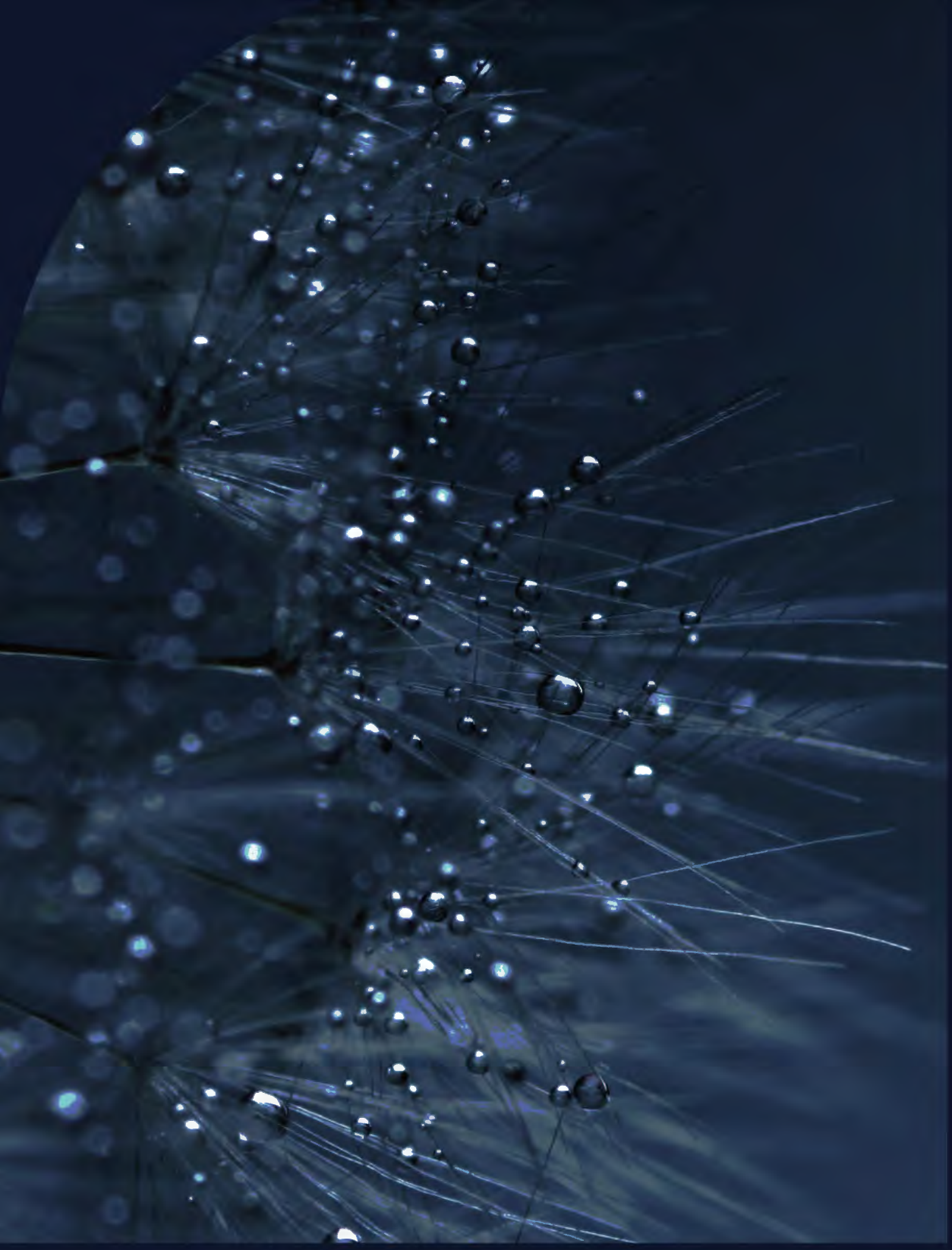
截至三月三十一日止年度	*二零二二年*	*經重列* *二零二一年*	*二零二零年*	*二零一九年*	*二零一八年*
	千歐元	*千歐元*	*千歐元*	*千歐元*	*千歐元*
銷售淨額	**1,781,358**	1,537,845	1,644,083	1,426,874	1,319,366
毛利	**1,463,415**	1,277,134	1,341,231	1,186,973	1,098,398
毛利率	**82.2%**	83.0%	81.6%	83.2%	83.3%
經營溢利	**310,714**	216,836	187,263	150,747	140,987
經營溢利率	**17.4%**	14.1%	11.4%	10.6%	10.7%
年內溢利	**241,909**	153,637	115,240	117,569	96,506
下列人士應佔：					
本公司權益擁有人	**242,034**	151,180	116,288	118,186	96,313
非控股權益	**(125)**	2,457	(1,048)	(617)	193
總資產	**3,009,074**	2,489,539	2,408,359	1,964,011	1,302,489
總負債	**1,694,468**	1,218,002	1,233,024	879,779	363,688
本公司權益擁有人應佔之權益	**1,270,028**	1,192,838	1,098,480	1,017,768	930,973
非控股權益	**44,578**	78,699	76,855	66,464	7,828

本集團就其所經營業務按照國際會計準則委員會頒佈的與歐盟所採納者相若的國際財務報告準則編製合併財務報表。

上述概要並不構成合併財務報表的一部分。

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Groupe
L'OCCITANE



FY2023
Annual Report

Groupe
L'OCCITANE

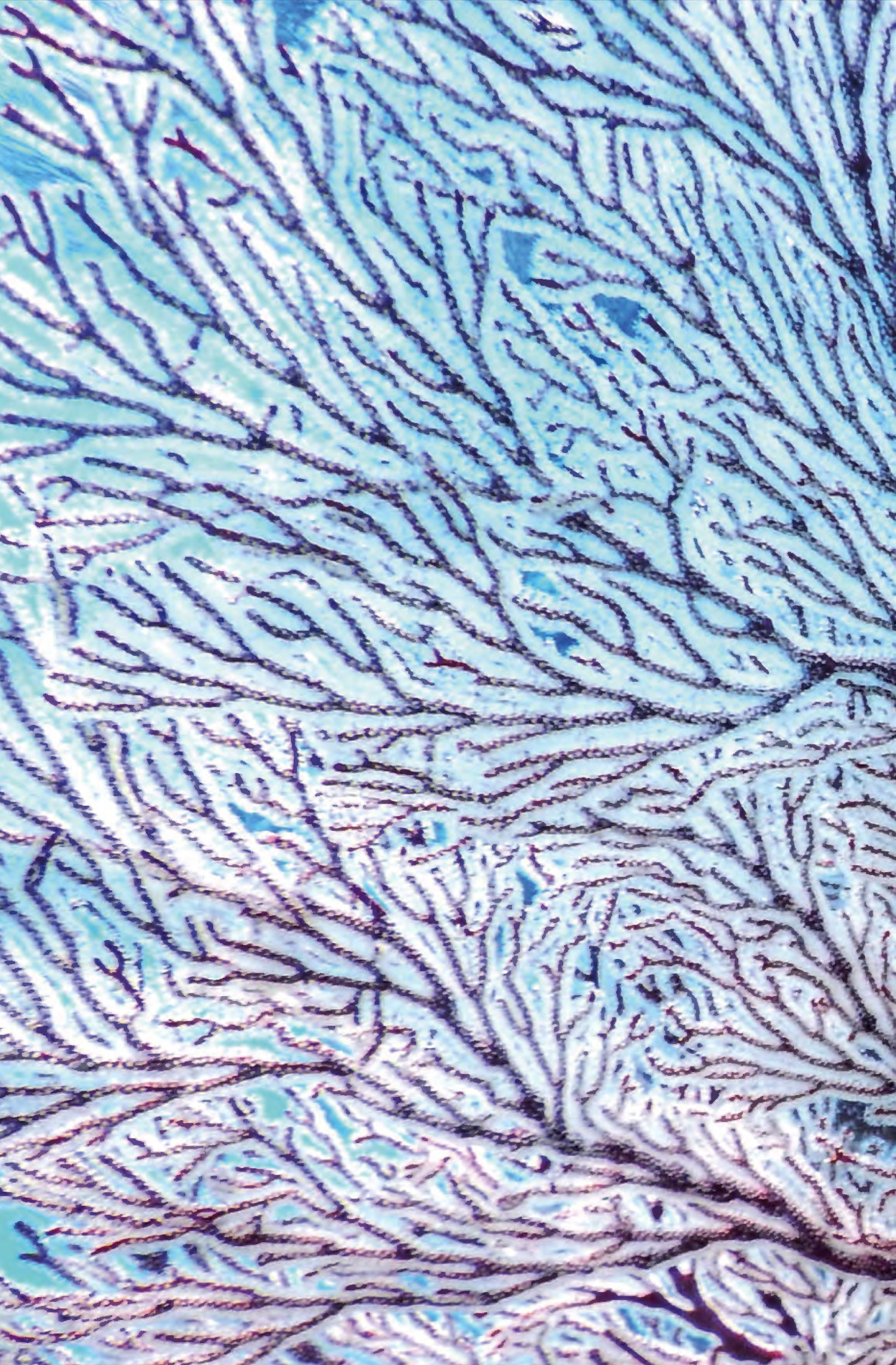
L'OCCITANE INTERNATIONAL S.A.

(Incorporated under the laws of Luxembourg with limited liability)

Stock code : 973

Groupe
L'OCCITANE

L'OCCITANE EN PROVENCE | Melvita | erborian KOREAN SKIN THERAPY PARIS SEOUL | L'OCCITANE AU BRÉSIL | Lime Lab | ELEMIS | SOL DE JANEIRO | GROWN ALCHEMIST BIOLOGICAL BEAUTY



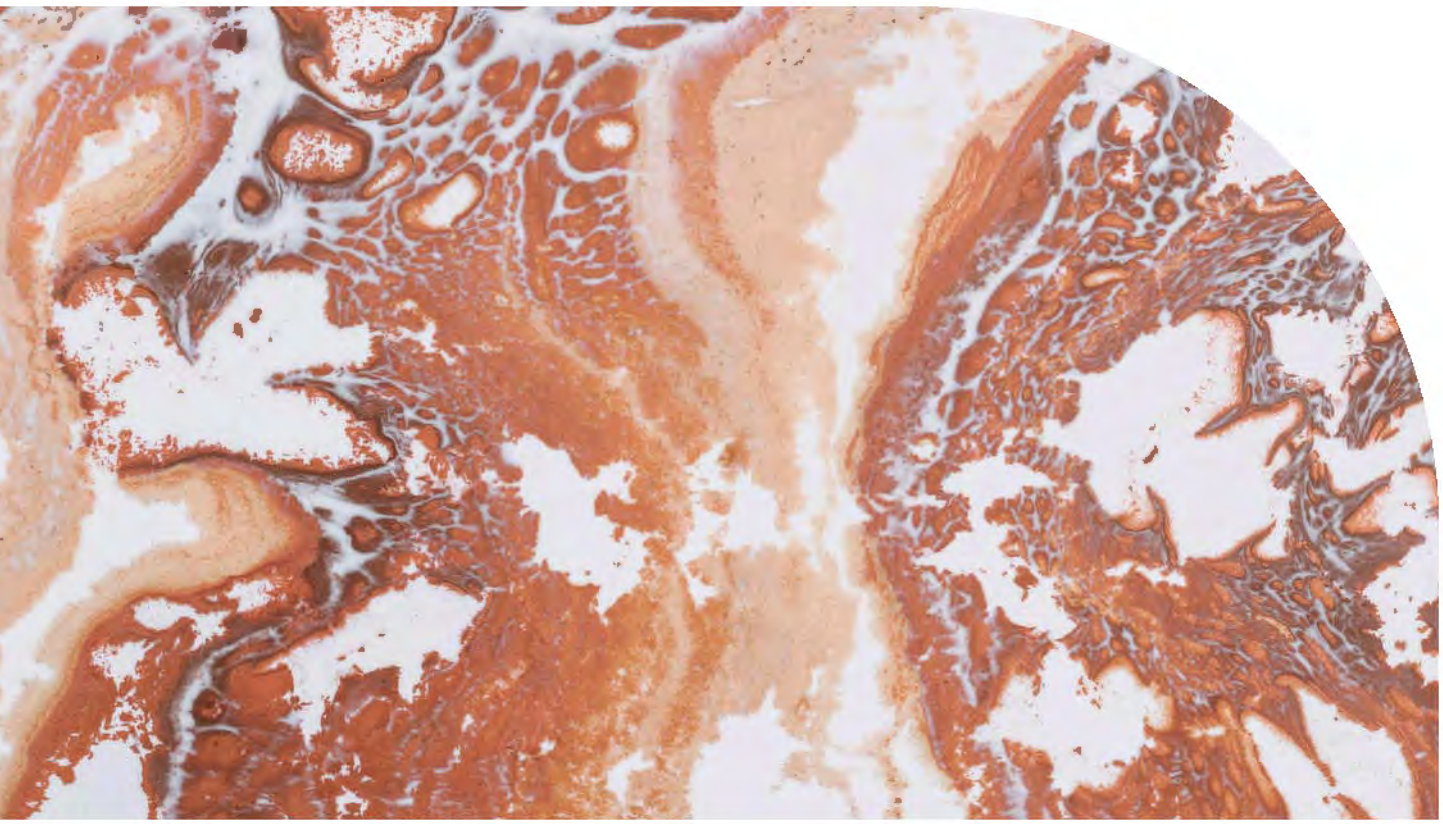




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Corporate Information



Executive Directors

Reinold Geiger
(Chairman)
André Hoffmann
(Vice-Chairman and Chief Executive Officer)
Karl Guénard
(Company Secretary)
Séan Harrington
(Chief Executive Officer of ELEMIS)

Non-Executive Director

Thomas Levilion

Independent Non-Executive Directors

Charles Mark Broadley
Christèle Hiss Holliger
Betty Liu
Jackson Chik Sum Ng

Company Secretary

Karl Guénard

Authorised Representatives

André Hoffmann
Jackson Chik Sum Ng

Company Legal Name

L'Occitane International S.A.

Date of Incorporation

22 December 2000

Date of Listing in Hong Kong

7 May 2010

Registered Office

49, Boulevard Prince Henri
L-1724 Luxembourg

Headquarter Offices

49, Boulevard Prince Henri
L-1724 Luxembourg

Chemin du Pré-Fleuri 5
CP 165
1228 Plan-les-Ouates
Geneva
Switzerland

Principal Place of Business in Hong Kong

20/F K11 ATELIER King's Road
728 King's Road
Quarry Bay, Hong Kong

Stock Code

973

Company Website

group.loccitane.com

Audit Committee

Charles Mark Broadley *(Chairman)*
Thomas Levilion
Jackson Chik Sum Ng

Remuneration Committee

Christèle Hiss Holliger *(Chairman)*
André Hoffmann
Betty Liu

Nomination Committee

Jackson Chik Sum Ng *(Chairman)*
Christèle Hiss Holliger
Betty Liu

Sustainability Committee

Charles Mark Broadley *(Chairman)*
Thomas Levilion
Christèle Hiss Holliger
Betty Liu

Principal Bankers

Groupe Crédit Agricole
Crédit Agricole CIB
Le Crédit Lyonnais (LCL)
Caisse Régionale du Crédit Agricole Mutuel Provence Côte d'Azur
HSBC France
BNP Paribas
Groupe BPCE
Natixis
BRED
CEPAC
Palatine
Société Générale
CIC

Auditor

PricewaterhouseCoopers, Société coopérative
Certified Public Accountants
Recognized Public Interest Entity Auditor

Principal Share Registrar and Transfer Office

49, Boulevard Prince Henri
L-1724 Luxembourg

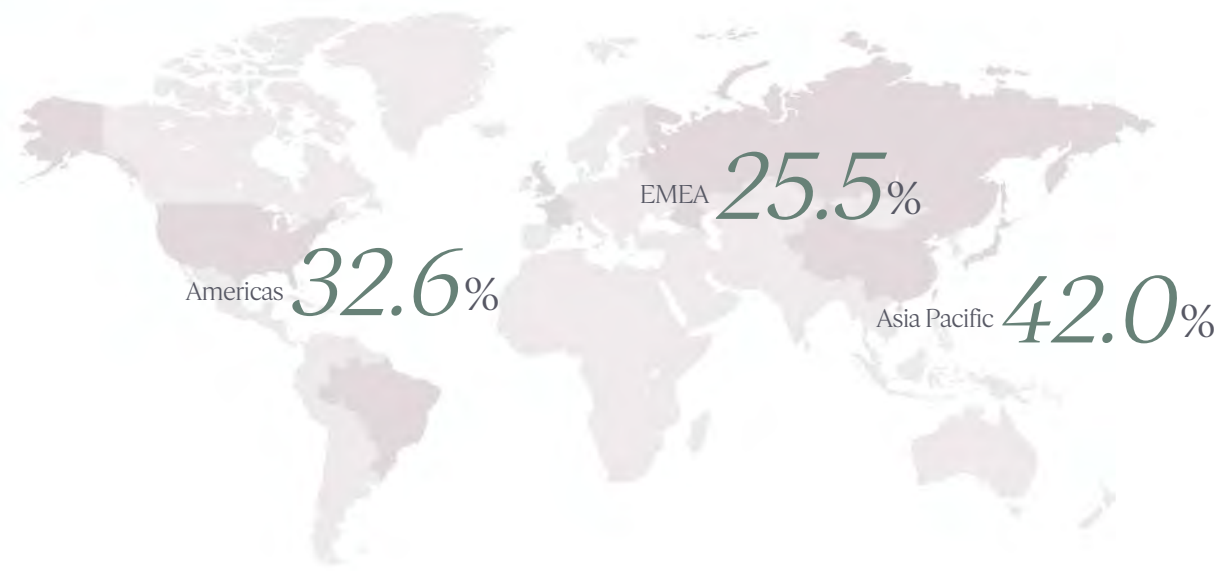
Hong Kong Share Registrar

Computershare Hong Kong Investor Services Limited
Shops 1712–1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong



Financial Highlights

OUR ACTIVITY WORLDWIDE



** Net sales (%) by region*

OUR OWN STORES WORLDWIDE



** 2,774 retail locations and 1,362 stores operated directly by the group*

KEY FINANCIAL HIGHLIGHTS

For the year ended 31 March	***2023***	*2022*
Net sales *(€ million)*	**2,134.7**	1,781.4
Operating profit *(€ million)*	**239.1**	310.7
Profit for the year *(€ million)*	**118.2**	241.9
Gross profit margin	**80.5%**	82.2%
Operating profit margin	**11.2%**	17.4%
Net profit margin	**5.5%**	13.6%
Net operating profit after tax *(€ million)* (NOPAT) [1]	**153.4**	253.8
Capital employed *(€ million)* [2]	**1,834.3**	1,975.4
Return on capital employed (ROCE) [3]	**8.4%**	12.8%
Return on equity (ROE) [4]	**10.1%**	19.1%
Current ratio (times) [5]	**1.2**	1.1
Gearing ratio [6]	**28.2%**	34.0%
Average inventory turnover days [7]	**255**	265
Turnover days of trade receivables [8]	**40**	34
Turnover days of trade payables [9]	**182**	213
Total number of own stores [10]	**1,362**	1,490
Profit attributable to equity owners *(€ million)*	**115.1**	242.0
Basic earnings per share *(€)*	**0.078**	0.165

Notes:

(1) (Operating profit + foreign currency net gains or losses) x (1 — effective tax rate).
(2) Non-current assets — (deferred tax liabilities + other financial liabilities +other non-current liabilities) + working capital.
(3) NOPAT/capital employed.
(4) Net profit attributable to equity owners of the Company/shareholders' equity excluding minority interest.
(5) Current assets/current liabilities.
(6) Total debt/total assets.
(7) Average inventory turnover days equals average inventory divided by cost of sales and multiplied by 365. Average inventory equals the average of net inventory at the beginning and end of a given period.
(8) Turnover days of trade receivable equals average trade receivables divided by net sales and multiplied by 365. Average trade receivables equals the average of net trade receivables at the beginning and end of a given period.
(9) Turnover days of trade payables equals average trade payables divided by cost of sales and multiplied by 365. Average trade payables equals the average of trade payables at the beginning and end of a given period.
(10) L'OCCITANE en Provence, ELEMIS, Melvita, L'OCCITANE au Brésil, Erborian and Grown Alchemist branded boutiques and department store corners directly managed and operated by the Company.

Disclaimer

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.

Chairman's Statement

Message from

Reinold Geiger

Chairman
26 June 2023

In FY2023, we continued our transformation into a geographically-balanced multi-brand group. Like all global groups, we faced a challenging macroeconomic landscape compounded further by unique headwinds in China, one of our largest growth markets. Yet once again we proved our resilience and agility in navigating the difficult environment.



This effort enabled us to deliver another year of solid sales performance, with the Group's net sales growing by 13% and exceeding the €2 billion mark for the first time. We remained steadfast in implementing our long-term strategies for driving sustainable and profitable growth, maintaining a world-class gross profit margin level of above 80% and a healthy operating profit margin of 15.8% if excluding exceptional items.

Across the Group, we have a shared commitment to the triple bottom line — our people, the planet and profit — in line with our mission to positively impact people and regenerate nature. Our healthy profitability ensures that we can invest in both our people and the planet. In taking care of our people, we offer training and development opportunities to all of our staff and promote their well-being in the workplace. In FY2023, we are proud to have rolled out an inclusive parental leave policy globally and became Great Place to Work-certified in 16 countries around the world. We also achieved gender parity in our executive committee and are working towards becoming a real living wage employer worldwide by 2025.

In protecting the planet, we announced an ambitious climate strategy that lays down a roadmap towards becoming science-based net zero by 2050. So far, we have made great progress in reducing our Scope 1 carbon emissions by 42%, well ahead of our schedule to reach our 46% reduction target by FY2031. Our efforts in sustainability were recently recognised by EcoVadis with a Gold Medal, placing us in the top 5% of assessed companies. And after celebrating ELEMIS' B Corp certification in January 2023, we are well on track to become B Corp certified across the Group by the end of 2023.

Our accelerated M&A activity in recent years has established us into a truly multi-brand group. We now have a brand mix that is much more diversified, with our newer brands, ELEMIS and Sol de Janeiro making up nearly a quarter of our sales in aggregate.

Our strategy of enabling the new brands to operate autonomously while seeking synergies under the Group umbrella has proved to be effective. This model boosted our commercial strength in negotiating for better locations and visibility for all our brands with key partners. This is especially apparent in our travel retail channel, which we expect to significantly grow having recently opened the first travel retail counters for Sol de Janeiro and our most recent acquisition, Grown Alchemist.

The Group's three main brands are in different stages of their growth trajectories, but we remain committed to driving their long-term growth. Although sales of L'OCCITANE en Provence were flat in FY2023, it grew by close to 7% if excluding China, where conditions remained challenging for most of the year, and Russia, from which we withdrew earlier this year. Heading into the new fiscal year, we already see positive signs in China and plan to significantly increase our marketing investments. This will underpin the brand's ability to ride on the rebound in China and gradual return in international travel, and capture the new premiumization trends in product categories where we know we have a right to win — in face care, body care and hair care.

ELEMIS grew by 9% in FY2023, a blended result from a sales decline in the UK due to a reset of our channel promotion strategy, and strong double-digit growth in the US and APAC. Most importantly, the brand maintained a strong foothold in its home markets, as evidenced by its ranking as the no. 1 skincare brand in earned media value in the UK and the US.

Meanwhile, Sol de Janeiro became the Group's second-largest brand after more than doubling its sales. The brand has a clear talent of launching bestsellers and its popularity reached new heights with its highly sought-after perfume mists. We are convinced these achievements are just a prelude to its exciting plans in the coming fiscal year, including new market launches in Asia.

Although uncertainties in the macroeconomic environment are unlikely to diminish in the near term, we have not lost sight of the immense potential of all of our brands in the long term. In FY2024, we expect to achieve double-digit sales growth and healthy profitability, supported by significantly higher marketing investments for our core brand in key markets and channels and for the global expansion of our newer brands. We will continue to implement our ongoing strategies to further propel our development as a multi-billion Euro and multi-brand group in the years to come. I thank you for your support.

Strong Global Presence







Buchanan Street, Glasgow
Scotland, United Kingdom
5

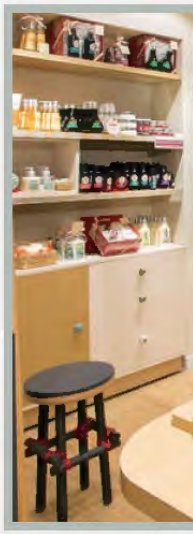
Morumbi Shopping,
São Paulo, Brazil
6

Nuremberg,
Germany
7













1 Houston,
Texas,
United States

2 Atré Ueno,
Tokyo, Japan

3 Dalma Mall,
Abu Dhabi, UAE

4 Wuxi Yaohan,
China











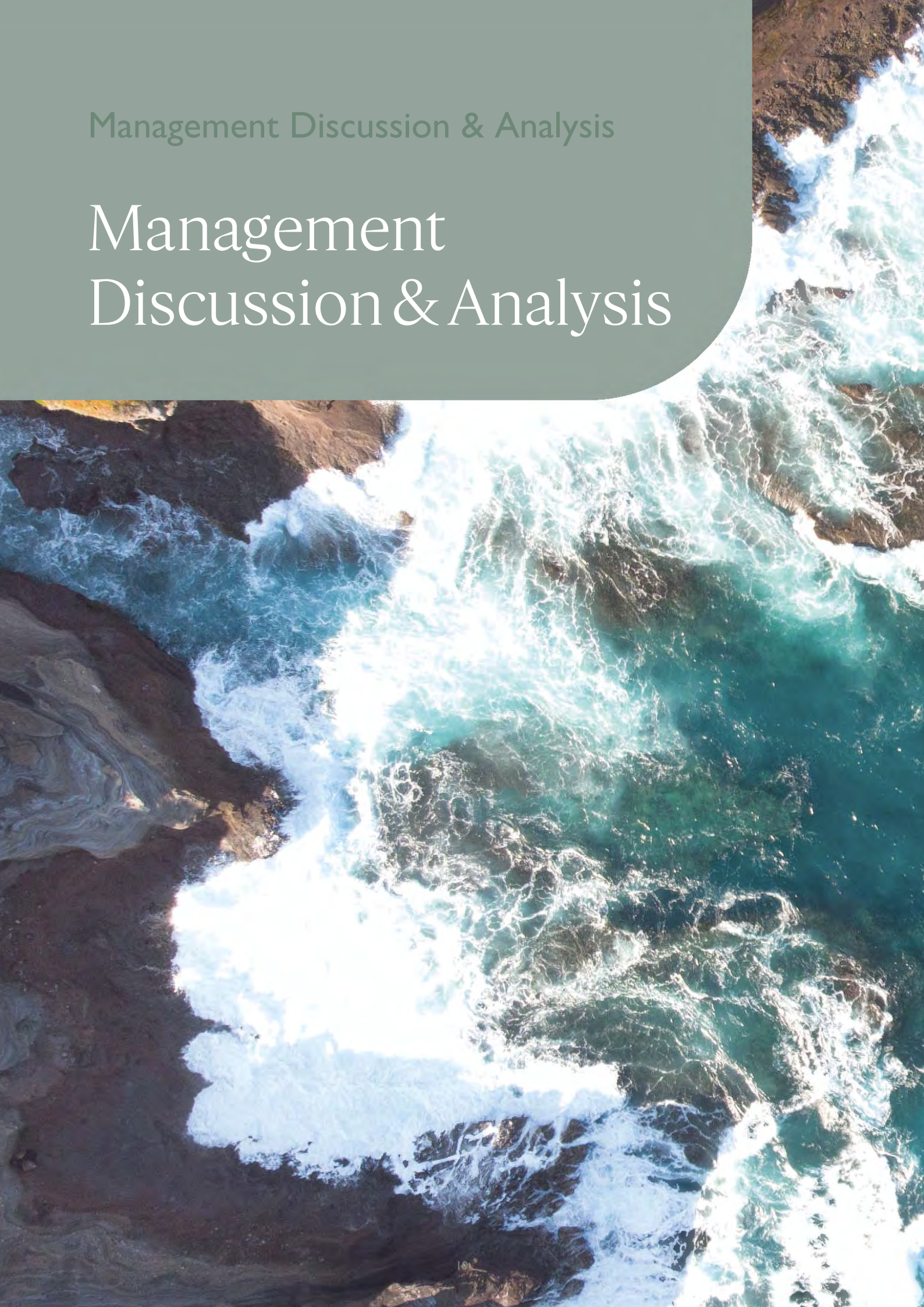
8 Opéra,
Paris, France
(Erborian)

9 Shanghai IFC,
China
(ELEMIS)

10 Pátio Higienópolis,
São Paulo, Brazil
(L'OCCITANE au Brésil)

11 Carlton,
Melbourne, Australia
(Grown Alchemist)

Management Discussion & Analysis



Management Discussion & Analysis



Management Discussion & Analysis

Summary:

	FY2023 Management[1] *€ million or %*	*FY2023 Reported* *€ million or %*	*FY2022 Management[2]* *€ million or %*	*FY2022 Reported[3]* *€ million or %*
Net sales	2,134.7	2,134.7	1,810.0	1,781.4
Operating profit	336.8	239.1	308.2	310.7
Profit for the year	n/a	118.2	n/a	241.9
Gross profit margin	80.5%	80.5%	82.8%	82.2%
Operating profit margin	15.8%	11.2%	17.0%	17.4%
Net profit margin	n/a	5.5%	n/a	13.6%

(1) *Management FY2023 — reported results excluding exceptional items, including the impacts of the Group's divestiture of its business in Russia, namely the other operating loss of €14.4 million, arising from a capital loss at the time of divestiture in June 2022. Other one-off items, namely the impairment for the Melvita and LimeLife brands and share of losses in joint ventures and associates (Good Glamm Group and CAPSUM) were also excluded for proper comparison. The management considers these costs to be accounting adjustments and material one-off items that should be excluded when comparing to the management results of the same period last year.*

(2) *Management FY2022 — assuming L'Occitane, Inc. remained part of the Group and its results in April to August 2021 were consolidated into the Group's results, and the net effects of deconsolidation and reconsolidation were then removed. One-off items — impairment for 86 Champs café, change in valuation and share of loss of Good Glamm Group and CAPSUM were also excluded for proper comparison. The management believes that this management version provides a truer view of the operational performance in FY2022.*

(3) *Reported FY2022 — sales and operating expenses of L'Occitane, Inc. in April to August 2021 were not consolidated but instead treated as an associate under the equity method, due to the Chapter 11 proceedings.*



Definitions:

Comparable Stores means existing retail stores which have been opened before the start of the previous financial year, including Company owned e-commerce websites.

Same Store Sales Growth represents a comparison between Comparable Store Sales for two financial periods. Unless otherwise indicated, discussion of Same Store Sales Growth excludes foreign currency translation effects.

Overall Growth means the total worldwide net sales growth for the financial period(s) presented excluding foreign currency translation effects.



REVENUE ANALYSIS

The Group's net sales exceeded €2 billion milestone in FY2023, amounting to €2,134.7 million. As compared to the reported net sales of €1,781.4 million in FY2022, the sales growth was 19.8% at reported rates. In order to provide a proper comparison, the revenue analysis from here on excludes the deconsolidation impact of the US subsidiary during the Chapter 11 proceedings in FY2022. Excluding such impact, the net sales in FY2022 amounted to €1,810.0 million. As such, the Group's net sales growth in FY2023 was 17.9% at reported rates or 13.4% at constant rates.

Despite the challenging market conditions in China for most of the year and the divestiture of its Russian business, the Group delivered strong double-digit sales growth. The growth was contributed by the Group's newer brands, ELEMIS and Sol de Janeiro, as well as the improvement in the core L'OCCITANE en Provence brand in FY2023 Q4 thanks to the dynamic travel retail channel and the early positive signs in China following the lifting of COVID-19 restrictions. 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 3.7% in FY2023, slower than the 5.9% in the first half of FY2023. However, there was a significant improvement in FY2023 Q4, which posted 8.4% growth as compared to -1.7% in FY2023 Q3.

The Company's total number of retail locations decreased from 3,068 as at 31 March 2022 to 2,774 as at 31 March 2023, a decrease of 294 or 9.6%. The number of own retail stores decreased from 1,490 as at 31 March 2022 to 1,362 as at 31 March 2023, representing a net decrease of 128 or 8.6%. The decrease was mainly related to the divestment from Russia. At the end of March 2023, the breakdown of the 1,362 own stores by brand and change over last year were as follows: L'OCCITANE en Provence (1,236; -118), L'OCCITANE au Brésil (65; nil), Melvita (35; -4), Erborian (2; -12) and ELEMIS (24; +6).

Management Discussion & Analysis

Performance by Brand

The following table presents the net sales and net sales growth by brand for the periods indicated, including sales of L'Occitane, Inc. from April to August 2021 in FY2022:

	FY2023 *€ 'million*	FY2022 *€ 'million*	Growth at reported rates *%*	Growth at constant rates *%*
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[1]	267.0	26.1	n/a	n/a
Others[2]	190.5	168.4	13.1	7.3
Total	**2,134.7**	**1,810.0**	**17.9**	**13.4**

(1) *Sol de Janeiro's quarterly sales in FY2023 are modified 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.*

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



All key brands ended the year strongly in the final quarter of FY2023 following a difficult FY2023 Q3. In FY2023, L'OCCITANE en Provence recorded a slight sales decline of 0.5% at constant rates, mainly due to the difficult market situation in China for most of the year and the divestiture of Russia. However, the brand returned to a growth of 0.8% in FY2023 Q4, thanks to the solid growth in the travel retail channel and early signs of recovery in China following the lifting of COVID-19 restrictions. Excluding the China and Russia markets, the brand posted solid sales growth of 6.8% and 9.9% in FY2023 and in FY2023 Q4, respectively.

After growing 13.1% in the first half of FY2023, ELEMIS's growth slowed down to 8.9% for the full year. This was mainly due to a strategic decision taken in the second half of FY2023 in its largest market, the UK, to reduce sales to certain promotion-driven web partners to prioritise an omni-channel model that is adapted to post-pandemic consumer trends and enhance brand equity. This resulted in a sales decline for the brand in FY2023 Q3. While this initiative continued into FY2023 Q4, the brand returned to a strong growth of 18.1% in FY2023 Q4. This was mainly driven by the US' strong growth of 34.0% in FY2023, thanks to its outstanding e-commerce and cruise ship businesses, as well as the 29.2% growth in APAC with the brand's development in the region.

Sol de Janeiro exceeded management expectations and more than doubled its sales in FY2023, growing by 135.2% in local currency to become the Group's second largest brand with €267.0 million in sales. The brand continued to build upon its popularity through iconic bestsellers and highly anticipated new launches, such as the *Bum Bum Body Firmeza Oil* and the *Rio Radiance* fragrance mist.

Other brands together also showed an improvement, posting 7.3% growth at constant rates for FY2023. Erborian and L'OCCITANE au Brésil performed particularly well with 33.4% and 41.2% growth respectively at constant rates in FY2023.

Performance by Region

The following table presents the net sales, net sales growth and same store sales growth by region for the periods indicated:

	FY2023 *€ 'million*	**FY2022** *€ 'million*	**Growth at reported rates** *%*	**Growth at constant rates** *%*	**Same store sales growth** *%*
APAC	896.2	875.4	2.4	0.5	-4.3
Americas[1]	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**

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

The Group's regional sales mix remains quite balanced, with APAC continuing to be the largest region, accounting for 42.0% of net sales. The Americas was the second largest region at 32.6% of net sales while EMEA accounted for the remaining 25.5% of sales. In terms of single markets, the US was the largest market and accounted for 27.2% of the Group's net sales, mainly due to the strong contribution from Sol de Janeiro and that six of the Group's eight brands have presence in the US. The second largest market was China at 14.0% of the Group's net sales, followed by Japan at 8.5%.



The Americas was the fastest-growing region with 62.8% growth at constant rates in FY2023. 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 percent growth in the Americas. APAC returned to a slight growth of 0.5% at constant rates in FY2023 after showing a sales decline in FY2023 Q3, thanks to the travel retail sales in the region and improved conditions in China, which saw the sales decline narrow to high-single digit percent in FY2023 Q4. Excluding China, APAC grew by 8.0% at constant rates and same store sales growth was 1.4% in FY2023. EMEA saw a slight decrease of 0.7% at constant rates in FY2023, mainly due to the divestiture of Russia. Excluding Russia, EMEA grew 10.2% at constant rates.

Management Discussion & Analysis

Performance by Channel

The following table presents the net sales and net sales growth by channel for the periods indicated:

	FY2023 *€ 'million*	FY2022 *€ 'million*	Growth at reported rates *%*	Growth at constant rates *%*
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**



Wholesale & others led the growth with 50.9% at constant rates in FY2023, with dynamic growth in wholesale chains, international distribution and travel retail. This channel accounted for 33.5% of the Group's net sales, a significant increase from 24.8% in FY2022, mainly due to the addition of the newer brands such as ELEMIS and Sol de Janeiro, which has a higher wholesale sales mix compared to L'OCCITANE en Provence.

Online channels posted a growth of 4.8% at constant rates in FY2023, mainly driven by the strong performance of Sol de Janeiro. Excluding Sol de Janeiro, online channels declined by a high single-digit percent, in line with expectations due to the return of traffic to brick-and-mortar channels and the poor performance of LimeLife. Retail sales saw a decrease of 2.0%, mainly affected by the divestiture of Russia and the store closures in China during the COVID-19 outbreaks. Excluding the Russia and China markets, retail sales grew by 7.2% at constant rates in FY2023.

PROFITABILITY ANALYSIS

Cost of Sales and Gross Profit

The reported cost of sales increased by 31.0%, or €98.6 million, to €416.6 million in FY2023. The gross profit margin decreased by 1.7 points to 80.5% as compared to FY2022. The decrease is attributable to the following factors:

- Unfavourable brand mix coming mainly from the inclusion of Sol de Janeiro brand, which has a higher wholesale mix for 1.3 points;
- Production costs increase, especially on raw materials and packaging for 0.8 points;
- Unfavourable channel mix from higher sell-in proportion for 0.7 points; and
- Obsolescence costs increase, unfavourable products mix and others for 0.4 points.

The decrease in gross profit margin was partly offset by:

- Positive effect from the US deconsolidation last year during the Chapter 11 proceedings for 0.6 points;
- Positive foreign currency exchange ("**FX**") impact for 0.3 points;
- Price increase for 0.3 points; and
- One-off items, mainly the accelerated depreciation performed last year on a production line for 0.3 points.

Distribution Expenses

The reported distribution expenses increased by 12.4%, or €86.3 million, to €784.7 million in FY2023. As a percentage to net sales, distribution expenses decreased by 2.4 points to 36.8%. This improvement is attributable to a combination of:

- Favourable brand mix, mainly from the inclusion of Sol de Janeiro and an increase in share of Erborian as both brands have a low ratio of distribution expenses for 3.3 points;
- One-off impairment on 86 Champs café last year for 0.9 points;
- More efficient retail network as a result of network rationalisation, fewer renovations and leverage of fixed costs on higher sales for 0.7 points; and
- Favourable channel mix and FX impact for 0.6 points.

This improvement was partly offset by:

- Salary increases, inflation on warehousing and freight costs, increase in travel and entertainment ("**T&E**") costs after a 2-year travel ban and a rise of commission rate to sell-in partners mainly due to more livestreaming activities for 1.7 points;
- Negative effect from last year US deconsolidation for 0.7 points;
- One-off COVID-19 subsidies from governments and rent concessions last year for 0.5 points; and
- Unfavourable impact of the Russia exit and others for 0.2 points.



Management Discussion & Analysis



Marketing Expenses

The reported marketing expenses increased by 30.9%, or €86.9 million, to €367.7 million in FY2023. As a percentage of net sales, marketing expenses increased by 1.4 points to 17.2%. The increase is attributable to:

- Brand mix for 1.0 points, mainly driven by Sol de Janeiro and Erborian which have a higher marketing ratio;
- Strategic investments behind L'OCCITANE en Provence, mainly in the US and Korea through influencers and digital media, an acceleration plan for Erborian in France with TV campaigns, investments for Melvita in France for the launches of *Source de Roses* and *Nectar de Lumière*, and a significant increase in influencers in the US for ELEMIS for 0.4 points;
- Russia deconsolidation, US deconsolidation last year and others for 0.4 points; and
- Staffing in marketing organisation for L'OCCITANE en Provence and ELEMIS for 0.2 points.

This increase was partly offset by a favourable channel mix and a decrease in promotional tools inventory for 0.6 points.

Research & Development Expenses

The reported research and development ("**R&D**") expenses increased by 18.9%, or €3.6 million, to €22.5 million in FY2023. As a percentage to net sales, R&D expenses remained at 1.1%.

General and Administrative Expenses

The reported general and administrative expenses increased by 16.5%, or €28.5 million, to €201.5 million in FY2023. As a percentage of net sales, general and administrative expenses decreased by 0.3 point to 9.4%. The decrease is attributable to:

- Favourable brand mix and higher sales leverage for 0.7 points;
- Decrease in long-term incentives as some major plans ended this year and were accrued last year for 0.5 points; and
- One-off items last year, mostly Sol de Janeiro's acquisition costs, for 0.2 points.

This improvement was partly offset by:

- Russia exit, US deconsolidation, inflation on fees, increase of T&E costs and others for 0.6 points; and
- IT investments on digital and clienteling projects, reinforcement of the IT infrastructure and security, and reinforcement of the IT organisation for 0.5 points.

SHARE OF (LOSSES) FROM ASSOCIATES AND JOINT VENTURES ACCOUNTED FOR USING THE EQUITY METHOD

Details of the €16.6 million net losses from associates and joint ventures accounted for using the equity in FY2023 are shown below:

- Loss of €9.4 million by Good Glamm Group (previously known as MyGlamm);
- Loss of €7.0 million by L'Occitane Middle East; and
- Loss of €0.2 million by CAPSUM.

OTHER OPERATING INCOME

Details of the €4.1 million other operating incomes in FY2023 are shown below:

- Capital gain of €1.7 million arising from the change in percentage of interests in Good Glamm Group which is accounted as an associate using the equity method;
- Government grants on research and development for €1.5 million; and
- Others for €0.9 million.

OTHER OPERATING EXPENSES

Details of the €90.1 million other operating expenses in FY2023 are shown below:

- Impairment loss on LimeLife goodwill for €52.5 million;
- Impairment loss on Melvita goodwill for €22.8 million;
- Impacts arising from the deconsolidation of L'Occitane Russia for €14.4 million — consisting of a capital loss of €3.6 million and a reclassification of currency translation differences previously recognised in equity for €10.8 million; and
- Loss on sale of assets for €0.3 million.



Management Discussion & Analysis

OPERATING PROFIT

Reported operating profit decreased by 23.0%, or €71.6 million, to €239.1 million. The reported operating profit margin dropped by 6.2 points of net sales to 11.2%.

The decrease in operating profit margin is explained by a combination of:

- Impairment losses on LimeLife and Melvita, partially compensated by the impairment on 86 Champs café last year for 2.6 points;
- Inflation in costs, namely of salaries, raw materials and packaging, freight, fees and T&E for 2.5 points;
- Divestiture of the Group's business in Russia for 1.2 points;
- Increase in most of the brands' marketing investments and in various IT projects for 1.2 points;
- Increase in the valuation of the investment in Good Glamm Group last year for 1.0 point;
- Increase in the share of losses from associates and joint ventures, mainly coming from L'Occitane Middle East and Good Glamm Group for 0.6 points;
- Unfavourable channel mix, obsolescence costs increase, products mix and others for 0.5 points; and
- Deconsolidation last year of the US subsidiary for 0.4 points.





This decrease was partly offset by the following:

- Brand mix for 1.5 points mainly driven by the new brands;
- Efficiencies on the retail network, lower incentives and price increase for 1.1 points;
- Leverage of fixed costs on higher sales for 0.6 points; and
- Favourable FX impact for 0.6 points.

The following table presents the Group's management operating profit and the reconciliation to reported operating profit for FY2023 and FY2022.

	FY2023		FY2022	
Reported Net sales	**2,134.7**		**1,781.4**	
Net Sales	**2,134.7**		**1,810.0**	
Cost of sales	(416.5)	-19.5%	(311.6)	-17.2%
Gross profit	**1,718.1**	**80.5%**	**1,498.4**	**82.8%**
Distribution expenses	(784.7)	-36.8%	(702.9)	-38.8%
Marketing expenses	(367.7)	-17.2%	(286.1)	-15.8%
Research & development expenses	(22.5)	-1.1%	(18.9)	-1.0%
General and administrative expenses	(201.5)	-9.4%	(182.9)	-10.1%
Share of (loss)/profit from joint venture accounted for using the equity method	(7.0)	-0.3%	0.7	0.0%
Other operating income/(expenses)	2.1	0.1%	(0.0)	0.0%
Management operating profit[1]	**336.8**	**15.8%**	**308.2**	**17.0%**
Chapter 11: net effects of deconsolidation/ reconsolidation	–		3.3	
Russia divestiture	(14.4)		–	
Impairment loss of LimeLife & Melvita brands	(75.4)		–	
Good Glamm Group & CAPSUM's valuation and share of (loss)/profit	(7.9)		14.7	
Impairment of 86 Champs café	–		(15.5)	
Reported operating profit	**239.1**	**11.2%**	**310.7**	**17.4%**

(1) *Management FY2023 — reported results excluding exceptional items, including the impacts of the Group's divestiture of its business in Russia, namely the other operating loss of €14.4 million, arising from a capital loss at the time of divestiture in June 2022. Other one-off items, namely the impairment for the Melvita and LimeLife brands and share of losses in joint ventures and associates (Good Glamm Group and CAPSUM) were also excluded for proper comparison. The management considers these costs to be accounting adjustments and material one-off items that should be excluded when comparing to the management results of the same period last year.*

Management FY2022 — assuming L'Occitane, Inc. remained part of the Group and its results in April to August 2021 were consolidated into the Group's results, and the net effects of deconsolidation and reconsolidation were then removed. One-off items — impairment for 86 Champs café, change in valuation and share of loss of Good Glamm Group and Capsum were also excluded for proper comparison. The management believes that this management version provides a truer view of the operational performance in FY2022.

Finance Costs, Net

Net finance costs were €53.5 million in FY2023, which consisted of interest incomes on cash and cash equivalents of €2.8 million and the following expense items:

- Change in the fair value of the receivable from the sale of L'Occitane Russia for €35.9 million;
- IFRS 16 lease liabilities related interests and finance expenses of €7.6 million; and
- Interest expenses related to bank borrowings, revolving facilities and external financing of €12.8 million.

As compared to FY2022, net finance costs increased by €39 million, which was explained by the change in fair value of the receivable from the sale of L'Occitane Russia, higher net interest expenses partially offset by lower IFRS 16 related interest expenses.

Management Discussion & Analysis

Foreign Currency Gains/Losses

Net foreign currency losses amounted to €6 million in FY2023 (FY2022: net losses of €0.3 million) and were comprised of €2.4 million realised gains, €7.8 million unrealised losses and €0.5 million losses related to IFRS 16.



Income tax Expense

The effective tax rate increased from 18.2% in FY2022 to 34.2% in FY2023, an increase of 16 points. This increase is due primarily to the following unfavourable factors:

- Non-deductible impairment losses on LimeLife and Melvita goodwill for 10.3 points;
- Non-deductible impacts related to the deconsolidation of the Group's business in Russia for 5.8 points; and
- Impact on deferred tax assets as a result of lower inventories in some countries for 3.5 points.

And partly offset by the following favourable effects:

- Favourable country mix effect for 1.3 points; and
- Favourable changes in tax rates, essentially in the US for 1.6 points.

PROFIT FOR THE YEAR

For the aforementioned reasons, net profit for FY2023 was €118.2 million, a decrease of 51.1% or €123.7 million as compared to FY2022 (€241.9 million). Basic and diluted earnings per share in FY2023 were €0.078 and €0.078 respectively (FY2022: basic €0.165 and diluted €0.164), a decrease of 52.5%. The numbers of basic and diluted shares used in the calculations of earnings per share in FY2023 were 1,471,609,250 and 1,473,649,115 respectively (FY2022: basic 1,470,135,821 and diluted 1,473,153,053).



BALANCE SHEET AND CASH-FLOW REVIEW

Liquidity and Capital Resources

As at 31 March 2023, the Group had cash and cash equivalents of €147.3 million as compared to €360.9 million as at 31 March 2022. The decrease was mainly explained by the repayment of borrowing facilities for €151 million. As at 31 March 2023, total borrowings, including term loans, revolving facilities, bank borrowings, amounted to €518.9 million. As at 31 March 2023, the aggregate amount of undrawn borrowing facilities was €461.5 million.



SUMMARISED CASH-FLOW STATEMENT

For the year ended 31 March	2023 *€ '000*	2022 *€ '000*
Profit before tax, adjusted for non-cash items	491,008	475,361
Changes in working capital	(121,190)	(98,815)
Income tax paid	(69,610)	(50,523)
Net cash inflow from operating activities	300,208	326,023
Net cash outflow for capital expenditures	(46,335)	(37,998)
Free cash flow[1]	**253,873**	**288,025**
Net cash (outflow) from investment in new ventures and financial assets	(35,725)	(327,801)
Net cash (outflow) from financing activities	(436,795)	(17,339)
Effect of exchange rate changes	5,003	(3,202)
Net (decrease) in cash, cash equivalents and bank balances	**(213,644)**	**(60,317)**

(1) *Free cash flow generated for FY2023 was €253.9 million, as compared to €288.0 million in FY2022. The decrease was due to higher working capital required for accelerated sales growth, higher tax paid due to an increased tax rate in some countries and strong profits in certain brands, and investments in store network.*

Management Discussion & Analysis



CAPITAL EXPENDITURES

Net cash used in capital expenditures was €46.3 million in FY2023, as compared to €38.0 million in FY2022, representing an increase of €8.3 million. The increase was mainly in retail stores related capital expenditures. The capital expenditures for FY2023 were primarily related to:

- Leasehold improvements and other tangible assets, related to new and refurbished stores of L'OCCITANE en Provence for €19.3 million;
- Investments in various IT equipment and software for €14.8 million; and
- Replacement of machinery and equipment of the factory, office and warehousing facilities for a total of €12.2 million.

INVESTMENT IN SUBSIDIARIES, ASSOCIATES AND FINANCIAL ASSETS

Net cash outflow from investment in subsidiaries, associates and financial assets was €35.7 million in FY2023, as compared to €327.8 million in last year. The outflow this year was mainly for the acquisition of the new brand Grown Alchemist for €3.5 million and the increase of interest in L'Occitane Middle East for €13.4 million. In FY2022, the main outflow was related to the acquisition of Sol de Janeiro for €322.3 million.

FINANCING ACTIVITIES

Financing activities in FY2023 ended with a net cash outflow of €436.8 million (FY2022: outflow of €17.3 million). Net cash outflow during the year mainly reflected the following:

- Net bank borrowing repayment for €151.9 million;
- Principal components of lease payments of €113.7 million under IFRS 16;
- Payment of dividend for €97.2 million; and
- Transactions with ELEMIS non-controlling interests for €76.6 million;

This was partly offset by the following cash inflow:

- Net settlement of share options for €2.7 million.

INVENTORIES

The following table sets out a summary of average inventory days for the periods indicated:

	FY2023	FY2022
Average inventory turnover days[1]	255	265

[1] *Average inventory turnover days equals to average inventory divided by cost of sales and multiplied by 365. Average inventory equals to the average of net inventory at the beginning and end of a given period.*

Inventory net value was €317.2 million, as at 31 March 2023, an increase of 20.5%, or €54.0 million as compared to 31 March 2022. The increase in inventory net value was due mainly to L'OCCITANE en Provence and the outstanding expansion of Sol de Janeiro.

Average inventory turnover, however, decreased by 10 days in FY2023, as a result of the growth in sales and thus increase in cost of sales as compared to last year. The decrease in inventory turnover days by 10 days was attributable to the following:

- Decrease in finished goods and MPPs of comparable brands for -24 days;

which was partly offset by:

- Unfavourable FX impact for +7 days;
- Increase in raw materials and work in progress for +3 days; and
- Increase in inventory provision for +4 days.

TRADE RECEIVABLES

The following table sets out a summary of turnover days of trade receivables for the periods indicated:

	FY2023	FY2022
Turnover days of trade receivables[1]	40	34

[1] *Turnover days of trade receivables equals to average trade receivables divided by net sales and multiplied by 365. Average trade receivables equals to the average of net trade receivables at the beginning and end of a given period.*

Turnover days of trade receivables increased by 6 days to 40 days for FY2023 as compared to FY2022. The increase was a net result of higher sell-in sales from ELEMIS and Sol de Janeiro partly offset by lower turnover days from sell-out channels.

TRADE PAYABLES

The following table sets out a summary of average trade payables days for the periods indicated:

	FY2023	FY2022
Turnover days of trade payables[1]	182	213

[1] *Turnover days of trade payables equals to the average trade payables divided by cost of sales and multiplied by 365. Average trade payables equals to the average of trade payables at the beginning and end of a given period.*

The reduction of 31 days was mainly explained by the increase in cost of sales by 31%. Excluding Sol de Janeiro, the decrease was 19 days for trade payables and 21 days for the accrued expenses. FX reduced the turnover days by 3 days. On the other hand, Sol de Janeiro's rapid expansion drove an increase in turnover days by 12 days.

Management Discussion & Analysis

BALANCE SHEET RATIOS

Return on capital employed in FY2023 was 8.4%, a decrease of 4.4 points as compared to FY2022, as a result of a decrease in net operating profit after tax by 40.0% accompanied by a decrease of 8.0% in capital employed. The decrease in net operating profit after tax was mainly due to one off impairments and deconsolidation of L'Occitane Russia.

The capital and reserves attributable to the equity owners decreased by €131.1 million in FY2023, being a net result of comprehensive income for the year, dividend distribution, decrease in other reserves from the revalorisation of puts and deconsolidation of L'Occitane Russia.

The Group's gearing ratio decreased from 34.0% in FY2022 to 28.2% in FY2023. If the impacts of IFRS 16 were excluded, gearing ratio in FY2023 would be 20.4%.

	Reported FY2023	*FY2022*
Profitability		
EBITDA[1]	465,973	488,269
Net operating profit after tax (NOPAT)[2]	153,406	253,782
Capital employed[3]	1,834,307	1,975,448
Return on capital employed (ROCE)[4]	8.4%	12.8%
Return on equity (ROE)[5]	10.1%	19.1%
Liquidity		
Current ratio (times)[6]	1.2	1.1
Quick ratio (times)[7]	0.8	0.8
Capital adequacy		
Gearing ratio[8]	28.2%	34.0%
Debt to equity ratio[9]	54.5%	50.3%

(1) *Earnings before interest, taxes, depreciation, amortisation and impairment*
(2) *(Operating profit + foreign currency net gains or losses) x (1 – effective tax rate)*
(3) *Non-current assets – (deferred tax liabilities + other financial liabilities + other non-current liabilities) + working capital*
(4) *NOPAT/capital employed*
(5) *Net profit attributable to equity owners of the Company/shareholders' equity at year end excluding minority interest*
(6) *Current assets/current liabilities*
(7) *(Current assets – inventories)/current liabilities*
(8) *Total debt/total assets*
(9) *Net debt/(total assets – total liabilities)*



FOREIGN EXCHANGE RISK MANAGEMENT

The Company enters into forward exchange contracts and currency options to hedge forecast transactions, as well as receivables and payables not denominated in its presentation currency, the Euro, for periods consistent with its identified exposures. As at 31 March 2023, the Company had foreign exchange derivatives net assets of €2.1 million in the form of forward exchange contracts (in accordance with fair market valuation requirements under IFRS). The notional principal amounts of outstanding forward exchange derivatives as at 31 March 2023 were primarily sale of Chinese yuan for an equivalent amount of €63.1 million, Hong Kong dollar for €26.4 million, US dollar for €18.0 million, Japanese yen for €11.1 million, Mexican peso for €6.8 million, Korean won for €4.9 million, Great British pound for €3.5 million, and Thai baht for €2.6 million.

DIVIDENDS

At the Board meeting held on 27 June 2022, the Board recommended a gross dividend distribution of €0.06585 per share for a total amount of €96.8 million or 40.0% of the net profit attributable to the equity owners of the Company. The amount of the final dividend was based on 1,470,135,821 shares in issue as at 27 June 2022 excluding 6,829,070 treasury shares. The shareholders of the Company (the "**Shareholders**") approved this dividend at a meeting held on 28 September 2022. The dividend was duly paid on 22 October 2022.

Despite the significant decrease of the net profit, the Board proposes to maintain the payout ratio at 40% as in FY2022 and recommends a final dividend of €0.03129 per share (the "**Final Dividend**").



EVENTS SUBSEQUENT TO THE END OF FINANCIAL YEAR

On 11 May 2023, the Company purchased 35% of Group Fourteen Holdings Pty. Ltd. (holding company of Grown Alchemist's activity) for a total consideration of €10,061,000. The Company's percentage of interests after this transaction is 67.0%.

On 31 May 2023, the Company took part in the last fund raising of Good Glamm Group (accounted for using equity method) for €9,427,000 and increased its percentage of interests to 15.93%.

Management Discussion & Analysis

STRATEGIC REVIEW

In FY2023, the Group maintained strong growth momentum with sales growing 13.4% at constant rates and exceeding the €2 billion mark — a robust result when juxtaposed against a uniquely challenging macroeconomic backdrop, including surging global inflation, widespread recession fears and a sharp COVID-19-related consumer pullback in China, one of its largest markets. The Group's resilience within the global premium beauty sector was also reflected in its healthy operating profit margin of 15.8%, excluding accounting adjustments related to one-off impairments on the underperforming brands, Melvita and LimeLife, the divestiture in Russia and the share of losses of associates.

The Group's ability to continue delivering for Shareholders in the face of strong external headwinds was attributed to the successful implementation of its targeted investments and long-term growth strategies, which are also enabling its transformation into a competitive multi-brand, generationally appealing and geographically-balanced organisation.

As its operating environment gradually normalises and channels such as travel retail and China rebound, the Group is well-positioned to unlock new sustainable growth and profitability opportunities.

Global nimbleness and targeted investments protect core brand profitability

Through its commitment to formulating trust and a sharp focus on key categories in face care, body care and hair care, the Group's core brand L'OCCITANE en Provence captured new premiumisation trends and strengthened its standing as one of the leading brands in the premium body care category.

Throughout FY2023, the core brand's ageless credentials, continuous ability to surprise and recruit, and wide geographic footprint insulated its top-line performance against the slowdown in China, its most important growth market, during most of the year despite signs of some returning momentum in the final quarter. Its sales performance was further facilitated by its dynamic travel retail channels and an energetic revival of brick-and-mortar channels in most major markets. Excluding the negative impact of the COVID-19-related economic downturn in China and the divestiture in Russia, sales grew by 6.8% in FY2023.

The core brand continued to deliver sound profitability, recording an operating profit margin of 14.6% in FY2023, backed by its global agility and ability to quickly re-direct resources that enabled it to deftly adjust the timing and intensity of its marketing investments and tap new growth opportunities.





Omni-channel strategy delivers a more balanced channel mix

As markets around the world reopened, the Group's retail channel in key markets recovered as customers sought to rediscover the sensory pleasure of its products and natural and organic ingredients in person. Despite much more selective store openings in recent years, retail sales grew by 7.2% at constant rates, excluding the Russia and China markets.

At the same time, the Group's effective omni-channel strategy contributed to a more balanced channel mix. Dynamic growth in travel retail, and in the newer brands which have a higher wholesale sales mix, contributed to a marked 50.9% sales increase in the wholesale & others channel in FY2023. The addition of digitally-centric and digitally-native brands ELEMIS and Sol de Janeiro to the Group's portfolio also contributed to its overall online growth of 4.8% despite the return to offline channels.

Having already installed convenient online and offline touchpoints for all of its brands and across all regions, right-sized its brick-and-mortar network and invested in deepening the experiential and discovery features of its retail stores, the Group is continuing to refine the customer journey, upgrade its CRM capabilities and motivate employees to maximise customer lifetime value.

Multi-brand model offers home to entrepreneurial brands

In recent years, accelerated M&A activity has seen the Group expand its portfolio of leading premium beauty brands, making it more geographically balanced and appealing to Millennial and Generation Z consumers. As a result, the Group's brand mix is much more diversified, as ELEMIS and Sol de Janeiro have grown to account for nearly a quarter of the Group's sales in aggregate.

As part of its multi-brand strategy, the Group has long offered a home to creative entrepreneurial beauty businesses by enabling the founders of its new brands to operate their brands autonomously while retaining a stake — an approach that is proving to be highly successful. With the Group's support, its new brands are truly flourishing, penetrating its existing markets and pursuing new growth opportunities, while maintaining strong growth and profitability.

New synergies are also being created by leveraging the Group's multi-brand proposition, such as forming a global travel retail unit. At the Tax Free World Association (TFWA) World Exhibition & Conference in Cannes in October 2022 and the TFWA Asia Pacific Exhibition & Conference in Singapore in May 2023, the Group showcased its full travel retail offer to important global travel retail partners. The Group's brands ELEMIS, Grown Alchemist, Erborian and Sol de Janeiro were featured alongside L'OCCITANE en Provence and Melvita. The Group is set to broaden its travel retail exposure significantly with the first travel retail counters for Sol de Janeiro and Grown Alchemist opening in recent months, focusing on locations complementary to their domestic success.

The other brands together showed respectable growth of 7.3% at constant rates for FY2023. Erborian and L'OCCITANE au Brésil performed particularly well with 33.4% and 41.2% growth, respectively. On the other hand, the Group decided to take impairments on the goodwill of underperforming brands, LimeLife and Melvita. Both these brands have recently appointed new management to lead branding and distribution model revamps in order to drive sustainable growth and aim to break even. The Group remains convinced of the long-term potential of Melvita's niche positioning and will continue to work pragmatically with LimeLife's founders to seek the best way forward.

Management Discussion & Analysis

ELEMIS resets channel strategy in key markets to enhance long-term brand equity

ELEMIS continued to pursue a global digital-first expansion strategy together with a prestige wholesale network, while operating a highly selective network of 24 owned stores in strategic markets. In FY2023, ELEMIS grew 8.9% at constant rates, slower than the 13.1% growth in the first half of the year. This was largely driven by its strategic decision to reduce sales to certain promotion-driven web partners in the UK in order to adapt to post-pandemic consumer trends and to enhance brand equity. Although sales declined in the UK as a result of this conscious adjustment in channel strategy, ELEMIS continues to show strong momentum and customer engagement, as evident by its ranking as the no. 1 skincare brand in earned media value in its largest markets, the UK and the US.

ELEMIS's sales decline in the UK was more than offset by the strong growth of 34.0% in the US, led by its outstanding e-commerce and cruise ship businesses, as well as international rollouts. Much of these rollouts were in the APAC region where the brand's UK origins and incredible formulas seeded year-on-year growth of 29.2%.



Despite a challenging operational environment in China in FY2023, it remains one of the most promising growth markets for ELEMIS. Following the completion of the exclusivity period with its retail partner, ELEMIS commenced direct e-commerce through its Tmall flagship store. Already during a peak campaign period, ELEMIS's hero *Pro-Collagen Marine Cream* ranked second in Tmall's face cream category. As the China market re-opens, the brand is planning a powerful marketing push on social and digital channels leveraging its global bestsellers.

Although ELEMIS was impacted by the sales decline in the UK and the macroeconomic context in China, its lean and agile structure enabled it to secure a solid operating profit margin of 20.2%.

Sol de Janeiro rises to become Group's second-largest brand

Powered by an authentic Brazilian philosophy of self-love and joy, Sol de Janeiro experienced incredible success in FY2023. In less than two years since the acquisition, it has grown to become the Group's second-largest brand with sales growth of 135.2% and an impressive operating profit margin of 24.6%.

This performance was marked by several notable achievements. Building on the global success of the *Brazilian Bum Bum Cream* hero product, the brand launched a second hero body care product *Beija Flor Elasti-Cream* which drove solid growth in all channels, especially chain wholesale, distribution and marketplace. Its following reached new heights with its perfume mist category, led by fan favourites such as the *Brazilian Crush Cheirosa 62* perfume mist and new launches such as the *Rio Radiance* fragrance mist.

Each of these achievements propelled Sol de Janeiro's popularity further, solidifying its leading position in Sephora North America. The brand plans to leverage this position to support its launch in China and Southeast Asia via Sephora in the new fiscal year.

Sustainability performance recognised by EcoVadis Gold medal

In FY2023, the Group unveiled its new corporate mission: *With empowerment we positively impact people and regenerate nature*. The mission acts as a guiding light to steer the actions of the entire organisation with a collective focus on the triple bottom-line — people, the planet, and profitability.

The Group prioritises to provide ongoing training and development opportunities for its employees and promotes well-being at the workplace. In 2022, the Group was Great Place To Work certified in 16 countries. It rolled out an inclusive parental leave policy globally and became a real living wage employer in the UK — a first step in its goal to become a real living wage employer worldwide by 2025. The Group also achieved gender parity in its executive committee. In protecting the planet, the Group announced its ambitious Climate Strategy in April 2023, laying down a roadmap towards achieving science-based net-zero by 2050. It made substantial progress in reducing its scope 1 carbon emissions by 42%, ahead of schedule to reach its 46% reduction target by FY2031.

The Group's overall sustainability performance was recognised by EcoVadis' Gold medal, placing it in the top 5% of assessed companies. After celebrating ELEMIS's B Corp certification in January 2023, the Group is also well on track to become B Corp certified in 2023.





OUTLOOK

The Group is cautiously optimistic about its performance in FY2024. Although the macroeconomic environment remains uncertain, the Group expects to achieve double-digit sales growth and healthy profitability, supported by the gradual return of international travel, especially in the APAC region, a rebound in China, and the continued expansion of its new brands. It will take full advantage of this recovery by stepping up marketing investments significantly in key markets such as China, the US and Japan, which is expected to create a positive halo effect in these markets and also in the travel retail channel.

The Group is also preparing to launch its two newest brands, Sol de Janeiro and Grown Alchemist, in APAC as part of its ongoing evolution into a multi-brand and geographically balanced Group. It will continue to harness and advance the inherent strengths of each of its brands to deliver sustainable growth and profitability to its Shareholders and its stakeholders.



Corporate Governance Report

Corporate Governance Report



Corporate Governance Report



CORPORATE GOVERNANCE PRACTICES

The Board reviews its corporate governance practices regularly in order to meet the rising expectations of its Shareholders, to comply with the increasingly stringent regulatory requirements and to fulfill its commitment to excellence in corporate governance. The Board is committed to maintaining a high standard of corporate governance practices and business ethics in the firm belief that they are essential for maintaining Shareholders' returns.

As set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), "The Corporate Governance Code" (the "CG Code"), there are two levels of corporate governance practices, namely: code provisions that a listed company must comply with or explain its non-compliance, and recommended best practices that a listed company is encouraged to comply with but need not disclose in the case of non-compliance.

On 17 June 2014, the Board adopted its own corporate governance manual which is based on the principles, provisions and practices set out in the CG Code; this manual was updated on March 2021 and is available on the Company's website group.loccitane.com. Please select "Governance" under "Investors".

DEVIATIONS FROM THE CG CODE

The Company has complied with all of the applicable code provisions of the CG Code as set out in Appendix 14 to the Listing Rules throughout FY2023 save as disclosed below:

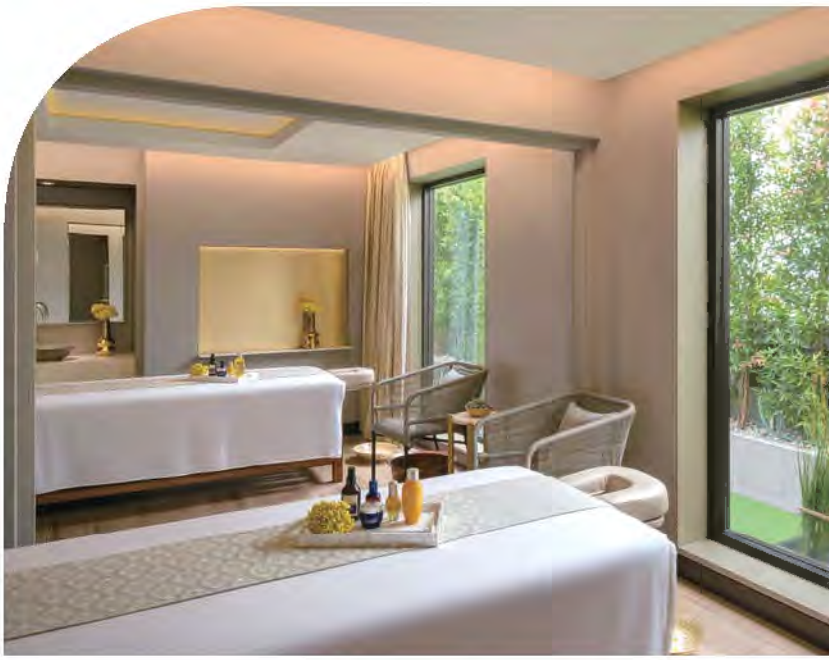
Code provision C.6.3 of the CG Code provides that the company secretary should report to the Chairman and/or the Chief Executive Officer.

Mr. Karl Guénard ("Mr. Guénard"), company secretary of the Company, is based in Luxembourg. Mr. Guénard had previously reported to Mr. Thomas Levilion ("Mr. Levilion"), the former Chief Financial Officer of the Group and executive Director. After the re-designation of Mr. Levilion from an executive Director to a non-executive Director with effect from 1 July 2022, Mr. Guénard now reports to Mr. Reinold Geiger, the Chairman of the Group and the Company complied with the code provision C.6.3 of the CG Code.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by the Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules as the code of conduct for dealing in the securities of the Company by the Directors. Having made specific enquiry of all Directors, they have confirmed that they have complied with the Model Code during the year ended 31 March 2023 (the "Review Period").

BOARD OF DIRECTORS



The Board is responsible for long-term development and strategy as well as controlling and evaluating the Company's daily operations. In addition, the Board has appointed a Chairman who is responsible for ensuring that the Board receives regular reports regarding the Group's business development, its results, financial position and liquidity and events of importance to the Group. Directors are elected for a period of three years, but can serve any number of consecutive terms.

The duties of the Board are partly exercised through its fourth committees:

- the Audit Committee
- the Nomination Committee
- the Remuneration Committee
- the Sustainability Committee

The Board appoints each of the committee members from amongst the Board members. The Board and each committee have the right to engage external expertise either in general or in respect to specific matters, if deemed appropriate.

CORPORATE GOVERNANCE STRUCTURE



Corporate Governance Report

Composition of the Board

The Board currently consists of nine Directors, comprising four executive Directors ("ED"), one non-executive Director ("NED") and four independent non-executive Directors ("INED"). All Directors have distinguished themselves in their field of expertise, and have exhibited high standards of personal and professional ethics and integrity. The biographical details of each Director are set out on pages 50 to 53 of this Annual Report.

Board Diversity Policy

1. *Objective*

   The Nomination Committee (the "Committee") was constituted as a committee of the board of directors (the "Board") of L'OCCITANE INTERNATIONAL S.A. (the "Company"). The Committee has the delegated authority of the Board in respect of the functions and powers set out in these terms of reference. Under its terms of reference, the Committee shall identify candidates who are qualified or suitable to become a member of the Board and make recommendations to the Board on the selection of candidates nominated for directorships.

   This policy (the "Policy") sets out the approach to achieve diversity on the Board.

2. *Vision and Policy Statement*

   The Company recognizes the benefits of board diversity and supports the principle that diversity can strengthen the performance of the Board, promote effective decision-making and better corporate governance and monitoring.

   The Company believes that a diverse board will include and make good use of the difference in skills, experience and background, geographical and industry experience, ethnicity, gender, knowledge and length of service and other qualities of the members of the Board. These differences will be considered in determining the optimum composition of the Board and all Board appointments will be based on merit, having due regard to the overall effective function of the Board as a whole. The purpose of the Policy aims to achieve diversity on the Board including but not limited to genders, age, cultural and educational backgrounds, ethnicities, professional experience, skills, knowledge and lengths of service.



The Committee reviews and assesses the composition of the Board and makes recommendation to the Board on the appointment of new Directors. The Committee will also review the structure, size and diversity of the Board annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy. In identifying suitable candidates for appointment to the Board, the Committee will take into consideration the Company's business models and specific needs. Selection of candidates will be based on a range of diversity criteria and perspectives. The Committee will consider the balance of skills, experience, independence and knowledge of the Board and the diversity representation of the Board, how the Board works together as a unit, and other factors relevant to its effectiveness.

The Board and the Committee will continue to consider qualified candidates in line with the Policy, including with respect to gender diversity, to ensure there is a suitable selection of potential successors to the Board.

The Company values gender diversity and will continue to take steps to promote gender diversity at all levels of the Company, in particular at the Board level.

The gender ratios in the Company's workforce are as follows:

	As at 31 March 2022		As at 31 March 2023	
	Male (%)	*Female (%)*	*Male (%)*	*Female (%)*
Overall male to female ratio	13	87	14	86
By rank:				
Directors	90	10	78	22
Senior Management	62	38	45	55
Officers and others	13	87	14	86

3. Measurable Objectives

The Committee will discuss and agree annually the relevant measurable objectives for achieving diversity on the Board and make recommendations to the Board for adoption. The ultimate decision will be based on merit against objective criteria and with due regard for the benefits of diversity on the Board.

4. Review and Monitor of this Policy

The Committee will monitor the implementation of the Policy and report to the Board on the achievement of the measurable objectives for achieving diversity under this Policy.

The Committee will review the Policy, as appropriate, and make recommendations on any required changes to the Board for consideration and approval.

Directors' Attendance at Board, Board Committee and General Meetings

The following is the attendance record of Directors at the Board, Board committee and general meetings held during FY2023:

		Attendance:					
Name	**Category**	**Board Meeting** Meeting Attended/ Eligible to Attend	**Audit Committee Meeting** Meeting Attended/ Eligible to Attend	**Nomination Committee Meeting** Meeting Attended/ Eligible to Attend	**Remuneration Committee Meeting** Meeting Attended/ Eligible to Attend	**Sustainability Committee Meeting** Meeting Attended/ Eligible to Attend	**General Meetings** Meetings Attended/ Eligible to Attend
Reinold Geiger	ED	10/10					2/2
André Hoffmann	ED	10/10		2/2	4/4		2/2
Yves Blouin [1]	ED	2/3			0/0		0/0
Thomas Levilion [2]	NED	10/10	0/0			4/4	2/2
Karl Guénard	ED	10/10					2/2
Séan Harrington	ED	10/10					2/2
Valérie Bernis [3]	INED	8/8	4/4	2/2		0/2	0/2
Mark Broadley	INED	8/10	4/4		3/4	4/4	2/2
Jackson Ng	INED	9/10	4/4	2/2	4/4		2/2
Betty Liu	INED	10/10		0/0	1/1	1/2	0/2
Christèle Hiss Holliger [4]	INED	1/1		0/0	1/1	1/2	0/0

Notes:

(1) Mr. Yves Blouin resigned as an ED on 25 May 2022.

(2) Mr. Thomas Levilion was re-designated from an ED to a NED with effect from 1 July 2022.

(3) Ms. Valérie Bernis resigned as an INED on 1 January 2023.

(4) Mrs. Christèle Hiss Holliger was appointed as an INED on 1 January 2023.

Minutes of the Board meetings are kept by the Company Secretary; all Directors have a right to access Board papers and related materials and are provided with adequate information in a timely manner; this enables the Board to make informed decisions on matters placed before it.

Corporate Governance Report

Responsibilities of the Board

The Board is responsible for:

- Reviewing and approving the strategic direction of the Group established by the EDs in conjunction with the management;
- Reviewing and approving objectives, strategies and business development plans;
- Monitoring the performance of the CEO and the senior management;
- Assuming responsibility for corporate governance; and
- Reviewing the effectiveness of the internal control system of the Group.

Responsibilities of the Senior Management

The senior management under the leadership of the CEO is responsible for:

- Formulating strategies and business development plans, submitting to the Board for approval, and implementing such strategies and business development plans thereafter;
- Submitting annual budgets to the Board on regular basis;
- Reviewing salary increment proposals and remuneration policy and submitting to the Board for approval; and
- Assisting the Board in conducting the review of the effectiveness of the internal control systems of the Group.

Company Secretary

Mr. Karl Guénard was appointed as Company Secretary on 1 September 2013. During FY2023, Mr. Karl Guénard has complied with the company secretary training requirements under Rule 3.29 of the Listing Rules.

NON-EXECUTIVE DIRECTOR AND INDEPENDENT NON-EXECUTIVE DIRECTORS

The NED has his term of appointment coming to an end of three years after his appointment to the Board, subject to re-election at the end of his three-year term.

The four INEDs are of high experience, with academic and professional qualifications in the field of accounting, finance or marketing. With their experience gained from various sectors, they provide strong support towards the effective discharge of the duties and responsibilities of the Board. They have his/her term of appointment coming to an end of three years after his/her appointment to the Board, subject



to re-election at the end of his/her three-year term. Each INED gives an annual confirmation of his/her independence to the Company and the Company considers each of them to be independent. They all fulfill the criteria of independence under Rule 3.13 of the Listing Rules.

INDUCTION AND ONGOING DEVELOPMENT

Newly appointed Directors receive an induction course to ensure their understanding of the Company's business and their awareness of a Director's responsibilities and obligations. Each member of the Board attended training on corporate governance, regulatory developments and other relevant topics during FY2023 and is frequently updated on developments in the statutory and regulatory regime and the business environment to assist in the discharge of their responsibilities.

The Board has adopted effective mechanisms to ensure independent views and input are available to the Board. Directors are provided with sufficient resources to seek independent professional advice in performing their duties at the Company's expense and are encouraged to access and to consult with the Company's senior management independently. The Board reviews the implementation and effectiveness of such mechanisms on an annual basis. The Board considered that the above mechanisms are effective in ensuring that independent views and input are available to the Board during FY2023.

COMMITTEES

As an integral part of good corporate governance, the Board has established audit, nomination, remuneration and sustainability committees, each of which has adopted terms of reference.

During FY2023, each committee met and carried out its duties in accordance with its terms of reference. The authorities, functions, composition and duties of each committee are set out below:

Audit Committee

The Audit Committee has three members, who are Mr. Mark Broadley (Chairman), Mr. Jackson Ng and Mr. Thomas Levilion. Mr. Thomas Levilion is a NED, and the other two members are INEDs.

In compliance with Rule 3.21 of the Listing Rules, at least one member of the Audit Committee possesses appropriate professional qualifications in accounting or related financial management expertise in discharging the responsibilities of the Audit Committee.

All members have sufficient experience in reviewing audited financial statements as aided by the auditor of the Group whenever required.

The primary duties of the Audit Committee are to assist the Board in providing an independent view of the effectiveness of the Group's financial reporting process, internal control and risk management system, to oversee the audit process and to perform other duties and responsibilities as assigned by the Board.

The following is a summary of the work performed by the Audit Committee during FY2023:

i. Review of the report from the auditor on the audit of the final results of the Group for FY2022;

ii. Review of the draft financial statements of the Group for FY2022;

iii. Review of the draft results announcement and annual report of the Group for FY2022;

iv. Review of the audit fees payable to the external auditor for FY2022;



Corporate Governance Report

v. Review of the external auditor's independence and transmission of a recommendation to the Board for the re-appointment of the external auditor at the forthcoming annual general meeting (the "AGM");

vi. Review of the draft results announcement and interim report of the Group for the period ended 30 September 2022;

vii. Review of the internal control system including the internal audit results analysis and the internal audit plan for 2022–2023, and report to the Board;

viii. Review of the Listing Rules modification affecting the Group in order to monitor appropriate corporate governance and oversee the implementation of the Company's corporate governance manual. Under its terms of reference, the Audit Committee oversees the Company's corporate governance.

There have been four meetings of the Audit Committee during the Review Period: two of them were held prior to the publication of the financial reports (annual report and interim report) and two other meetings were specific to the internal control and corporate governance of the Company.



Nomination Committee

The terms of reference of the Nomination Committee were amended on 8 February 2019 to comply with the provisions set out in the CG Code and with the amended Listing Rules. The Nomination Committee has three members, who are Mr. Jackson Ng (Chairman), Ms. Betty Liu and Mrs. Christèle Hiss Holliger. All members are INEDs. The primary function of the Nomination Committee is to make recommendations to the Board on the appointment and removal of Directors, respecting the following Nomination Policy:

Objective

The Nomination Committee (the "Committee") was constituted as a committee of the board of directors (the "Board") of L'OCCITANE INTERNATIONAL S.A. (the "Company"). The Committee has the delegated authority of the Board in respect of the functions and powers set out in these terms of reference. Under its terms of reference, the Committee shall identify candidates who are qualified or suitable to become a member of the Board and make recommendations to the Board on the selection of candidates nominated for directorships.

Nomination Selection Criteria

(a) The Committee is authorized by the Board to determine the nomination of directors, the procedure, process and criteria to be adopted for the purposes of selecting and recommending candidates for directorship, and shall make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular, the chairman and the chief executive officer.

(b) When making recommendations regarding the appointment of any proposed candidate to the Board or re-appointment of any existing member(s) of the Board, the Committee shall consider a variety of factors including without limitation the following in assessing the suitability of the proposed candidate:

— the skills required on the Board at that particular time;

— the relevant diversity considerations under its diversity policy ("Diversity Policy"), including but not limited to gender, age, cultural educational and professional background, skills, knowledge and experience;

— the candidate's personal and professional integrity, professional accomplishment, competencies, experience, skills and reputation in the industry, relevance for the Board;



- the nature of existing positions and relationships including Board positions that may impact the potential candidate's ability to exercise independent judgment or present any potential conflicts of interest;
- the number of existing directorships held by the potential candidate, and in particular on the boards of listed companies, as well as other commitments that may demand the potential candidate's attention;
- in case of independent non-executive director, compliance with the criteria of independence as prescribed under Rule 3.13 of the Listing Rules; and
- any other relevant factors as may be determined by the Committee or the Board from time to time.

(c) Non-executive director will receive a formal letter of appointment on his/her appointment to the Board.

Nomination Procedures

(a) The secretary of the Committee shall invite nominations of candidates from Board members if any, for consideration by the Committee. The Committee may also put forward candidates who are not nominated by Board members.

(b) Proposed candidate will be asked to submit the necessary personal information, together with his/her written consent to be appointed as a director and to the public disclosure of his/her personal data on any documents or the relevant websites for the purpose of or in relation to their standing for election as a director.

(c) The selected candidates would generally be interviewed by the Committee with a view to identifying the right candidate for recommendation to the Board. The Committee shall require the candidates to expressly disclose the nature and extent of other activities or appointments which may give rise to conflict of interests. It shall consider any actual or potential conflicts of interest of a director and report any conflict decisions to the Board and attend to annual review of the directors' conflicts of interest.

(d) Following the interview, the Committee shall make its recommendations to the Board (and ultimately to the shareholders where required) having regard to the Committee's terms of reference. The Committee shall also give consideration to laws and regulations of all applicable jurisdictions and regulators in connection with the appointments to the Board. It is authorised by the Board to engage independent professional advisers and have access to such resources as it may consider appropriate.

(e) The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for election at any general meeting.



Corporate Governance Report

(f) Any director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting after his/her appointment and be subject to re-election at such meeting, and any director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

(g) A shareholder of the Company can serve a notice to the Company within the lodgment period of its intention to propose a resolution to elect a certain person as a director. Details of the procedure has been set out in the "Procedure for Shareholders to Propose a Person for Election as a Director of the Company" published by the Company from time to time.

(h) A new Director would undergo a Board induction (in line with approved induction process of the Board) as soon as possible and preferably before their first Board meeting.

Review and Monitor of this Policy

(a) The Committee shall review the structure, size, composition (including skills, knowledge and experience) of the Board on a regular basis at least annually and diversity of the Board to ensure that it has a balance of expertise, skills and experience and diversity of perspective appropriate to the requirements for the business of the Company.

(b) The Committee shall keep under review the leadership needs of the Company, both executive and non-executive, with a view to ensuring the continued ability of the Company to complete effectively in the marketplace.

(c) The Committee shall keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates.

Two Nomination Committee meetings were held during FY2023:

The first one was concerning the proposal to get Ms. Valérie Bernis re-elected as an INED at the FY2022 AGM.

The second one was concerning the proposal for nomination of Mrs. Christèle Hiss Holliger as a new INED and recommendation to the Board for approval.

Remuneration Committee

The terms of reference of the Remuneration Committee were amended on 29 March 2012 to comply with the provisions set out in the CG Code. The Remuneration Committee has three members, who are Mrs. Christèle Hiss Holliger (Chairman), Ms. Betty Liu, and Mr. André Hoffmann. Mr. André Hoffmann is an ED, and the other two members are INEDs.

The primary duties of the Remuneration Committee are to evaluate the performance of and make recommendations to the Board on the remuneration packages of the Directors and senior management and evaluate and make recommendations to the Board on employee benefit arrangements.

The following is a summary of the work performed by the Remuneration Committee during FY2023:

i. Analysis of market practices and consideration of Long Term Incentive Plan 2023.

ii. Review of the Directors' and senior management's compensation with recommendation to the Board for approval.

iii. Consideration of specific LTI plan for countries or brands which have some difficulties to recruit and retain talents.

iv. Review and approve matters relating to the share schemes under Chapter 17 of the Listing Rules.

There have been five meetings of the Remuneration Committee during the Review Period.

The following is a general description of the emolument policy and long term incentive schemes of the Group as well as the basis of determining the emoluments payable to the Directors:

i. The remuneration of the Directors is determined by the Board which receives recommendations from the Remuneration Committee. Under our current compensation arrangements, the EDs receive compensation in the form of salaries, bonus subject to performance and share-based payments. One of the EDs receives service fees. The NED and all the INEDs receive Directors' fees.

ii. The remuneration the Directors have received (including fees, salaries, discretionary bonus, pension plan allowance, share based payments, housing and other allowances, service fees and other benefits in kind) for FY2023 was approximately €4,050,000. The aggregate amount of fees, salaries, discretionary bonus, pension plan allowance, share-based payments, housing and other allowances, and other benefits in kind paid to the five highest paid individuals of the Group, including certain Directors, for FY2023 was approximately €5,840,000. This amount includes the share-based payments of the 118,700 stock options granted to the five highest paid individuals during the FY2023.



We have not paid any remuneration to the Directors or the five highest paid individuals as inducement to join or upon joining us as a compensation for loss of office in respect of FY2023. Further, none of the Directors has waived any remuneration during the same period.

Sustainability Committee

The Sustainability Committee was established by resolutions of the Board on 27 July 2021 on a voluntary basis and it is authorized to act in accordance with these terms of reference whereas the Company's articles of association (the "Articles of Association") and the applicable laws, regulations and the Listing Rules shall prevail as far as applicable.

The Sustainability Committee is mainly responsible for assisting the Board overseeing, reviewing, and making recommendations to the Board on the Company's sustainability strategies, policies and performance. It reviews and challenges the Company's sustainability roadmap and progress on all subjects related to environmental, social and corporate governance (hereafter called "ESG") including in particular climate, biodiversity, packaging, diversity and inclusion and social matter. The responsibilities of the Sustainability Committee shall be updated, modified or amended on a regular basis by the Board.

The Sustainability Committee has four members, who are Mr. Mark Broadley (Chairman), Mrs. Christèle Hiss Holliger, Ms. Betty Liu and Mr. Thomas Levilion. Mr. Thomas Levilion is a NED, and the other three members are INEDs.

There were four meetings of the Sustainability Committee held during the Review Period.

AUDITOR'S REMUNERATION

The fees in relation to the audit services for FY2023, amounted to approximately €2,465,000 of which €2,171,000 related to PricewaterhouseCoopers, the external auditor.

Fees in relation to the non-audit services for FY2023, amounting approximately €212,000, were paid to PricewaterhouseCoopers, the external auditor, during the year.

	€'000
Annual audit and interim review services	2,465
Non-audit services	212
TOTAL	2,677

Corporate Governance Report

DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Board acknowledges that it holds responsibility for:

— Overseeing the preparation of the financial statements of the Group with a view to ensuring such financial statements give a true and fair view of the state of affairs of the Group; and

— Selecting suitable accounting policies and applying the selected accounting policies consistently with the support of reasonable and prudent judgment and estimates.

The Board ensures the timely publication of the financial statements of the Group.

The management provides explanations and information to the Board to enable it to make an informed assessment of the financial and other information to be approved.

The Board endeavours to ensure a balanced, clear and understandable assessment of the Group's position and prospects to extend the Group's financial reporting including annual and interim reports, other price-sensitive announcements and other financial disclosures required under the Listing Rules, and reports to regulators as well as information required to be disclosed pursuant to statutory requirements and applicable accounting standards.

The statement of the auditor of the Company about its reporting responsibilities on the financial statements of the Group is set out in the Independent Auditor's Report on pages 72 to 78 of this Annual Report.



The Board is responsible for keeping proper accounting records, for safeguarding the assets of the Company and the Group and for taking reasonable steps for the prevention of fraud and other irregularities.

The Board is not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board places great importance on internal controls and is responsible for establishing and maintaining adequate internal controls over the Group's financial reporting and assessing the overall effectiveness of those internal controls.

The Internal Audit Department provides an independent review of the adequacy and the effectiveness of the risk management and internal control systems. The audit plan is discussed and agreed every year with the Audit Committee. In addition to its agreed annual schedule of work, the Internal Audit Department conducts other special reviews as required. Internal Audit reports are sent to relevant Directors, external auditors and management of the audited entity. Moreover, summary reports of each audit are sent to all members of the Audit Committee.

The system of risk management and internal control is designed to provide reasonable assurance against human errors, material misstatements, losses, damages, or fraud, and to manage rather than eliminate risks of failure in operational systems and achievement of the Group's objectives. During FY2023, the internal control deviations were addressed effectively and action plans implemented to reduce the risks. The Audit Committee was satisfied that appropriate actions were undertaken and the overall risk management and internal control systems have functioned effectively as intended.

The Board conducts regular review and assessment of inside information, discusses with the management or authorized persons of the Company about disclosure of inside information and requests them to report to the Board once identified any inside information for dissemination. Inside information disclosure policies are formulated to provide employees with guidelines on reporting and disseminating inside information, confidentiality and compliance with restrictions on trading.

The Board has conducted a review of the effectiveness of the Group's risk management and internal control systems and considers that they are effective and adequate as a whole. The Board further considers that there were no issues relating to the material controls and risk management functions of the Group.

DIVIDEND POLICY

The Company has adopted a dividend policy (the "Dividend Policy"). According to the Dividend Policy, in considering the proposal and declaring dividends, the Board shall take into account the following factors of the Group:

- Financial results;
- Cash flow situation;
- Business conditions and strategies;
- Future operations and earnings;
- Capital requirements and expenditure plan;
- Interests of shareholders;
- Any restrictions on payment of dividend; and
- Any other factors that the board may consider relevant;

For the avoidance of any doubt and as outlined above, there can be no assurance that dividends will be paid in any particular amount for any given period.

In addition, any final dividend for a financial year will be subject to shareholders' approval.

INVESTOR RELATIONS AND COMMUNICATIONS WITH SHAREHOLDERS

The Company attaches great importance to communication with Shareholders. To this end, a number of means are used to promote greater understanding and dialogue with the investment community. The Company holds group meetings with analysts in connection with the Company's annual and interim results. In addition, designated senior executives maintain regular dialogue with institutional investors and analysts to keep them abreast of the Company's development, subject to compliance with the applicable laws and regulations, including the two results announcements. During FY2023, the Directors also made presentations and held group meetings with investors at investor forums in Hong Kong and overseas.

Further, the Company's website, group.loccitane.com, contains an investors section which offers timely access to the Company's press releases, other business information and information on the Company's corporate governance structure and practices. For efficient communication with Shareholders and in the interest of environmental preservation, Shareholders are encouraged to refer to the Company's corporate communications on the Company's website.

The Board reviewed the Company's Shareholder and investor communication activities conducted in FY2023 and was satisfied with the implementation and effectiveness of the Shareholders communication policy.

CHANGES IN CONSTITUTIONAL DOCUMENTS

On 28 September 2022, the Company passed special resolutions to amend the Articles of Association at the FY2022 AGM. For details of the amendments, please refer to the circular of the Company and the amended Articles of Association respectively uploaded on the Hong Kong Stock Exchange and on the Company's website on 31 August 2022 and on 28 September 2022.

Save as disclosed above, no significant changes have been made to the Company's constitutional documents during the Review Period.

SHAREHOLDERS' RIGHTS

Procedure for Shareholders to convene a General Meeting

Any one or more Shareholder(s) who together hold not less than 5 per cent of the paid-up capital that carries the right to vote at general meetings may convene a general meeting by depositing a written request signed by such Shareholders and addressed to the attention of the Company's Company Secretary at the registered office of the Company in Luxembourg or at the principal place of business of the Company in Hong Kong, the addresses of which are set below.

Such request must specify the objects of the meeting. If the Board does not within two calendar days from the date of deposit of the request proceed duly to convene the meeting to be held within a further 28 calendar days, the Shareholders signing the request (or any of them representing more than one-half of the total voting rights of all Shareholders signing the request) may convene the

Corporate Governance Report

general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board. No general meeting convened by request of the Shareholders may be held later than three months after the date of deposit of the request.

Procedure for Shareholders to make enquiries to the Board

Shareholders may make enquiries to the Board in writing by sending such enquiries to the attention of the Company's Company Secretary at the registered office of the Company in Luxembourg or at the principal place of business of the Company in Hong Kong, the addresses of which are set out below. The Company Secretary will forward enquiries to the Chairman for consideration.



In addition, Shareholders in attendance at any general meeting of the Company may make enquiries at such meeting to the Chairman of the Board, the chairman of the various Board committees, or to other Directors in attendance at such meeting.

Procedure for Shareholders to put forward proposals at General Meetings

On requisition in writing by shareholders representing, on the date of deposit of the requisition, not less than 10% of the share capital of the Company or voting rights of all shareholders, on a one vote per share basis, who have a right to vote at the meeting to which the requisition relates or not less than 50 shareholders holding Shares in the Company on which there has been paid up an average sum, per member, of not less than HK$2,000, the Company shall, at the expense of the requisitionists: (a) give to shareholders entitled to receive notice of that annual general meeting notice of any resolution which may be properly moved and is intended to be moved at that meeting; and (b) circulate to shareholders entitled to have notice of any general meeting sent to them a statement of not more than 1,000 words with respect to the matter referred to in the proposed resolution or the business to be dealt with in the meeting.

A copy of the requisition must be signed by all the requisitionists (or 2 or more copies between them containing the signatures of all the requisitionists) and deposited at the registered office of the Company in Luxembourg or the office of the Company in Hong Kong (i) not less than 6 weeks before the meeting, in the case of a requisition requiring notice of a resolution and (ii) not less than 1 week before the meeting in the case of any other requisition. A sum sufficient to meet the Company's expenses in giving effect to the requisition should also be deposited together with the requisition.

Except pursuant to the procedures described above, a Shareholder may not make a motion at a general meeting.

Procedure for election to the office of Director upon Shareholder proposal

No person shall, unless recommended by the Board, be eligible for election to the office of Director at any general meeting unless during the period, which shall be at least seven Calendar Days, commencing no earlier than the day after the despatch of the notice of the meeting appointed for such election and ending no later than seven Calendar



Days prior to the date of such meeting, there has been given to the Company Secretary, at the registered office of the Company in Luxembourg or at the principal place of business of the Company in Hong Kong, notice in writing by a shareholder of the Company (not being the person to be proposed), entitled to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.



In accordance with Article 10.1 of the Articles of Association, the appointment of Directors will be made by way of a Shareholder's general meeting of the Company, which will determine their number and term of office.

Environmental, Social and Governance (ESG) Report

The Group is committed to positively impact people and regenerate nature through empowerment. In order to accomplish its ambition, the Group has established a set of medium-term ambitions and contributing objectives aligned with three main priorities. All brands, countries, and departments are currently collaborating to develop their individual roadmaps and contributions towards these targets. For more detailed information, please refer to the ESG report available on the corporate website: group.loccitane.com, under the section of "investors/financial information/reports". The ESG report has been established since FY2011 and is updated on an annual basis.

The ESG report complies with the provisions of the EU Directive 2013/34/EU regarding the publication of non-financial information and the requirements of the Appendix 27 of the Hong Kong Stock Exchange ESG Reporting Guide.

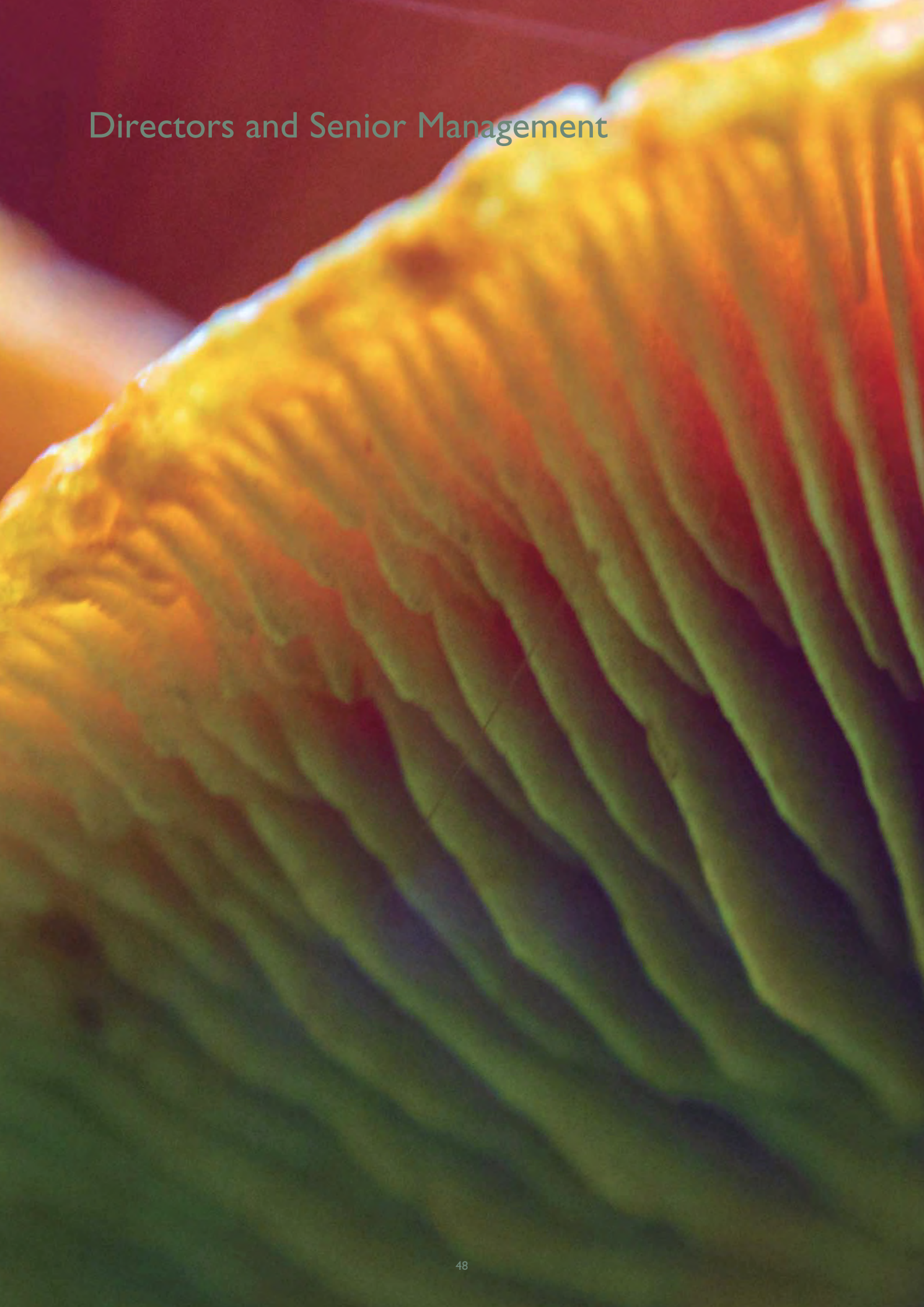
Registered Office

49, Boulevard Prince Henri
L-1724 Luxembourg

Principal Place of Business in Hong Kong

20/F, K11 ATELIER King's Road
728 King's Road
Quarry Bay
Hong Kong

Directors and Senior Management





Directors and Senior Management

Directors and Senior Management

DIRECTORS

The Board is responsible for and has general powers over the management and conduct of the Company's business. The table below shows certain information in respect of the Board:

Name	*Age*	*Position*
Reinold Geiger	75	Executive Director and Chairman
André Hoffmann	67	Executive Director, Vice-Chairman and Chief Executive Officer
Karl Guénard	56	Executive Director and Company Secretary
Séan Harrington	57	Executive Director and Chief Executive Officer of ELEMIS
Thomas Levilion	63	Non-Executive Director
Charles Mark Broadley	59	Independent Non-Executive Director
Christèle Hiss Holliger	51	Independent Non-Executive Director
Betty Liu	50	Independent Non-Executive Director
Jackson Chik Sum Ng	62	Independent Non-Executive Director



Reinold Geiger
Executive Director and Chairman

Mr. Reinold Geiger was appointed as an executive Director with effect from 22 December 2000 and is the Company's Chairman. Mr. Geiger joined the Group in 1996 as Chairman and controlling shareholder. Mr. Geiger is a director and managing director ("administrateur délégué") of the Company, L'Occitane Groupe S.A. ("LOG") and LOG Investment S.A. ("LOGI"), president of L'Occitane Innovation LAB SAS, a member of the board of directors or managers of LimeLife Co-Invest Sarl, L'Occitane (Suisse) S.A., L'Occitane Australia Pty. Ltd. and L'Occitane Japon K.K.. He is also the chairman of L'Occitane LLC and the president of the Fondation d'entreprise L'Occitane. Since joining L'Occitane, Mr. Geiger has developed the Group from a largely domestic operation based in France to an international business. He has spent time travelling to the Group's worldwide locations in order to implement this growth strategy, where he has established the Group's subsidiaries and strong relationships with the local management. In June 2008, Mr. Geiger was awarded the accolade of "INSEAD entrepreneur of the year" for his international development strategy of the Group. Mr. Geiger began his career at the American Machine and Foundry Company in 1970. In 1972 he left to start his own business, and was involved in the distribution of machinery used in the processing of rubber and plastic, which he sold in 1978. Mr. Geiger then established and developed AMS Packaging SA, which specialised in packaging for the high end perfumes and cosmetics market. This company was floated on the Paris stock exchange in 1987 and Mr. Geiger left the company entirely in 1990. Between 1991 and 1995, he worked for a packaging company with operations primarily based in France and developed it into an international business. Mr. Geiger graduated from the Swiss Federal Institute of Technology in Zürich, Switzerland with a degree in engineering in 1969 and from INSEAD in Fontainebleu, France with a master's degree in business administration in 1976.



André Hoffmann
Executive Director, Vice-Chairman and Chief Executive Officer

Mr. André Hoffmann was appointed as an executive Director with effect from 2 May 2001, as Vice-Chairman with effect from 19 April 2016, and further as Chief Executive Officer with effect from 16 September 2021 and is also a director of LOG and LOGI. Mr. Hoffmann is primarily responsible for the Group's strategic planning. He was previously in charge of the Group's business in Asia-Pacific between June 1995 and December 2017 as Managing Director, Asia Pacific. Mr. Hoffmann is the chairman of L'Occitane Trading (Shanghai) Limited, L'Occitane (Far East) Limited, L'Occitane (Korea) Limited and L'Occitane Taiwan Limited. He is also a director of L'Occitane Singapore Pte. Limited, L'Occitane Australia Pty. Limited, L'Occitane Japon K.K., L'Occitane (China) Limited and L'Occitane (Macau) Limited. He has over 30 years' experience in the retail and distribution of cosmetics, luxury products and fashion in Asia-Pacific. He is a director of Pacifique Agencies (Far East) Limited, which was a joint venture partner with the Company for the distribution of L'Occitane products in the Asia-Pacific region between 1995 and 2004. Between 1979 and 1986, Mr. Hoffmann worked in various sales management roles at the GA Pacific Group, a business specialising in the investment and management of retailing, wholesaling, trading, manufacturing and distribution operations and the hotel and tourism trade in Asia-Pacific. Mr. Hoffmann graduated from the University of California at Berkeley, USA in 1978 with a bachelor of arts degree in economics.



Karl Guénard
Executive Director and Company Secretary

Mr. Karl Guénard was a non-executive Director of the Group from 30 June 2003. Mr. Guénard joined the Group in September 2013. Since 1 September 2013, he has been an executive Director and Company Secretary of the Group, he also has been further member of the board of directors or managers of LOG, LOGI, LOI Participations and LimeLife Co-Invest Sàrl. Between 2000 and 2013, Mr. Guénard worked at Edmond de Rothschild Group, where he was a senior vice president of the Banque Privée Edmond de Rothschild Europe and responsible for the financial and engineering department. Between 1998 and 2000, he was a manager of the financial engineering department at Banque de Gestion Privée Luxembourg (a subsidiary of Crédit Agricole Indosuez Luxembourg). Prior to this, between 1993 and 1998, Mr. Guénard was a funds and corporate auditor. Mr. Guénard is a chartered accountant. He holds a master's degree in economics and management sciences from the University of Strasbourg, France.



Séan Harrington
Executive Director and Chief Executive Officer of ELEMIS

Mr. Séan Harrington, was appointed as an executive director with effect from 30 September 2020 and serves as the Chief Executive Officer of ELEMIS. He is one of the co-founders, a trio of whom are still leading the day-to-day operations of the 30-year-old company. Mr. Harrington began his career distributing European beauty brands. At 24, he partnered with the Co-Founders to launch ELEMIS. As the brand grew, Mr. Harrington has led all functions within the company to develop a deep understanding of the business. In 1996, he successfully steered the business to acquisition by Steiner Leisure Limited and subsequent IPO on Nasdaq, and then in 2015 transitioned ELEMIS to private equity ownership. In March 2019, ELEMIS was acquired by the Group, a partner to support the expansion of ELEMIS' global footprint to be the leading global skincare brand. Mr. Harrington is known for his entrepreneurial leadership style, encouraging ELEMIS employees at every level to embrace disruptive strategies to engage and excite consumers. Under his leadership, the brand has evolved from a homegrown business into a global brand.

Directors and Senior Management

Thomas Levilion
Non-Executive Director

Mr. Thomas Levilion was re-designated as non-executive Director on 1 July 2022. Prior to this, he was an executive Director and was the Group Deputy General Manager, Finance and Administration. He was primarily responsible for the Group's finance functions worldwide. Mr. Levilion joined the Group in March 2008 and was the managing director ("administrateur délégué") of the Company. Furthermore, he was a manager (a "gérant") of M&L Distribution S.à.r.l. as well as the President of Verveina SAS. Between 1988 and 2007, Mr. Levilion worked at Salomon S.A., which was a subsidiary of Adidas AG and was subsequently acquired by the Amer Sports Corporation, where he was the controller and the VP controller and subsequently the chief financial officer. During this time he gained experience in global supply chains, turn-arounds, re-engineering of organisations and mergers and acquisitions. He has a master's degree in business administration from the Ecole des Hautes Etudes Commerciales in Paris, France, where he majored in finance, and a postgraduate degree in scientific decision making methods from the University of Paris-Dauphine, France.

Charles Mark Broadley
Independent Non-Executive Director

Mr. Charles Mark Broadley was appointed as an independent non-executive Director with effect from 30 September 2008. He started his career in Investment Banking in Europe and Asia before becoming the Finance Director of The Hong Kong & Shanghai Hotels. Subsequently, he founded a private equity business focused on the hotel sector and is now an active investor in a number of businesses. Mr. Broadley graduated in law from Cambridge University, England.

Christèle Hiss Holliger
Independent Non-Executive Director

Mrs. Christèle Hiss Holliger was appointed as an independent non-executive Director with effect from 1 January 2023. She has extensive experience in asset management and client relationship, as well as in people management and HR. She is currently an independent Director of the Pictet Group Foundation, her last executive role was Global Head of Human Resources for Pictet, a European leader in Wealth and Asset management, with teams in Switzerland, Asia, London, Luxembourg and Nassau. She was an Equity Partner of the Pictet Group, a member of its Executive Committee and a director of Bank Pictet SA board of directors. She moved to a Human Resources role in 2017 after a 20-year career in asset management and client relationship, with the intention to position Human Resources as a strategic partner to the business. Prior to that, she was the chief executive officer of Pictet Asset Management (Singapore) Pte Ltd, overseeing its activities in Singapore and responsible for Southeast Asian institutional clients. Before relocating to Singapore, she was Head of Institutional Clients in Geneva, managing a team of client relationship managers and covering strategic institutional clients. Mrs. Hiss Holliger became the first female Equity Partner of the Pictet Group in 2016 and was a strong advocate for diversity & inclusion initiatives. Mrs. Hiss Holliger graduated in 1992 with a Master of Science Degree in Business Management from EDHEC Business School (France) and obtained the Swiss Federal Diploma for Financial Analyst and Portfolio Manager (CIIA/CFPI, Switzerland) in 1997.

Betty Liu
Independent Non-Executive Director

Ms. Betty Liu was appointed as an independent non-executive Director with effect from 1 March 2022. She is the Chairman, President and Chief Executive Officer of D and Z Media Acquisition Corp., a special purpose acquisition company listed on the New York Stock Exchange (NYSE: DNZ). Ms. Liu also serves as a member of the advisory committee of Black Spade Acquisition Co., a special purpose acquisition company listed on the New York Stock Exchange (NYSE: BSAQ). From 2018 to 2020, Ms. Liu was the Executive Vice Chairman of the New York Stock Exchange and Chief Experience Officer for Intercontinental Exchange (NYSE: ICE). Through her role at the New York Stock Exchange, Ms. Liu was actively involved in numerous initial public offerings, including media and technology leaders such as Uber, Pinterest and Tencent Music Entertainment. Prior to her role at the New York Stock Exchange, Ms. Liu served as the Founder and CEO of Radiate, an online, subscription-based, ed-tech content company for millennial managers and executives, from 2016 to 2018. She scaled the ed-tech platform from concept to more than 20,000 monthly active professional subscribers in less than 2 years. From 2007 to 2018, Ms. Liu served as a leading anchor and editor-at-large for Bloomberg Television and Bloomberg Radio in New York City. Before joining Bloomberg, Ms. Liu was an anchor for CNBC Asia based in Hong Kong from 2005 to 2007, serving as part of the leadership group which helped build CNBC Asia into a market-leading news network within the region. Prior to 2004, Ms. Liu was the Atlanta Bureau Chief for the Financial Times and served as the Taiwan Bureau Chief for Dow Jones Newswires. In 1997, she received a Dow Jones Newswires Award for her coverage of the Asian financial crisis. Ms. Liu earned a Bachelor of Arts from the University of Pennsylvania in 1995.

Jackson Chik Sum Ng
Independent Non-Executive Director

Mr. Jackson Chik Sum Ng was appointed as an independent non-executive Director with effect from 25 January 2010. Mr. Ng has extensive experience in accounting and financial management. He was previously the chief financial officer of Modern Terminals Limited. Mr. Ng previously worked at Coopers & Lybrand and also served as the group financial controller of Lam Soon Group, as the finance director of East Asia of Allergan Inc., a United States pharmaceutical company. Mr. Ng is a fellow of both the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. Ng was a non-executive director of Tradelink Electronic Commerce Limited and was an independent non-executive director of Computech Holdings Limited. He holds a master of science degree in Finance from the Chinese University of Hong Kong and a master's degree in business administration from the Hong Kong University of Science and Technology.

Directors and Senior Management

SENIOR MANAGEMENT

Ingo Dauer

Mr. Ingo Dauer, aged 52, is the Group Legal Director. Mr. Dauer joined the Group in July 2009, overseeing and advising on all Group-related legal matters, including M&A, commercial law, IP rights, data protection and insurance, as well as fiscal and compliance matters. He has over 25 years of solid experience and played a key role in the Group's IPO and the acquisitions of all brands from the legal perspective. He is co-managing the corporate venture capital fund L'Occitane Innovation Lab SAS in Marseille and is joint managing director and/or member of the board of directors of some of the Group's subsidiaries, including L'Occitane International (Suisse) S.A. and Laboratoires M&L S.A. After having started his professional career as inhouse lawyer at the group Dachser, he previously held senior positions at Panalpina (ASB Oil & Gas) and ESCADA. Mr. Ingo Dauer is a qualified lawyer with a bar exam after having graduated at law school in Augsbourg (Germany).

Nathaëlle Davoust

Ms. Nathaëlle Davoust, aged 41, is the Global General Manager of Melvita. Since joining the Group in 2007, Ms. Davoust has gained extensive experience building an entrepreneurial team and driving international development in senior managerial roles in some of the Group's most strategic markets. Prior to assuming her current role in October 2021, she was Retail Operations Director in New York from 2013 to 2015, became Marketing and E-Commerce Senior Director in Japan in 2018 and moved onto becoming the General Manager for L'OCCITANE en Provence and Melvita in Hong Kong in 2019. She holds a Master's Degree in Business from HEC Paris and a Master's Degree in Management from University College Dublin.

Adrien Geiger

Mr. Adrien Geiger, aged 38, is the Group Sustainability Officer and the L'OCCITANE en Provence Global Brand Director. Mr. Adrien Geiger joined the Group in 2014 as Product Manager, and progressed to Digital Director shortly after. He was then Global Brand Director, in charge of marketing strategy, customer experience and revamping the e-commerce website of L'OCCITANE en Provence. Before joining the Group, Mr. Adrien Geiger worked for Électricité de France, a French energy group, for 3 years. Mr. Adrien Geiger graduated from the University of Oxford, UK with a degree in engineering and from the Wharton School in Pennsylvania, USA with an MBA in digital marketing. Mr. Adrien Geiger is the son of Mr. Reinold Geiger, Chairman of the Group, and brother of Mr. Nicolas Geiger, South America President & Business Development Executive (Americas).

Nicolas Geiger

Mr. Nicolas Geiger, aged 42, is the South America President & Business Development Executive (Americas). Mr. Nicolas Geiger joined the Group in 2011 as Marketing and Retail Director in Brazil, was promoted to Managing Director of Brazil in 2014 and subsequently became the President of L'Occitane Japan. Mr. Nicolas Geiger continues to be in charge of the development of the L'OCCITANE au Brésil brand. Mr. Nicolas Geiger holds a Master's degree in Engineering, Economics and Management from the University of Oxford, UK and an MBA from INSEAD. Mr. Nicolas Geiger is the son of Mr. Reinold Geiger, Chairman of the Group, and brother of Mr. Adrien Geiger, L'OCCITANE en Provence Global Brand Director.

Marie Grasset

Mrs. Marie Grasset, aged 39, is the Human Resources Director for L'OCCITANE en Provence, L'OCCITANE au Brésil, Melvita and Erborian. Mrs. Grasset joined the Group in March 2018, as Human Resources Director for the headquarters and STREAM Business Unit, and assumed her current role in June 2021. Mrs. Grasset started her career in Corporate HR within LVMH Group in 2008 in Paris. Mrs. Grasset was then offered to implement the HR function in a watch brand, Hublot, in Switzerland, newly acquired by the LVMH Group. Mrs. Grasset then joined an independent high-jewellery brand, de Grisogono, as global Human Resources Director. Mrs. Grasset holds a master's degree from Political Sciences Institute in Lille, France.

Madison Mallardi

Ms. Madison Mallardi, aged 31, is the Co-Founder and CEO of LimeLife by Alcone. While Madison was studying at Pace University to become a Communications and Marketing Major, she was co-founding LimeLife by Alcone with her aunt, Michele Mallardi-Gay on the side. When she graduated in 2014, she dedicated her career to growing the beauty brand and in May 2017, the company became a part of the Group and expanded globally into 10 new markets.

Laurent Marteau

Mr. Laurent Marteau, aged 46, was appointed as the Group Managing Director in September 2022. He has over 20 years of experience in the global beauty industry, having worked for the LVMH Group for 15 years before joining La Prairie Group in 2014 as Vice President for Global Travel Retail & Special Channels and becoming a board member in the same year. In 2020, Mr. Marteau expanded his responsibilities and was made Vice President for Europe, the Americas, the Middle East and Africa. He graduated from IEP Lyon and EM Lyon Business School.

Dorothée Massoulier

Ms. Dorothée Massoulier, aged 41, is the General Manager for Erborian. She joined the Group in 2012 as Marketing Manager for L'OCCITANE en Provence and progressed to Marketing Vice President two years after. She has over 15 years of solid experience in the beauty industry building brands and driving their growth in wholesale and e-commerce. Ms. Massoulier started her career at Johnson and Johnson where she held different marketing positions for their beauty brands. She holds a master's degree in International Affairs and Development from Dauphine Université Paris.

Heela Yang

Ms. Heela Yang, aged 53, is the Co-Founder & CEO of Sol de Janeiro. Ms. Yang launched Sol de Janeiro in the summer of 2015 with just three products and has led the brand to become a global lifestyle body care phenomenon in just six years. Prior to Sol de Janeiro, Ms. Yang built an extensive track record of success at leading global brands such as Lancôme (L'Oréal) and Clinique (Estée Lauder Companies). As Director of Marketing and Head of Global Skincare Strategy at Clinique, she managed over US$300 million of skincare product lines as well as led the global strategy for Clinique's skincare category, sold in 135 countries with revenues over US$1 billion. After Clinique, Ms. Yang led entrepreneurial ventures including investing, consulting, and developing proprietary brands in the cosmetics industry in the US, Asia and Brazil. Heela began her career as an analyst at Goldman Sachs Investment Banking with a focus on the retail industry. She is a graduate of Harvard College, Yale Graduate School and Harvard Business School.

Directors' Report



"The Directors submit their report together with the audited financial statements of the Group for FY2023."

PRINCIPAL ACTIVITIES

The Company is an international group that manufactures and retails beauty and well-being products that are rich in natural and organic ingredients. As a global leader in the premium beauty market, the Company has more than 2,770 retail outlets, including around 1,360 owned stores, and is present in more than 90 countries. Through its eight brands — L'OCCITANE en Provence, Melvita, Erborian, L'OCCITANE au Brésil, LimeLife by Alcone, ELEMIS, Sol de Janeiro and Grown Alchemist — the Company offers new and extraordinary beauty experiences, using high quality products that respect nature, the environment and the people who surround it.

An analysis of the Group's performance for FY2023 by operating segments is set out in note 5 to the consolidated financial statements.

BUSINESS REVIEW

A review of the business of the Group during the year and a discussion on the Group's future business development are provided in the Management Discussion & Analysis on pages 12 to 31 of this Annual Report. Description of possible risks and uncertainties that the Group may be facing can be found in the Chairman's Statement on pages 6 to 7 of this Annual Report. Also, the financial risk management objectives and policies of the Group can be found in Note 3 to the consolidated financial statements. Particulars of important events (if any) affecting the Group that have occurred since the end of the financial year ended 31 March 2023 are provided in Note 35 to the consolidated financial statements. An analysis of the Group's performance during the year using financial key performance indicators is provided in the Balance Sheet and cash-flow review on pages 23 to 26 of this Annual Report. In addition, discussions on the Group's environmental policies, relationships with its key stakeholders and compliance with relevant laws and regulations which have a significant impact on the Group are contained in the Chairman's Statement on page 6 and Corporate Governance Report on page 34 and in this Directors' Report on page 56 and in the ESG report available on the Group's corporate website.

RESULTS AND DIVIDENDS

The results of the Group for FY2023 are set out in the Consolidated Statements of Income on page 79 of this Annual Report.

The Board recommends a final dividend of €0.03129 per Share. The payment shall be made in Euros, except that payment to Shareholders whose names appear on the register of members in Hong Kong shall be paid in Hong Kong dollars. The relevant exchange rate will be the opening buying telegraphic transfer rate of Hong Kong dollars to Euros as announced by the Hong Kong Association of Banks (www.hkab.org.hk) on the day of the approval of the dividend.

The final dividend will be subject to approval by the Shareholders at the forthcoming AGM to be held on 27 September 2023. The record date to determine which Shareholders will be eligible to attend and vote at the forthcoming AGM will be on 27 September 2023. The register of members of the Company will be closed from Friday, 22 September 2023 to Wednesday, 27 September 2023, both days inclusive, during which period no share transfers can be registered. All transfers accompanied by the relevant share certificate(s) must be lodged with the Company's Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited ("Computershare"), at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 21 September 2023.

Subject to the Shareholders approving the recommended final dividend at the forthcoming AGM, such dividend will be payable on Friday, 20 October 2023 to Shareholders whose names appear on the register of members on Tuesday, 10 October 2023. To determine eligibility for the final dividend, the register of members will be closed from Thursday, 5 October 2023 to Tuesday, 10 October 2023, both days inclusive, during which period no share transfers can be registered. In order to be entitled to receive the final dividend, all transfers accompanied by the relevant share certificate(s) must be lodged with Computershare, not later than 4:30 p.m. on Wednesday, 4 October 2023.

The final dividend will be paid after retention of the appropriate withholding tax under Luxembourg Laws. In the circular containing the notice convening the AGM, Shareholders will be provided with detailed information about procedures for reclaiming all or part of the withholding tax in accordance with the provisions of the double tax treaty between Luxembourg and Hong Kong.

FIVE YEARS FINANCIAL SUMMARY

The five years financial summary of the Group is set out on page 208 of this Annual Report.



DISTRIBUTABLE RESERVES

As at 31 March 2023, the Company's reserves available for distribution to Shareholders in accordance with the Articles of Association as adopted on 15 April 2010 and last amended on 28 September 2022 amounted to approximately €672,542,590.

DONATIONS

Charitable and other donations made by the Group during FY2023 amounted to around €1,825,000.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association or the laws of the Grand-Duchy of Luxembourg.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

During FY2023, the Company transferred out a total of 1,473,429 shares held in treasury pursuant to the employees' free share and share option plans of the Company. The Company held 5,355,641 shares in treasury on 31 March 2023. Save as disclosed above, neither the Company nor its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during FY2023.

Directors' Report

On 4 October 2013, the Hong Kong Stock Exchange granted a conditional waiver (the "Waiver") to the Company in respect of Rule 10.06(5) of the Listing Rules to allow it, following any repurchase of shares, to elect to hold its own shares in treasury instead of automatically cancelling such shares. As a consequence of such Waiver, the Hong Kong Stock Exchange has agreed certain consequential modifications to other Listing Rules applicable to the Company.

Shares held in treasury may subsequently be sold for cash, transferred pursuant to an employees' share scheme or cancelled.

Full details of the Waiver and the conditions attached thereto were set out in the announcement issued by the Company on 4 November 2013 and can be found on the Company's website at group.loccitane.com and on the Hong Kong Stock Exchange's website at www.hkexnews.hk.

SUBSIDIARIES

Details of the Company's principal subsidiaries as at 31 March 2023 are set out in note 36 to the consolidated financial statements.



DIRECTORS

The Directors during FY2023 and up to the date of this Annual Report were:

Executive Directors

Mr. Reinold Geiger
(appointed as Chairman and Chief Executive Officer on 22 December 2000 and resigned as Chief Executive Officer on 16 September 2021)
Mr. André Hoffmann
(appointed on 2 May 2001, further appointed as Vice-Chairman on 19 April 2016 and appointed as Chief Executive Officer on 16 September 2021)
Mr. Yves Blouin
(appointed on 14 January 2021 and resigned on 25 May 2022)
Mr. Karl Guénard
(appointed on 30 June 2003 as Non-Executive Director and designated as Executive Director on 1 September 2013)
Mr. Séan Harrington
(appointed on 30 September 2020)

Non-Executive Director

Mr. Thomas Levilion
(appointed on 30 September 2008 as Executive Director and re-designated as Non-Executive Director on 1 July 2022)

Independent Non-executive Directors

Mrs. Christèle Hiss Holliger
(appointed on 1 January 2023)
Ms. Valérie Bernis
(appointed on 28 November 2012 and resigned on 1 January 2023)
Mr. Charles Mark Broadley
(appointed on 30 September 2008)
Ms. Betty Liu
(appointed on 1 March 2022)
Mr. Jackson Chik Sum Ng
(appointed on 25 January 2010)

In accordance with code provision B.2.2 as set out in Appendix 14 to the Listing Rules, every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. In addition, all Directors appointed to fill a casual vacancy should be subject to election by Shareholders at the first general meeting after their appointment. In accordance with Article 10.1 of the Articles of Association, the Directors shall be elected by the Shareholders at a general meeting, which shall determine their number and term of office. The term of office of a Director shall be not more than three years, upon the expiry of which each shall be eligible for re-election.

BIOGRAPHICAL INFORMATION OF DIRECTORS

Brief biographical information of the Directors is set out in the "Directors and Senior Management" section on pages 50 to 55 of this Annual Report.

DIRECTORS' SERVICE CONTRACTS

None of the Directors has or is proposed to have a service contract with any member of the Group (other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation)).

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year, none of the Directors had any interests in a business which competes, either directly, or indirectly, with the business of the Company or the Group.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 March 2023, the following Directors or chief executive of the Company had or were deemed to have interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) (i) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 & 8 of Part XV of the SFO (including interests or short positions which they have taken or deemed to have under such provision of the SFO), (ii) which were required, pursuant to section 352 of the SFO, to be entered into the register referred to therein, or (iii) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code:

(a) Interests in the shares of the Company

Name of Director	Capacity and Nature of Interest	Number of Shares/ Underlying Shares Held or Controlled	Approximate % of Shareholding (Note 2)
Reinold Geiger (Note 1)	Interest in controlled corporation, beneficial interest and deemed interest	1,074,091,782 (long position)	72.72%
André Hoffmann	Beneficial interest	2,495,250 (long position)	0.17%
Thomas Levilion	Beneficial interest	413,000 (long position)	0.03%
Karl Guénard	Beneficial interest	324,900 (long position)	0.02%
Jackson Chik Sum Ng	Beneficial interest	30,000 (long position)	0.00%

Notes:

(1) Mr. Reinold Geiger is the ultimate beneficial owner of the entire issued share capital of CIME S.C.A. which in turn has 100% interest in Société d'Investissements CIME S.A. ("CIME"), which in turn has beneficial interest and deemed interest in approximately 74.78% of the entire issued share capital of LOG (being beneficial owner of 9,877,596 shares, having deemed interest in 846,926 treasury shares being held by LOG and directly in 253 shares). Mr. Geiger is therefore deemed under the SFO to be interested in all the shares registered in the name of LOG, which holds 1,067,587,391 shares and controls 5,355,641 treasury shares held by the Company. Mr. Geiger is also the beneficial owner of 1,148,750 shares.

(2) Based on guidance received from the Securities and Futures Commission (the "SFC"), the disclosure of interest calculations shown in the table above have been calculated on the basis of the Company's total issued share capital including 5,355,641 shares that are held in treasury and do not have voting rights whilst they are held in treasury.

Directors' Report

(b) Interests in the shares of the associated corporations

Long Position in the shares of LOG

Name of Director	Capacity and Nature of Interest	Number of Shares/ Underlying Shares Held or Controlled	Approximate % of Shareholding (Note 2)
Reinold Geiger	Beneficial interest and deemed interest	10,724,775 (Note 1)	74.78%
André Hoffmann	Beneficial interest and deemed interest	2,578,286	17.98%
Karl Guénard	Beneficial interest	5,800	0.04%
Séan Harrington	Beneficial interest	4,200	0.03%
Charles Mark Broadley	Beneficial interest	400	0.00%
Jackson Chik Sum Ng	Beneficial interest	400	0.00%

Notes:

(1) Comprised of 253 shares held by Mr. Reinold Geiger, 9,877,596 shares held by CIME and 846,926 treasury shares held by LOG. Mr. Geiger is the ultimate beneficial owner of the entire issued share capital of CIME; Mr. Geiger is therefore deemed under the SFO to be interested in all the shares in LOG held by CIME. As ultimate controlling shareholder of LOG, Mr. Geiger is also deemed to be interested in the treasury shares being held by LOG.

(2) The approximate percentage shareholdings in the share capital of LOG are calculated on the basis of the total number of 14,341,954 shares issued, inclusive of 846,926 treasury shares held by LOG.

Long Position in the shares of LOI ELEMIS S.A.R.L.

Name of Director	Capacity and Nature of Interest	Number of Shares/ Underlying Shares Held or Controlled	Approximate % of Shareholding
Séan Harrington	Interest in Controlled Corporation	132	1.10%

Long Position in the shares of 14 Groupe S.A.

Class A shares (with voting rights)

Name of Director	Capacity and Nature of Interest	Number of Shares/ Underlying Shares Held or Controlled	Approximate % of Shareholding
André Hoffmann	Interest in Controlled Corporation	95,000	4.90%
Séan Harrington	Interest in Controlled Corporation	95,000	4.90%

Class B shares (without voting rights)

Name of Director	Capacity and Nature of Interest	Number of Shares/ Underlying Shares Held or Controlled	Approximate % of Shareholding
André Hoffmann	Interest in Controlled Corporation	530,500	50%
Séan Harrington	Interest in Controlled Corporation	530,500	50%

Save as disclosed herein, as at 31 March 2023, none of the Directors and chief executive of the Company, or any of their spouses, or children under 18 years of age, had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations recorded in the register required to be kept by the Company under section 352 of the SFO or required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.



INTERESTS IN THE SHARES AND UNDERLYING SHARES OF SUBSTANTIAL SHAREHOLDERS

As at 31 March 2023, the register of substantial Shareholders maintained under section 336 of the SFO showed that the Company had been notified of the following substantial Shareholders' interests or short positions, other than a Director or chief executive of the Company, in the shares or underlying shares of the Company:

Name of Shareholder	Capacity and Nature of Interest	Number of Shares/ Underlying Shares Held or Controlled	Approximate % of Shareholding *(Note 3)*
Cime Management Sarl	Interest in controlled corporation and deemed interest	1,072,943,032 (long position) *(Note 1)*	72.65%
Cime S.C.A.	Interest in controlled corporation and deemed interest	1,072,943,032 (long position) *(Note 1)*	72.65%
Société d'Investissements CIME S.A.	Interest in controlled corporation and deemed interest	1,072,943,032 (long position) *(Note 1)*	72.65%
LOG	Interest in controlled corporation and deemed interest	1,072,943,032 (long position) *(Note 1)*	72.65%
ACATIS Investment Kapitalverwaltungsgesellschaft mbH	Executor or administrator	103,115,250 (long position) *(Note 2)*	6.98%

Notes:

(1) Each of Cime Management Sarl (indirectly) and Cime S.C.A. (directly) has 100% interest in shareholding of CIME and CIME has an interest in approximately 74.78% of the total issued share capital of LOG (being beneficial owner of 9,877,596 shares and having deemed interest in 846,926 treasury shares being directly or indirectly held by LOG). Cime S.C.A. is the controlling corporation of CIME and CIME is the controlling corporation of LOG and Cime S.C.A. and CIME are therefore deemed under the SFO to be interested in all the 1,067,587,391 shares held by LOG. As suggested by SFC, being the controlling corporations of the Company, Cime Management Sarl, Cime S.C.A., CIME and LOG have deemed interest in the 5,355,641 treasury shares being held by the Company.

(2) The shares were first acquired by Universal-Investment-Gesellschaft mbH and then subsequently transferred to the new investment management company Acatis KVG.

(3) Based on guidance from the SFC, the disclosure of interest calculations shown in the table above have been calculated on the basis of the Company's total issued share capital including 5,355,641 shares that are held in treasury and do not have voting rights whilst they are held in treasury.

Save as disclosed herein, as at 31 March 2023, the Company had not been notified of any substantial Shareholder (other than a Director or chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company that were recorded in the register required to be kept by the Company under section 336 of the SFO.

Directors' Report

ISSUED SHARES IN THE YEAR

Details of the Shares issued for the year ended 31 March 2023 are set out in note 19 to the consolidated financial statements.

SHARE OPTION PLANS

On 30 September 2010, a meeting of the Shareholders authorised the adoption of a share option plan (the "Share Option Plan 2010"), which expired and was terminated on 29 September 2013 and was replaced by another share option plan (the "Share Option Plan 2013") which was adopted on 25 September 2013. This Share Option Plan 2013 expired on 24 September 2016 and was replaced by another share option plan (the "Share Option Plan 2016") which was adopted on 28 September 2016. This Share Option Plan 2016 expired on 27 September 2019 and was replaced by another share option plan (the "Share Option Plan 2020") which was adopted on 30 September 2020.

The purpose of the Share Option Plan 2020 is to provide employees of the Group, all its Directors (including non-executive Directors) and Shareholders (together, the "Eligible Persons") with an opportunity to have a proprietary interest in the Company through being granted share options under the Share Option Plan 2020 rules (the "Options"), which will motivate the Eligible Persons to optimise their performance, effectiveness and efficiency for the benefit of the Group and attract and retain or otherwise maintain ongoing business relationships with those Eligible Persons whose contributions are or will be beneficial to the long-term growth of the Group. The maximum number of Shares in respect of which Options may be granted under the Share Option Plan 2020 shall not exceed 21,925,987 shares, being 1.5% of the Company's issued share capital (excluding shares held in treasury) as at 30 September 2020.

During the FY2023, 8,186,000 shares were granted, on 27 October 2022, under the Share Option Plan 2020, representing 0.6 % of the issued shares, excluding treasury shares, as at date of this Annual Report, leaving a balance of 13,739,987 Options representing 0.9% of the issued Shares, excluding treasury shares, as at date of this Annual Report available for grant in future. The Share Option Plan 2020 will expire on 29 September 2023 and its remaining life is around 3 months.

Under the Share Option Plan 2020, the total number of Shares to be issued upon exercise of the Options granted to each participant in any 12-month period must not exceed 1% of the Shares in issue. The exercise price shall be at a price determined by the Board at its absolute discretion and shall be no less than the higher of:

(i) the closing price of the Shares as stated in the daily quotation sheets issued by the Hong Kong Stock Exchange on the offer date;

(ii) the average closing price of the Shares as stated in the daily quotation sheets issued by the Hong Kong Stock Exchange for the five business days immediately preceding the offer date; and

(iii) the nominal value of a Share on the date of grant.

The Board considers that it is not appropriate to state the value of all Options that can be granted pursuant to the Share Option Plan 2020 as a number of variables which are crucial for the calculation of the Option value have not been determined. Such variables include but are not limited to the exercise price, vesting period, exercise period and the conditions that an Option is subject to. The Board believes that any calculation of the value of the Options based on a number of speculative assumptions would not be meaningful and would be misleading to the Shareholders.



Particulars and movements of Options granted under the Share Option Plans 2010, 2013 and 2016 (the "2010, 2013 and 2016 Options") during the year ended 31 March 2023 were as follows. 8,186,000 Options were granted under the Share Option Plan 2020 during this period.

Name/Category of participant	Number of Options					Date of grant	Exercise period (Note 1)	Exercise price per share (HK$)	Price immediately preceding the date of grant (Note 2) (HK$)
	As of 01/04/2022	Granted during the period	Cancelled or forfeited during the period	Exercised during the period	As of 31/03/2023				
Directors									
Thomas Levilion	413,000	–	–	–	413,000	29-Mar-18	29/03/2022–29/03/2026	14.50	14.50
Karl Guénard	97,600	–	–	–	97,600	23-Mar-16	23/03/2020–22/03/2024	14.36	14.00
	83,700	–	–	–	83,700	10-Feb-17	10/02/2021–10/02/2025	15.16	15.03
	82,600	–	–	–	82,600	29-Mar-18	29/03/2022–29/03/2026	14.50	14.50
	–	61,000	–	–	61,000	27-Oct-22	27/10/2025–26/10/2029	20.67	20.15
Sub-total (Note 3)	676,900	–	–	–	737,900				
Others									
Employees	422,900	–	–	–	422,900	23-Mar-16	23/03/2020–22/03/2024	14.36	14.00
	1,389,650	–	–	(125,550)	1,264,100	10-Feb-17	10/02/2021–10/02/2025	15.16	15.03
	4,207,750	–	(220,200)	(1,347,879)	2,639,071	29-Mar-18	29/03/2022–29/03/2026	14.50	14.50
	–	8,125,000	(237,800)	–	7,887,200	27-Oct-22	27/10/2025–26/10/2029	20.67	20.15
Sub-total (Note 3)	6,019,700	8,125,000	(458,000)	(1,473,429)	12,213,271				
Total (Note 4)	6,696,600	8,186,000	(458,000)	(1,473,429)	12,951,171				

Notes:

(1) As a general rule, the vesting period of the 2010, 2013, 2016 and 2020 Options is set at four years and the exercise period is set at four years after the date of vesting. The Share Option Plan 2010 was terminated on 29 September 2013, the Share Option Plan 2013 was terminated on 24 September 2016 and the Share Option Plan 2016 was terminated on 27 September 2019. The Board was however entitled to grant Options to Eligible Persons under the Share Option Plan 2020 subject to such conditions as the Board may think fit, including in respect to the vesting and exercise of such 2020 Options.

(2) Being the higher of the closing price of the Shares quoted on the Hong Kong Stock Exchange on the trading day immediately prior to the date of grant of the 2010, 2013, 2016 or 2020 Options; and the average closing price for the five business days immediately preceding the date of grant.

(3) The weighted average fair value of Options granted under the Share Option Plan 2010 on 4 April 2011, 26 October 2012, 28 November 2012, under the Share Option Plan 2013 on 4 December 2013, 24 February 2015 and 23 March 2016, under the Share Option Plan 2016 on 10 February 2017 and 29 March 2018, and under the Share Option Plan 2020 on 27 October 2022 were approximately €0.44, €0.45, €0.47, €0.31, €0.40, €0.31, €0.36, €0.36 and €0.83 respectively. The following significant assumptions were used to derive the fair value, using the Black-Scholes option pricing model:

Date of grant	***Expected volatility (%)***	***Expected life***	***Risk-free interest rate (%)***	***Expected dividend yield (%)***
4 April 2011	*25%*	*5 years*	*1.92%*	*20% of budgeted profit attributable to the equity holders*
26 October 2012	*25%*	*5 years*	*0.50%*	*30% of budgeted profit attributable to the equity holders*
28 November 2012	*25%*	*5 years*	*0.50%*	*30% of budgeted profit attributable to the equity holders*
4 December 2013	*25%*	*5 years*	*1.00%*	*35% of budgeted profit attributable to the equity holders*
24 February 2015	*25%*	*5 years*	*1.00%*	*35% of budgeted profit attributable to the equity holders*
23 March 2016	*25%*	*5 years*	*1.00%*	*35% of budgeted profit attributable to the equity holders*
10 February 2017	*22%*	*5 years*	*1.92%*	*35% of budgeted profit attributable to the equity holders*
29 March 2018	*22%*	*5 years*	*2.50%*	*35% of budgeted profit attributable to the equity holders*
27 October 2022	*38.7%*	*4 years*	*1.57%*	*40% of budgeted profit attributable to the equity holders*

In total, share-based compensation expense of €814,000 was included in the consolidated statements of comprehensive income for the year ended 31 March 2023 (year ended 31 March 2022: €772,000). These expenses included the amortization of the fair value of the share-based awards in the form of Options granted to the Directors and employees under our Share Option Plan 2020 on 27 October 2022.

(4) Regarding to the 8,186,000 Options granted during the FY2023, 118,700 were granted to the five highest paid individuals.

Directors' Report

FREE SHARE PLAN

On 30 September 2010, a meeting of the Shareholders authorised the adoption of a free share plan (the "Free Share Plan 2010"), which expired and was terminated on 29 September 2013 and replaced by another free share plan (the "Free Share Plan 2013") which was adopted on 25 September 2013. This Free Share Plan 2013 expired on 24 September 2016 and was replaced by another free share plan (the "Free Share Plan 2016") which was adopted on 28 September 2016. The Free Share Plan 2016 was replaced by another free share plan (the "Free Share Plan 2018) which was adopted on 26 September 2018. In addition, the Shareholders approved the adoption of a new free share plan (the "Free Share Plan 2021") at the annual general meeting of the Company on 29 September 2021. Upon the approval of the Free Share Plan 2021 in September 2021, no further free shares would be granted under the Free Share Plan 2018. The purpose of the Free Share Plan 2021 is to provide employees of the Group (the "Employees") with an opportunity to have a proprietary interest in the Company through being granted free shares under the rules of the Free Share Plan 2021 (the "Free Shares"), which will motivate the relevant Employees to optimise their performance, effectiveness and efficiency for the benefit of the Group and attract and retain or otherwise maintain ongoing business relationships with those Employees whose contributions are or will be beneficial to the long-term growth of the Group.

The maximum number of Free Shares that may be granted under the Free Share Plan 2021 shall not exceed 7,343,852 shares, being 0.5% of the Company's issued share capital (excluding shares held in treasury) as at 29 September 2021.

On 4 December 2013, the Company granted 887,500 Free Shares pursuant to the Free Share Plan 2013 to certain eligible Employees (as defined in the rules of the Free Share Plan 2013). The Free Shares were vested on 4 December 2017.

On 24 February 2015, the Company granted 840,900 Free Shares pursuant to the Free Share Plan 2013 to certain eligible Employees (as defined in the rules of the Free Share Plan 2013). The Free Shares were vested on 24 February 2019.

On 23 March 2016, the Company granted 921,400 Free Shares pursuant to the Free Share Plan 2013 to certain eligible Employees (as defined in the rules of the Free Share Plan 2013). The Free Shares were vested on 24 March 2020.

On 29 March 2018, the Company granted 5,559,500 Free Shares pursuant to the Free Share Plan 2016 to certain eligible Employees (as defined in the rules of the Free Share Plan 2016). The Free Shares were vested on 29 March 2022.

No Free Shares had been granted under the Free Share Plan 2018.

During the FY2023, no Free Shares were granted pursuant to the Free Share Plan 2021, leaving a balance of 7,343,852 Free Shares representing 0.5 % of the issued Shares, excluding treasury shares, as at date of this Annual Report available for grant in future. The Free Share Plan 2021 will expire on 29 September 2024 and its remaining life is around 15 months.



KEY TERMS OF THE TWO EFFECTIVE PLANS

Further details of the Plans

The following table summarises the material terms of the Share Option Plan 2020 and the Free Share Plan 2021, the two share incentive plans in effect during the Review Period. Both share incentive plans were adopted by the Company before the revised Chapter 17 of the Listing Rules (the "Revised Chapter 17") took effect on 1 January 2023, and accordingly, the Company relies on the transitional arrangements to the Revised Chapter 17 for the operation (including grants thereunder) of these share incentive plans. The Share Option Plan 2020 complies with the requirements under the former Chapter 17 of the Listing Rules (the "Former Chapter 17"), which was in effect until 31 December 2022.

	Share Option Plan 2020	**Free Share Plan 2021**
Scheme mandate limit	21,925,987 shares representing 1.50% of the Company's issued shares (excluding Treasury shares) as at 30 September 2020	7,343,852 shares representing 0.50% of the Company's issued shares (excluding Treasury shares) as at 29 September 2021
Service provider sublimit	N/A	N/A
Eligible participants	Employees of the Group, Directors and Shareholders selected to participate in this plan	Employees of the Group only, and awards will not be granted to connected persons (as defined in the Listing Rules) of the Company
Maximum entitlement of each participant	None, other than as required under the Former Chapter 17	None
Exercise period for Options	No longer than 10 years from the date of grant	N/A
Vesting period	As determined by the Company, and generally four years after the date of grant	As determined by the Company, and generally four years after the date of grant
Consideration payable for accepting a grant	None, unless otherwise specified by the plan administrator	None, unless otherwise specified by the plan administrator
Basis of determining the exercise price of Options	The higher of (a) the closing price of the shares as stated in the daily quotation sheets issued by the Stock Exchange on the offer date; (b) the average closing price of the shares as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the offer date; and (c) the nominal value of a share on the date of grant	N/A
Basis of determining the purchase price of awards (where any)	Unless otherwise determined by the Company for any each grant, the purchase price is nil	Unless otherwise determined by the Company for each grant, the purchase price is nil
Scheme life (unless terminated earlier by our Board)	3 years from adoption, with the plan anticipated to end this year	3 years from adoption, with the plan anticipated to end in 2024

For further information about the two plans, please see the Company's circular of 31 August 2020 (for the Share Option Plan 2020) and 30 July 2021 (for the Free Share Plan 2021), available on the Stock Exchange's website (www.hkexnews.hk).

Directors' Report

Information on grants during Review Period, of the Share Option Plan 2020 and the Free Share Plan 2021

		Share Option Plan 2020	Free Share Plan 2021
1.	Number of awards remaining on 1 April 2022	21,925,987	7,343,852
2.	Number of awards granted during the reporting year	8,186,000	0
3.	Number of awards remaining on 31 March 2023	13,739,987	7,343,852
4.	Number of shares that may be issued under the plan: number of granted awards less awards cancelled, during the period	7,948,200	0
5.	Number of shares that may be issued in respect of Options and awards granted by the Company divided by the weighted average number of shares	0.54%	N/A

Information on the expired Share Option Plan 2013 and the expired Share Option Plan 2016

		Share Option Plan 2013	Share Option Plan 2016
1.	Number of awards remaining on 1 April 2022	0	0
2.	Number of awards granted during the reporting year	0	0
3.	Number of awards remaining on 31 March 2023	0	0
4.	Number of shares that may be issued under the plan: number of granted awards less awards cancelled, during the period	520,500	4,482,471
5.	Number of shares that may be issued in respect of Options and awards granted by the Company divided by the weighted average number of shares	0.04%	0.30%



TREASURY SHARES

On 4 October 2013, the Hong Kong Stock Exchange granted a conditional waiver (the "Waiver") to the Company in respect of Rule 10.06(5) of the Listing Rules to allow it, following any repurchase of shares, to elect to hold its own shares in treasury instead of automatically cancelling such shares. As a consequence of the Waiver, the Hong Kong Stock Exchange has agreed certain consequential modifications to other Listing Rules applicable to the Company.

Shares held in treasury may subsequently be sold for cash, transferred pursuant to an employees' share scheme or cancelled.

Full details of the Waiver and the conditions attached thereto are set out in the announcement issued by the Company on 4 November 2013 and can be found on the Company's website at group.loccitane.com and on the Hong Kong Stock Exchange's website at www.hkexnews.hk.

The Company confirmed that during the year ended 31 March 2023, the Company was in compliance with the conditions of the Waiver.

The Company holds as at 31 March 2023, 5,355,641 ordinary shares as treasury shares, and the total number of ordinary shares in issue (excluding shares held as treasury shares) is 1,471,609,250.





DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBT SECURITIES

Other than as disclosed in the paragraphs headed "DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES AND UNDERLYING SHARES" and "SHARE OPTION PLANS" in this Annual Report, at no time during the year was the Company or any of its subsidiaries a party to any arrangement to enable the Directors or chief executive of the Company (including their spouses or children under 18 years of age) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

At the end of the year or at any time during FY2023, there was no transaction, arrangement or contract of significance in relation to the Company's business, to which the Company or any of its subsidiaries was a party, and in which a Director had, whether directly or indirectly, a material interest.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year ended 31 March 2023 and up to the date of this Annual Report.

Directors' Report



PERMITTED INDEMNITY PROVISION

The Articles of Association provide that all Directors and officers of the Company shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty. Directors' and officers' liability insurance is arranged to cover the Directors and officers of the Company and its subsidiaries against any potential costs and liabilities arising from claims brought against them.

EQUITY-LINKED AGREEMENTS

Save as disclosed in the Directors' Report regarding the grant of Share Options and Free Shares during the year ended 31 March 2023, the Company has not entered into any other equity-linked agreement.

CONNECTED TRANSACTION

On 1 April 2022, the Company acquired, for cash consideration, a 65% interest in Grown Alchemist (the "GA Interest"), an Australian based skincare brand that offers premium beauty products based on clean and scientifically innovative formulas, with a philosophy and reputation aligned with the Group. Following the acquisition, Grown Alchemist became a subsidiary of the Group and its financials have been consolidated into the Company's accounts for this financial year. Since the seller of the GA Interest is an associate of L'Occitane Group S.A., the Company's controlling shareholder, and the highest of the applicable size test ratios (calculated in accordance with the Listing Rules) was above 0.1% but less than 5%, the acquisition constituted a connected transaction of the Company and was subject to reporting and announcement requirements but exempt from shareholder approval requirements pursuant to Rule 14A.76(2) of the Listing Rules.

In connection with the acquisition, the Company entered into a shareholder's agreement with the remaining shareholders of 14 Groupe S.A., the holding entity through which the Company acquired the GA Interest. Under the shareholder's agreement, the Company granted a put option and a call option to each remaining shareholder, two of whom are connected persons of the Company. These two connected persons, who are executive Directors, hold, through their wholly-owned entities, interests in the 14 Groupe S.A.. As all of the applicable percentage ratios (calculated in accordance with the Listing Rules) for the put options and the call options, assuming exercise of each in full and calculated in aggregate with the above acquisition, were less than 5%, neither of the put options nor the call options constituted a notifiable transaction of the Company under Chapter 14 of the Listing Rules, but each constituted a connected transaction of the Company and was subject to reporting and announcement requirements but exempt from shareholder approval requirements pursuant to Rules 14A.24(2)(a) and 14A.76(2) of the Listing Rules.

For more details, please refer to the related announcements of the Company published on 24 March 2022 and 1 April 2022.

This connected transaction is only a one-off transaction and does not constitute a continuing connected transaction of the Company.

Other related party transactions entered into by the Group during FY2023 as set out in note 33 to the consolidated financial statements do not constitute connected transactions or continuing connected transactions of the Company as defined in Chapter 14A of the Listing Rules.

Save as disclosed in this Annual Report, there were no connected transactions or continuing connected transactions which are required to be disclosed by the Company during the Review Period in accordance with the provisions concerning the disclosure of connected transactions under Chapter 14A of the Listing Rules.

BANK LOANS AND OTHER BORROWINGS

Details of the Group's bank loans and other borrowings as at 31 March 2023 are set out in note 20 to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

The nature of the Group's activities is that the percentage of sales or purchases attributable to the Group's five largest customers or suppliers is significantly less than 30% of the total and the Directors do not consider any one customer or supplier to be influential to the Group.

RETIREMENT BENEFIT SCHEMES

Details of the retirement benefit schemes of the Group are set out in note 21.1 to the consolidated financial statements.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as the code of conduct for dealing in the securities of the Company by the Directors. Having made specific enquiry to all Directors, they have confirmed that they have complied with the Model Code throughout the Review Period.

CORPORATE GOVERNANCE REPORT

The Corporate Governance Report is set out on pages 34 to 47 of this Annual Report.

CONTINGENT LIABILITIES

Details of contingent liabilities are set out in note 31.2 to the consolidated financial statements.

POST BALANCE SHEET EVENTS

Details of significant events occurring after the balance sheet date are set out in note 35 to the consolidated financial statements.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors at the date of this Annual Report, there was a sufficient prescribed public float of more than 25% of the issued share capital of the Company under the Listing Rules during the Review Period.

AUDITOR

The financial statements were audited by PricewaterhouseCoopers who will retire as auditor of the Company at the conclusion of the forthcoming AGM and being eligible, offer themselves for re-appointment. A resolution for the re-appointment of PricewaterhouseCoopers as auditor of the Company will be proposed at the forthcoming AGM.

HUMAN RESOURCES

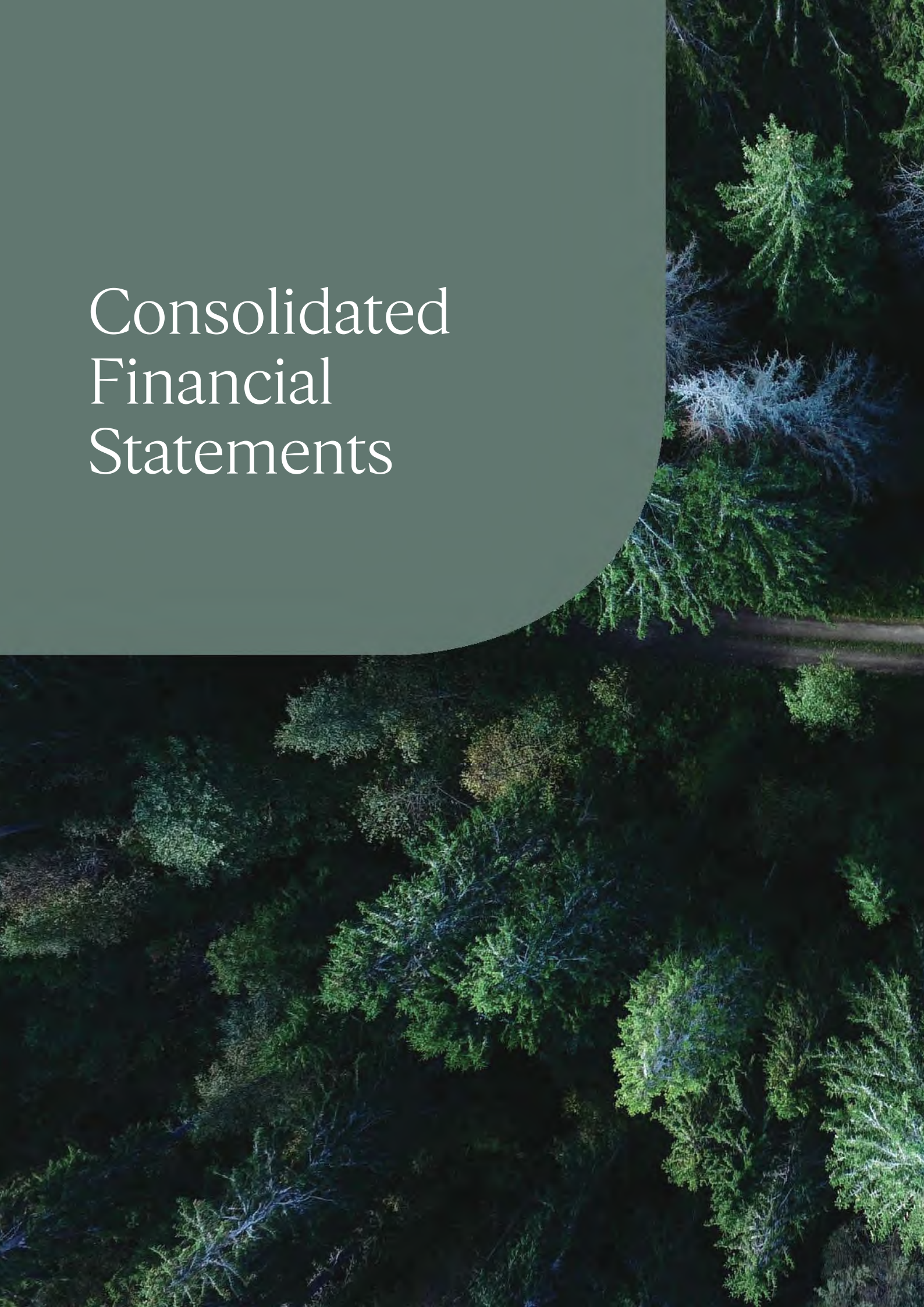
As at 31 March 2023, the Group had 8,701 employees (31 March 2022: 9,042 employees).

The Group ensures that all levels of employees are paid competitively and are rewarded in accordance with the Group's salary, incentive and bonus schemes. Options and Free Shares may also be offered to eligible employees. Training schemes are available where appropriate.

By order of the Board

Reinold Geiger
Chairman
26 June 2023

Consolidated Financial Statements



Independent Auditor's Report

To the Shareholders of
L'Occitane International S.A.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our opinion

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of L'Occitane International S.A. (the "Company") and its subsidiaries (the "Group") as at 31 March 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board and as adopted by the European Union.

What we have audited
The Group's consolidated financial statements comprise:

- the consolidated balance sheet as at 31 March 2023;
- the consolidated statement of income for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in shareholders' equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the consolidated financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

Revenue recognition

For the year ended 31 March 2023, the Group recorded net sales of €2,135 million.

As described in Note 2.22, sales of goods to customers are recognised when control of the product has been transferred.

Revenue is recognised as follows:

(a) Sales of goods — retail (Sell-out channel): comprises sales of products directly to final customers mainly through a worldwide network of stores and Group's website. Sell-out accounted for approximately 69.2% of total revenue. The revenue is recognised when the Group sells a product to the customer at the store.

We focused on this area due to the risks arising from the large volume of transactions generated from the sale of different products to a significant number of customers that take place in many different locations. This area required significant audit attention to test the occurrence and accuracy of this kind of transactions;

(b) Sales of goods — wholesale and distributors (Sell-in channel): comprises sales of products to an intermediary (mainly distributors, wholesalers, TV show channels and travel retailers).

This channel also comprises sales of products to corporate customers and sales of the Group's products to an intermediary who will provide them as free amenities to its final customers. The revenue is recognised when control of the products has transferred, being when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and sale price of the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products.

We focused on this area due to the risk of revenue being recognised inappropriately close to the year-end.

How our audit addressed the key audit matter

We obtained an understanding of Management's controls in respect of the Group's sales transactions. In addition, we tested the general IT control environment and related automated control of the Group's systems.

We assessed the compliance of the Group's revenue recognition policies with IFRS and tested the application of those policies.

We tested the different revenue streams as follows:

For retail sales, our procedures included:

(a) Reconciliation between the revenue recorded in the point-of-sale system and the general ledger;

(b) Reconciliation between the revenue recorded and cash collection;

(c) Testing the number and the fair value of award credits recognised in deferred revenue.

For wholesalers and distributors sales, our procedures included:

(a) Testing of the relevant supporting documents (sales order, bill of lading, invoice and/or payments) for a sample of revenue transactions covering different clients;

(b) Confirmation of a sample of outstanding customer invoices at the balance sheet date;

(c) Testing to assess whether revenue was recognised in the correct reporting period. We tested the recognition of revenue based on the transfer of control to the intermediaries and the accounting period in which products were delivered by reconciling a sample of revenue items to contract and shipping documents;

(d) Testing of journal entries posted to revenue accounts to identify any unusual or irregular items, and of the reconciliations between the revenue systems and the financial ledger.

Independent Auditor's Report

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

Key audit matters *(continued)*

Key audit matter	How our audit addressed the key audit matter
Revenue recognition (continued) Customer loyalty programmes are used by the Group to provide customers with incentives to buy their products. Each time a customer buys goods, or performs another qualifying act, the Group grants the customer award credits. The Group accounts for award credits as a separately identifiable component of the sales transactions, as deferred revenue. The Group then recognises revenue in respect of the award credits in the periods in which awards credits are redeemed. We focused on this area due to the risk arising from the volume of award credits generated in different locations and from the management estimates about the total number of award credits expected to be redeemed.	
Assessment of impairment on non-current assets and goodwill As at 31 March 2023, the Group had goodwill of €893.5 million, intangible assets of €490.2 million (including trademarks for €443.7 million), right-of-use assets of €271.7 million and leasehold improvements for €46.6 million in property, plant and equipment. Management performed an annual review of the cash generating units (CGU) to which goodwill and other non-current assets are allocated to assess that their carrying value does not exceed the recoverable amount. The recoverable amount is determined based on expected future cash flow projections.	(a) We assessed the accuracy of the allocation of goodwill and trademarks to their respective CGU; (b) We assessed the compliance of the impairment testing methodology adopted by the Group with prevailing accounting standards; (c) We obtained an understanding of the Group's process and controls by which the projections were drawn up and compared the underlying inputs to the latest plan approved by Management; (d) We tested the accuracy of assets included in the carrying amount of the CGU to which the goodwill and trademarks have been allocated; (e) We assessed the consistency of cash flow projections with Management's assumptions and the economic environment in which the Group operates;

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

Key audit matters *(continued)*

Key audit matter	How our audit addressed the key audit matter
Assessment of impairment on non-current assets and goodwill (continued) We considered the valuation of these specific assets to be a key audit matter, as they required significant audit attention due to their size but also because the Group's assessment of the recoverable amounts is usually based on the future performance of the business (e.g. forecasted sales based on stores' locations and expectations of market developments) and the discount rates applied to the future cash flow forecasts, which involves significant assumptions, judgments and estimates by Management, as detailed in Note 4 to the consolidated financial statements.	(f) We assessed the reasonableness of the growth rates used for projected cash flows with available external analyses and/or the historical growth rates in net sales; (g) We assessed, with the assistance of our valuation experts: • The consistency of the long-term growth rates; and • The reasonableness of post-tax discount rates applied to projected cash flows. (h) We compared the projected cash flows of the previous business plan with the actual results to assess the reasonableness of the assumptions; (i) We assessed Management's sensitivity analysis with respect to variations in the key assumptions adopted, to evaluate the extent to which reasonably possible changes, both individually and in the aggregate, would impact outcomes of the impairment assessment; (j) We assessed the appropriateness of the disclosures in the consolidated financial statements.
Sale of L'Occitane Russia and assessment of the fair value of the related receivable On 19 May 2022, the Group decided to sell 100% of the shares held in L'Occitane Russia and signed on 3 June 2022 a share purchase agreement. The deconsolidation of L'Occitane Russia resulted in the recognition of a €14.4 million capital loss classified in the line "Other operating expenses" in the consolidated statement of income (a breakdown of the loss is provided in the Note 6.1.1). As described in the Note 6.1.1, payment for the shares will be made through four installments between June 2025 and June 2028; the related receivable qualifies as a non recourse loan and is measured at fair value through profit and loss. The fair value of the receivable amounted to €44.5 million as of 3 June 2022 and to €8.6 million as of 31 March 2023.	(1) We inspected the share purchase agreement related to the sale of L'Occitane Russia to obtain an understanding of the transaction, to confirm the disposal date and consideration transferred; (2) Regarding the deconsolidation of L'Occitane Russia, our procedures included: (a) We assessed the accounting treatment of the deconsolidation following the loss of exclusive control; (b) We inspected the financial information of the Russian entity for the 2-month period from 1 April 2022 until 3 June 2022; (c) We assessed the appropriateness of the main entries recorded at the deconsolidation date; (d) We assessed the appropriateness and completeness of the disclosures in the consolidated financial statements.

Independent Auditor's Report

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

Key audit matters *(continued)*

Key audit matter	How our audit addressed the key audit matter
Sale of L'Occitane Russia and assessment of the fair value of the related receivable (continued) We consider the sale of L'Occitane Russia and assessment of the fair value of the related receivable as a key audit matter given the significance of the amounts involved but also considering significant Management's assumptions, judgments and estimates used to determine the fair value of the receivable as detailed in Note 3.3.	(3) Regarding the determination of the fair value of the receivable, our procedures included: (a) We assessed, with the assistance of our specialists, the accounting treatment of the receivable; (b) We assessed, with the assistance of our valuation experts: • the appropriateness of valuation models used by Management; • the mathematical accuracy of the model; • the consistency of the long-term growth rates; • the reasonableness of post-tax discount rates applied to projected cash flows; • foreign exchange rate volatility and historical volatility of market indices. (c) We assessed the consistency of the cash flow projections with Management's assumptions and the economic environment in which L'Occitane Russia operates; (d) We assessed the reasonableness of the growth rates used for projected cash flows with historical growth rates in net sales. Average EBITDA margin considered over the duration of the plan has also been assessed based on historical data; (e) We compared the projected cash flows of previous business plan with the results as of 30 September 2022 to assess the reasonableness of the assumptions; (f) We assessed the reasonableness of the illiquidity discount applied by Management on the fair value of the receivable; (g) We assessed Management's sensitivity analysis with respect to variations in the key assumptions adopted, to evaluate the extent to which reasonably possible changes, both individually and in the aggregate, would impact outcomes of the fair value exercise; (h) We assessed the appropriateness of information disclosed in the consolidated financial statements.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the annual report including the Management Discussion & Analysis and consolidated Directors' report but does not include the consolidated financial statements and our audit report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and those charged with governance for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the consolidated financial statements

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

Independent Auditor's Report

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the consolidated financial statements *(continued)*

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our audit report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The Management Discussion & Analysis and consolidated Directors' report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

PricewaterhouseCoopers, Société coopérative — Luxembourg, 29 June 2023

Represented by

Magalie Cormier

Consolidated Statement of Income

Year ended 31 March *In thousands of euros, except per share data*	*Notes*	**2023**	**2022**
Net sales	(5.2)	**2,134,689**	**1,781,358**
Cost of sales		(416,548)	(317,943)
Gross profit		**1,718,141**	**1,463,415**
% of net sales		*80.5%*	*82.2%*
Distribution expenses	(24)	(784,702)	(698,367)
Marketing expenses	(24)	(367,709)	(280,831)
Research and development expenses	(24)	(22,481)	(18,907)
General and administrative expenses	(24)	(201,498)	(173,001)
Other operating income	(25)	4,060	39,124
Other operating expenses	(25)	(90,089)	(7,079)
Share of profit/(loss) from associates and joint ventures accounted for using the equity method	(11)	(16,590)	(13,640)
Operating profit		**239,132**	**310,714**
Finance income	(26)	2,799	1,908
Finance costs	(26)	(56,312)	(16,430)
Foreign currency gains/(losses)	(27)	(6,002)	(308)
Profit before income tax		**179,617**	**295,884**
Income tax expense	(28)	(61,424)	(53,975)
Profit for the year		**118,193**	**241,909**
Attributable to:			
Equity owners of the Company		115,110	242,034
Non-controlling interests	(12)	3,083	(125)
Total		**118,193**	**241,909**
Earnings per share attributable to equity owners of the Company during the year *(expressed in euros per share)*			
Basic	(29)	0.078	0.165
Diluted	(29)	0.078	0.164
Number of shares used in earnings per share calculation			
Basic	(29)	1,471,609,250	1,470,135,821
Diluted	(29)	1,473,649,115	1,473,153,053

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

Year ended 31 March *In thousands of euros*	*Notes*	2023	2022
Profit for the year		**118,193**	**241,909**
Items that will not be reclassified to profit or loss			
Actuarial gains/(losses) on defined-benefit obligations	(28.5)	1,410	1,834
Changes in the fair value of equity investments at fair value through other comprehensive income	(3.3)	(2,481)	(2,047)
		(1,071)	**(213)**
Items that may subsequently be reclassified to profit or loss			
Fair value gains/(losses) on cash flow hedges, net of tax		–	56
Reclassification of currency translation differences relating to the sale of L'Occitane Russia	(6.1)	10,805	–
Currency translation differences	(28.5)	(50)	48,741
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	(11)	(600)	1,772
		10,155	**50,569**
Total comprehensive income/(loss)		**127,277**	**292,265**
Attributable to:			
— Equity owners of the Company		122,924	287,901
— Non-controlling interests	(12)	4,353	4,364
Total comprehensive income/(loss)		**127,277**	**292,265**

Items in the statement above are disclosed net of tax. The income tax relating to each component of other comprehensive income is disclosed in Note 28.5.

During the fiscal year ended 31 March 2023, the currency translation differences were mainly generated by subsidiaries denominated in USD for €18.8m and GBP (€17.8m). During the fiscal year ended 31 March 2022, the currency translation differences were mainly generated by subsidiaries denominated in USD and notably for goodwill, trademarks and right-of-use assets.

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Balance Sheet

ASSETS		**31 March 2023**	**31 March 2022**
In thousands of euros	*Notes*		
Property, plant and equipment	(7)	125,234	128,724
Right-of-use assets	(8)	271,656	264,934
Goodwill	(9)	893,542	990,489
Intangible assets	(10)	490,188	487,355
Deferred income tax assets	(28.2)	84,966	94,005
Investments accounted for using the equity method	(11)	66,124	67,239
Other non-current assets	(13)	76,636	67,778
Non-current assets		**2,008,346**	**2,100,524**
Inventories	(14)	317,197	263,162
Trade receivables	(15)	256,553	199,623
Other current assets	(16)	84,740	82,935
Derivative financial instruments	(17)	2,337	1,931
Cash and cash equivalents	(18)	147,255	360,899
Current assets		**808,082**	**908,550**
TOTAL ASSETS		**2,816,428**	**3,009,074**

Consolidated Balance Sheet

EQUITY AND LIABILITIES		31 March 2023	31 March 2022
In thousands of euros	*Notes*		
Share capital	(19)	44,309	44,309
Additional paid-in capital	(19)	342,851	342,851
Other reserves		(368,342)	(215,013)
Retained earnings		1,120,146	1,097,881
Capital and reserves attributable to the equity owners of the Company		**1,138,964**	**1,270,028**
Non-controlling interests	(12)	48,037	44,578
Total equity		**1,187,001**	**1,314,606**
Borrowings	(20)	324,819	381,319
Lease liabilities	(8)	193,309	180,510
Other financial liabilities	(6.3)	338,650	171,865
Other non-current liabilities	(21)	22,343	22,952
Deferred income tax liabilities	(28.2)	99,488	96,196
Non-current liabilities		**978,609**	**852,842**
Trade payables	(22)	210,103	209,903
Social and tax liabilities		98,461	104,807
Current income tax liabilities	(28)	25,424	39,477
Borrowings	(20)	194,040	289,611
Lease liabilities	(8)	82,393	93,722
Derivative financial instruments	(17)	248	1,208
Provisions	(23)	3,683	2,139
Other current liabilities	(21)	36,466	100,759
Current liabilities		**650,818**	**841,626**
TOTAL EQUITY AND LIABILITIES		**2,816,428**	**3,009,074**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Shareholders' Equity

In thousands of euros (except "Number of Shares")	Notes	Number of shares	Share capital	Additional paid-in capital	Share-based payments	Other items	Cumul. currency transl. diff.	Treasury shares	Actuarial gain/(loss)	Excess of consideration paid in transaction with non-controlling interests	Profit for the period	Non-controlling interests	TOTAL EQUITY
		Attributable to equity owners of the Company			Other reserves								
Balance at 31 March 2021 Restated*		**1,476,964,891**	**44,309**	**342,851**	**30,959**	**7,595**	**(54,971)**	**(16,381)**	**279**	**(72,728)**	**910,922**	**78,699**	**1,271,537**
Comprehensive income													
Profit for the year		–	–	–	–	–	–	–	–	–	242,034	(125)	241,909
Other comprehensive income													
Currency translation differences		–	–	–	–	–	44,252	–	–	–	–	4,490	48,742
Share of other comprehensive income of associates and joint ventures accounted for using the equity method		–	–	–	–	–	1,772	–	–	–	–	–	1,772
Actuarial gains on defined-benefit obligations		–	–	–	–	–	–	–	1,834	–	–	–	1,834
Change in fair value of assets recorded at fair value through OCI		–	–	–	–	(2,047)	–	–	–	–	–	–	(2,047)
Cash flow hedges fair value gains/(losses), net of tax		–	–	–	–	56	–	–	–	–	–	–	56
Total comprehensive income		**–**	**–**	**–**	**–**	***(1,991)***	***46,024***	**–**	***1,834***	**–**	***242,034***	***4,365***	***292,266***
Transactions with owners													
Dividends paid		–	–	–	–	–	–	–	–	–	(54,141)	–	(54,141)
Contribution from the parent		–	–	–	6,798	–	–	–	–	–	–	–	6,798
Exercise of 7,878,150 stock options		–	–	–	(14,896)	9,513	–	14,896	–	–	–	–	9,513
Purchase of treasury shares		–	–	–	–	–	–	(13,991)	–	–	–	–	(13,991)
Employee share option: value of employee services		–	–	–	1,384	–	–	–	–	–	–	444	1,828
Total distribution by and distribution to the owners of the Company		**–**	**–**	**–**	***(6,714)***	***9,513***	**–**	***905***	**–**	**–**	***(54,141)***	***444***	***(49,993)***
Acquisition of Sol de Janeiro		–	–	–	–	–	–	–	–	–	–	26,539	26,539
Non-controlling interests recorded as liabilities		–	–	–	–	–	–	–	–	(78)	(934)	1,012	–
Change in estimates in the valuation of the exercise price of the put options granted to non-controlling interests	(6.3)	–	–	–	–	–	–	–	–	3,064	–	–	3,064
New put options granted to non-controlling interests	(6.3)	–	–	–	–	–	–	–	–	(154,534)	–	–	(154,534)
Acquisition of non-controlling interests of Elemis	(6.2)	–	–	–	–	–	–	–	–	(7,701)	–	(68,878)	(76,579)
New non-controlling interests in Symbiose France	(6.2)	–	–	–	–	–	–	–	–	853	–	147	1,000
Increase in the percentage interest in L'Occitane Nordic		–	–	–	–	–	–	–	–	(944)	–	944	–
Reconsolidation of L'Occitane Inc.	(6.2)	–	–	–	–	–	–	–	–	–	–	1,310	1,310
Total transactions with owners		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	***(159,340)***	***(934)***	***(38,926)***	***(199,200)***
Balance at 31 March 2022		**1,476,964,891**	**44,309**	**342,851**	**24,245**	**15,117**	**(8,948)**	**(15,476)**	**2,113**	**(232,068)**	**1,097,881**	**44,582**	**1,314,606**

Consolidated Statement of Changes in Shareholders' Equity

		Attributable to equity owners of the Company											
					Other reserves								
In thousands of euros (except "Number of Shares")	*Notes*	Number of shares	Share capital	Additional paid-in capital	Share-based payments	Other items	Cumul. currency transl. diff.	Treasury shares	Actuarial gain/(loss)	Excess of consideration paid in transaction with non-controlling interests	Profit for the period	Non-controlling interests	TOTAL EQUITY
Balance at 31 March 2022		**1,476,964,891**	**44,309**	**342,851**	**24,245**	**15,117**	**(8,948)**	**(15,476)**	**2,113**	**(232,068)**	**1,097,881**	**44,582**	**1,314,606**
Comprehensive income													
Profit for the year		–	–	–	–	–	–	–	–	–	115,110	3,083	118,193
Other comprehensive income													
Currency translation differences		–	–	–	–	–	(1,421)	–	–	–	–	1,371	(50)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method		–	–	–	–	–	(600)	–	–	–	–	–	(600)
Reclassification of currency translation differences relating to the sale of L'Occitane Russia		–	–	–	–	–	10,805	–	–	–	–	–	10,805
Actuarial gains on defined-benefit obligations		–	–	–	–	–	–	–	1,410	–	–	–	1,410
Change in fair value of assets recorded at fair value through OCI		–	–	–	–	(2,380)	–	–	–	–	–	(101)	(2,481)
Total comprehensive income		**–**	**–**	**–**	**–**	***(2,380)***	***8,784***	**–**	***1,410***	**–**	***115,110***	***4,353***	***127,277***
Transactions with owners													
Dividends paid		–	–	–	–	–	–	–	–	–	(96,843)	(405)	(97,248)
Exercise of 1,473,429 stock options		–	–	–	(3,372)	2,686	–	3,372	–	–	–	–	2,686
Contribution from the parent		–	–	–	2,146	–	–	–	–	–	–	–	2,146
Employee share option: value of employee services		–	–	–	814	–	–	–	–	–	–	–	814
Total distribution by and distribution to the owners of the Company		**–**	**–**	**–**	***(412)***	***2,686***	**–**	***3,372***	**–**	**–**	***(96,843)***	***(405)***	***(91,602)***
Change in estimates in the valuation of the exercise price of the put options granted to non-controlling interests	(6.3)	–	–	–	–	–	–	–	–	(121,253)	–	–	(121,253)
New put options granted to non-controlling interests of Grown Alchemist	(6.3)	–	–	–	–	–	–	–	–	(45,532)	–	–	(45,532)
Acquisition of Grown Alchemist	(6.1)	–	–	–	–	–	–	–	–	–	–	3,505	3,505
Other movements		–	–	–	–	–	–	–	–	–	3,998	(3,998)	–
Total transactions with owners		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	***(166,785)***	***3,998***	***(493)***	***(163,280)***
Balance at 31 March 2023		**1,476,964,891**	**44,309**	**342,851**	**23,833**	**15,423**	**(164)**	**(12,104)**	**3,523**	**(398,853)**	**1,120,146**	**48,037**	**1,187,001**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

Year ended 31 March *In thousands of euros*	Notes	2023	2022
Cash flows from operating activities			
Profit for the year from continuing operations		118,193	241,909
Adjustments to reconcile profit for the year to net cash from operating activities			
Depreciation, amortisation and impairment	(24.3)	232,843	177,863
Tax expenses	(28.1)	61,424	53,975
Share-based payment	(19)	2,960	8,626
Unwinding of discount on lease liabilities	(8.2)	7,609	8,857
Interests (income)/expense	(26)	10,003	5,665
Change in the fair value of derivatives	(17), (27)	(1,366)	(1,308)
Other losses/(gains) on sale of assets, net	(30.1)	288	445
Net movements in provisions	(30.2)	3,829	2,620
Share of (profit)/loss from associates and joint ventures accounted for using the equity method	(11)	16,590	13,640
Other operating (income)/expenses arising from the change in the % interest in associates and joint ventures	(11)	(1,700)	(20,117)
Reconsolidation of L'Occitane Inc.	(6.2)	–	(12,873)
Capital loss from the sale of L'Occitane Russia before reclassification of currency translation differences	(6.1)	3,632	–
Change in the fair value of financial assets	(6.1)	35,901	–
Reclassification to income statement of the charge previously recognized in other comprehensive income (currency translation differences)	(6.1)	10,805	–
Total of non-cash items		**382,818**	**237,393**
Interests paid	(26)	(10,003)	(3,941)
Income tax paid	(28.1)	(69,610)	(50,523)
Changes in working capital			
Inventories	(14)	(54,957)	(20,954)
Trade receivables	(15)	(67,893)	(47,451)
Trade payables	(22)	9,183	(19,120)
Salaries, wages, related payroll items and other tax liabilities		(2,543)	4,718
Other assets and liabilities, net		(4,980)	(16,008)
Changes in working capital		**(121,190)**	**(98,815)**
Net cash inflow/(outflow) from operating activities		**300,208**	**326,023**
Cash flows from investing activities			
Acquisition of subsidiaries, net of cash acquired	(6.1), (6.2)	(3,549)	(322,356)
Investments in associates	(11)	(13,456)	(8,659)
Acquisition of property, plant and equipment	(7)	(43,901)	(31,726)
Acquisition of intangible assets	(10)	(8,798)	(8,796)
Acquisition of financial assets	(3.3)	(7,066)	(17,660)
Proceeds from sale of intangible assets and property, plant and equipment	(31.1)	3,769	1,227
Reconsolidation of L'Occitane Inc.	(6.2)	–	20,874
Deconsolidation of L'Occitane Russia	(6.1)	(11,654)	–
Change in deposits and key money paid to lessors		58	995
Change in non-current receivables and liabilities		2,537	302
Net cash inflow/(outflow) from investing activities		**(82,060)**	**(365,799)**

Consolidated Statement of Cash Flows

Year ended 31 March *In thousands of euros*	*Notes*	2023	2022
Cash flows from financing activities			
Proceeds from non-controlling interests		–	1,000
Dividends paid to equity owners of the Company	(19.5)	(96,843)	(54,141)
Dividends paid to non-controlling interests		(405)	–
Proceeds from the sale of treasury shares	(19.2)	2,686	9,513
Proceeds from the exercise of stock options	(19.2)	–	(13,991)
Principal components of lease payments		(113,744)	(108,536)
Proceeds from borrowings	(20.4)	398,312	656,315
Repayments of borrowings	(20.4)	(550,222)	(507,499)
Payment for acquisition of non-controlling interests in a non-wholly owned subsidiary	(6.2)	(76,579)	–
Net cash inflow/(outflow) from financing activities		**(436,795)**	**(17,339)**
Exchange gains/(losses) on cash, cash equivalents and bank overdrafts	(30.4)	5,003	(3,202)
Net increase/(decrease) in cash, cash equivalents and bank overdrafts		**(213,644)**	**(60,317)**
Cash, cash equivalents and bank overdrafts at beginning of the year		**360,899**	**421,216**
Cash and cash equivalents		*360,899*	*421,216*
Cash, cash equivalents and bank overdrafts at end of the year		**147,255**	**360,899**
Cash and cash equivalents		*147,255*	*360,899*

The accompanying notes are an integral part of these consolidated financial statements.

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1. THE GROUP

1.1. General information

L'Occitane International S.A. (the "Company") and its consolidated subsidiaries (hereinafter referred to as the "Group") design, manufacture and market, under the trademarks "L'Occitane en Provence" and "Melvita", a wide range of cosmetic products, perfumes, soaps and home fragrance products based on natural or organic ingredients.

The Group also designs and markets other ranges of home fragrance products, cosmetic products, perfumes, soaps and natural products under the trademarks "ELEMIS", "Sol de Janeiro", "LimeLife", "Erborian", "L'OCCITANE au Brésil" and "Grown Alchemist".

L'Occitane International S.A. is a 'société anonyme' organised and existing under the laws of Luxembourg and registered in the Luxembourg Trade and Commercial Register, Grand Duchy of Luxembourg under number B-80 359. The Company's address is as follows: 49, Boulevard Prince Henri, L-1724 Luxembourg.

The Group is listed on the Main Board of the Stock Exchange of Hong Kong.

These consolidated financial statements were approved by the Board of Directors for issue on 26 June 2023.

1.2. Main events of the year

Comparison with the comparative period ended 31 March 2022

The comparison of the consolidated financial statements is impacted by the reconsolidation of L'Occitane Inc. on 31 August 2021, the acquisition of Sol de Janeiro on 23 December 2021, the acquisition of Grown Alchemist on 1 April 2022 and the sale of L'Occitane Russia on 3 June 2022.

Sale of L'Occitane Russia

On 19 May 2022, the Group decided to exit from its subsidiary L'Occitane Russia. This former subsidiary accounted for 3.5% of the consolidated net sales for the year on 31 March 2022 and 2.1% of the total assets of the Group as at 31 March 2022. On 3 June 2022, a share purchase agreement was signed between the Group and the four key directors of the subsidiary. Each of the four key directors hold between 23% and 31% of the total shares formerly held by the Group (Notes 3.3 and 6.1).

This sale resulted in a capital loss of €3.6 million. In addition, €10.8 million correspond to the related currency translation difference previously recognised in other comprehensive income that has been reclassified to income statement. The goodwill was derecognised for €28.5 million (Note 6.1).

Impairment test of LimeLife and Melvita businesses

To take into account the slower than expected development of LimeLife and Melvita, Management has revised down its sales and EBITDA (operating profit before depreciation, amortisation and impairment) objectives over the plan. In this context, a total impairment loss of €75.4 million was recorded in the line "Other operating expenses" within the operating profit (Note 4.1).

1. THE GROUP *(CONTINUED)*

1.3. Consideration of climate risks

The Group's current exposure to the consequences of climate change is limited. Therefore, at this stage, the impacts of climate change on the consolidated financial statements are not significant.

There is no change in market demand for cosmetic products that could indicate that the property, plant and equipment might be impaired or that the useful lives or that the residual values of property, plant and equipment and intangible assets would need to be reassessed.

Operating performance may be impacted by prices of raw materials, the costs of production, transmission and distribution, and related costs at the end of the product's life.

The long-term effects of these changes are not currently quantifiable and management considers that there are no short-term effects.

The Group undertook to contribute to global carbon neutrality by becoming a net-zero company by 2030. The first milestone will be to achieve net-zero emissions at our two French production sites by 2025. The brands are also working on their own neutrality targets. In parallel, the Group signed its first sustainability-linked loan for €600 million (revolving facility) maturing on 31 March 2026, whose terms are indexed to sustainability indicators:

- Preserving and regenerating nature
- Cultivating biodiversity
- Mitigating the climate crisis and supporting the communities in which the Group is involved.

The Group committed to invest in two environmental funds such as Livelihoods Carbon fund Sicav and Mirova fund Sicav (Note 33.2).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. Basis of preparation and changes in accounting principles

The consolidated financial statements of the Group and the individual Company balance sheet have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and as adopted by the European Union. For operations conducted by the Group, they are similar. IFRS are available on the European Commission's website.

The consolidated financial statements have been prepared on a historical cost basis, as modified by the revaluation of certain financial assets and financial liabilities (including derivative financial instruments) at fair value.

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from these estimates. Areas involving a higher degree of judgement or complexity are disclosed in Note 4 of the consolidated financial statements.

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.1. Basis of preparation and changes in accounting principles *(continued)*

(a) New and amended standards

The Group has applied the following new and amended standards that are effective for the first time for the Group for the financial period beginning 1 April 2022:

Other new and amended standards

Several other amendments became effective for annual reporting periods beginning on or after 1 April 2022, but do not have a material impact on the consolidated financial statements:

- Onerous contracts: the amendment to IAS 37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts. Before recognising a separate provision for an onerous contract, the entity recognises any impairment loss that has occurred on assets used in fulfilling the contract.
- Business combinations: the amendment to IFRS 3 confirms that contingent assets should not be recognised at the acquisition date.
- Property, plant and equipment: the amendment to IAS 16, Property, Plant and Equipment (PP&E) prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment. Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities.
- Annual Improvements to IFRS Standards 2018–2020:
    - Financial Instruments: the amendment to IFRS 9 clarifies which fees should be included in the 10% test for derecognition of financial liabilities.
    - Leases: the amendment to IFRS 16 indicates that the illustration of payments from the lessor relating to leasehold improvements should be removed to prevent any confusion about the treatment of lease incentives. Financial Reporting Standards: the amendment to IFRS 1 allows entities that have measured their assets and liabilities at carrying amounts recorded in their parent's books to also measure any cumulative translation differences using the amounts reported by the parent. This amendment will also apply to associates and joint ventures that have taken the same IFRS 1 exemption.

(b) Impact of standards issued but not yet applied by the Group

There are no other standards that are not yet effective and that would be expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.2. Principles of consolidation

The financial statements of all companies included within the scope of consolidation have a 31 March year-end.

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liability incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement at the acquisition date. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

If the business combination is achieved in stages, the acquisition date carrying amount of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through the statement of income.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in the statement of income.

(b) Separate financial statements

For the individual Company balance sheet as presented in Note 34, investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment. Earnings of subsidiaries are accounted for by the Company on the basis of dividends and receivables.

Impairment tests are performed each year based on the recoverable value of each investment. The recoverable value is the highest amount between the share of net equity in the subsidiary or the value in use. The value in use is estimated using projected cash flows as per the budget approved by management at L'Occitane International S.A. level, discounted according to the weighted average cost of capital (WACC) as at 31 March 2023. This value in use is compared to the net carrying amount of the shares. If the value in use is lower than the net carrying amount, impairment is recorded for the difference.

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.2. Principles of consolidation *(continued)*

(c) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying amount of the subsidiary's net assets is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Put option arrangements

The Group has written put options on the equity of some of its subsidiaries which entitle their holders to sell their shares in the subsidiary back to the Group at their fair value on specified dates.

Puts on non-controlling interests are accounted for as follows:

- The present value of the cash payments related to the potential exercise of put options issued by the Group on non-controlling interests are accounted for as other financial liabilities.
- The initial amount is recognised at the present value of the redemption amount within other financial liabilities, with a corresponding debit directly to "Equity — Excess consideration in transactions with non-controlling interests". The change in estimates in the estimated value of the financial liability and the exchange difference are also recorded with a corresponding adjustment to "Equity — Excess consideration in transactions with non-controlling interests".
- In the event that the option expires unexercised, the liability is derecognised with a corresponding credit to "Equity — Excess consideration in transactions with non-controlling interests".

When the put option is written as part of a business combination and when control over the subsidiary is acquired, no non-controlling interests are recognised in respect of the shares subject to the put option.

Such options are subsequently measured at amortised cost using the effective interest rate method, in order to accrete the liability up to the amount payable under the option at the date at which it first becomes exercisable. This unwinding of discount is also recorded in "Equity — Excess consideration in transactions with non-controlling interests".

(d) Associates and joint arrangements

Associates

Associates are all entities over which the Group has significant influence but not control or joint control.

This is generally the case where the Group holds between 20% and 50% of the voting rights.

Joint arrangements

A joint arrangement is an arrangement in which two or more parties have joint control. Joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has joint ventures and no joint operations.

Interests in associates and joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.2. Principles of consolidation *(continued)*

(d) Associates and joint arrangements (continued)

Equity method

Under the equity method of accounting, investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income.

Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. The elimination of upstream and downstream transactions between the Group and the associates/joint ventures is as follows:

- Downstream and upstream transactions (sales from the Group to associates and joint ventures): the elimination of unrealised gains is recorded as a decrease in the investment in the joint venture and a reduction in "Share of profit/(loss) from associates and joint ventures accounted for using the equity method";
- Upstream transactions (sales from the associates and joint ventures to the Group): the elimination of unrealised gains is recorded as a decrease in the investment in the joint venture and a decrease to "Share of profit/(loss) from associates and joint ventures accounted for using the equity method".

Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred.

Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs of disposal and value in use.

(e) Change in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Company. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.2. Principles of consolidation *(continued)*

(e) Change in ownership interests (continued)

When the Group ceases to consolidate or equity-account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss (only those which are subject to recycling in profit or loss).

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss, where appropriate.

2.3. Foreign currency translation

(a) Functional and presentation currency

Items included in the consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in euros.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation of items are remeasured. The exchange rates prevailing at these dates are approximated by a single rate per currency for each day (unless these rates are not reasonable approximations of the cumulative effect of the rates prevailing on the transaction dates). Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income under the line "Foreign currency gains/(losses)", except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in the statement of income as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.3. Foreign currency translation *(continued)*

(c) Group companies

None of the Group's entities has the functional currency of a hyperinflationary economy.

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

ii. Income and expenses for each statement of income are translated at an estimated monthly average exchange rate (unless this rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

iii. All resulting exchange differences are recognised in other comprehensive income.

On consolidation, foreign exchange differences arising from the translation of the net investment in foreign operations including monetary items forming part of the reporting entity's net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are included in "Cumulative currency translation differences" within shareholders' equity. When a foreign operation is sold, exchange differences recorded in equity are recognised in the statement of income as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the closing rate.

2.4. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-makers, who are responsible for allocating resources and assessing the performance of the operating segments, have been identified as the Chairman and the Chief Executive Officer (CEO), who make strategic decisions.

The Chairman and the CEO primarily review the Group's internal reporting in order to assess performance and allocate resources from a brand perspective. Four operating segments have been identified:

- **L'OCCITANE en Provence** — the sale of fragrances, skincare, haircare and body and bath ranges from the L'OCCITANE en Provence brand.
- **ELEMIS** — the sale of skincare products by ELEMIS, a brand for distribution and innovation in the beauty and skincare sectors. Sales are mainly driven through wholesale, e-commerce, department stores, QVC, professional spas and maritime sales ("Wholesale & other" channel).
- **Sol de Janeiro** — the sale of fragrances, skincare, haircare and bodycare from Sol de Janeiro brand. Sales are mainly driven by consumers through its website ("Retail" and "Online" channels) and through various premium retailers, marketplaces and department stores ("Wholesale & other" channel).
- **Other brands** — the sale of Erborian, L'Occitane au Brésil, Grown Alchemist, LimeLife and Melvita skincare, makeup, floral water, beauty oils and other products. These brands mostly have the same economic characteristics, primarily in terms of type of product, customer, distribution channel ("Retail", "Online" channels and "Wholesale & other" channel), and financial performance, and they do not individually or cumulatively exceed the quantitative criteria defined in IFRS 8.

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.4. Segment reporting *(continued)*

For the fiscal year ended 31 March 2022 LimeLife was presented as a separate operating segment. Considering the increase in the contribution of Elemis and Sol de Janeiro, the relative contribution of LimeLife is less relevant and management decided to group LimeLife with other brands in the 'Other brands' operating segment.

Management uses a measure of revenue (net sales) and operating profit/(loss) to assess the performance of the operating segments (Note 5). Other information, including assets and liabilities per segment, is not regularly provided to the chief operating decision-maker.

2.5. Intangible assets

(a) Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units (CGUs) or groups of CGUs that are expected to benefit from the synergies of the combination. Each CGU or group of CGUs to which goodwill is allocated represents the lowest level within the entity at which goodwill is monitored for internal management purposes. Goodwill is monitored at brand level.

For the L'Occitane en Provence trademark, goodwill relates to past acquisitions of exclusive distributors and is monitored by country.

(b) Contractual customer relationships and backlog

These assets were acquired as part of business combinations. They are recognised at fair value at the date of the acquisition. The fair value at the acquisition date is determined through the excess profit method (the value of the customer relationship or backlog is calculated based on the present value of cash flows derived from the asset after deduction of the portions of the cash flows that can be attributed to supporting and contributory assets such as trademarks and net working capital). Contractual customer relationships and backlog are amortised on a straight-line basis over the average period of the expected relationship with the customer, which usually ranges between 3 and 10 years (ELEMIS backlog).

(c) Trademarks

Separately acquired trademarks are accounted for at historical cost. Trademarks acquired in business combinations are recognised at fair value at the acquisition date. The fair value at the acquisition date is determined through the royalty method (the value of the trademark is calculated based on the present value of the royalty stream that the business is saving by owing this asset). The acquired trademarks recognised as intangible assets relate to Melvita, Erborian, ELEMIS and Sol de Janeiro. The valuation of these assets takes into account various factors, including brand awareness and royalty rate. The Group intends to continuously renew trademarks and sell products under the acquired trademarks. There is no foreseeable limit to the period over which the trademarks are expected to generate net cash inflows for the Group. Therefore, trademarks are considered to have an indefinite useful life and are not amortised but are tested annually for impairment. An annual review is performed to determine whether events and circumstances continue to support their useful life assessment. There is no change in the commercial and marketing strategy that modifies the indefinite useful commercial life.

Trademarks are allocated to CGUs for the purpose of impairment testing (see Note 2.5). The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the trademark.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.5. Intangible assets *(continued)*

(d) Computer software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on a straight-line basis over their estimated useful lives (not exceeding 5 years).

Costs directly associated with the production and testing of identifiable and unique software products controlled by the Group and that are expected to generate economic benefits exceeding costs beyond one year are recognised as intangible assets. Directly attributable costs include employee costs for software development and an appropriate portion of relevant overheads. These costs are amortised on a straight-line basis over their estimated useful lives. The Group's main enterprise resource planning (ERP) tool, SAP, is amortised over 10 years.

Costs associated with maintaining computer software programmes and costs related to configuration and customisation of software as part of a SaaS (Software as a service) arrangement are recognised as an expense as incurred.

Commercial websites

Development costs directly attributable to the design and testing of commercial websites are recognised as intangible fixed assets and are amortised over their estimated useful lives, which does not exceed 3 years.

(e) Research and development costs

Research costs are expensed when incurred.

Development costs relating to project development are recognised as an intangible asset when the following criteria are met:

- It is technically feasible to complete the project so that it will be available for use or sale;
- Management intends to complete the project and use or sell it;
- There is an ability to use or sell the project;
- It can be demonstrated how the project will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the project are available;
- The expenditure attributable to the project during its development can be reliably measured.

In view of the large number of development projects and uncertainties concerning the decision to launch products relating to these projects, the Group considers that some of these capitalisation criteria are not met and the development costs are expensed when incurred.

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.6. Property, plant and equipment

All property, plant and equipment (PP&E) are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to prepare for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to the statement of income during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other property, plant and equipment is calculated on a straight-line basis to allocate their cost to their residual values over their estimated useful lives, as follows:

PP&E	**Estimated useful lives**
Buildings	20 years
Equipment and machinery	Between 5 and 10 years
Information system equipment and cash registers	3 years
Leasehold improvements	Between 5 and 10 years
Leasehold improvements related to stores	5 years
Furniture and office equipment	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

2.7. Leases

The Group leases various offices, retail stores, equipment and vehicles. Leases are typically signed for terms of 2 to 15 years but may have extension options as described below. Leases are negotiated on an individual basis and contain a wide range of different terms and conditions.

Assets and liabilities arising from a lease are initially measured based on the present value. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the Group under residual value guarantees;
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.7. Leases *(continued)*

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the incremental borrowing rate is used, which is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment and under similar terms, security and conditions.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance costs. Finance costs are charged to profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost, which comprises the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Any costs to restore the asset.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets comprise IT equipment and small items of office furniture.

Variable lease payments

Some property leases contain variable payment terms that are linked to sales generated from a store. For individual stores, up to 100 per cent of lease payments are on the basis of variable payment terms and a wide range of sales percentages are applied. Variable payment terms are used for a variety of reasons, including minimising the fixed cost base for newly established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Extension and termination options

The lease term corresponds to the non-cancellable period for which a lessee has the right to use an underlying asset, together with both:

- Periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and
- Periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.7. Leases *(continued)*

***Extension and termination options** (continued)*

Extension and termination options are included in a number of property and equipment leases across the Group. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The Group divides the underlying assets into two categories:

- Stores: the lease term corresponds to the initial term of the lease on the signature date, namely without taking into account any extension options, as the Group views the ability to take advantage of opportunities to relocate its stores throughout the term of the lease to be a key part of its store network management policy. Consequently, options to extend or even terminate leases are only accounted for if the Group has exercised the extension option. In the specific case of "3-6-9"-type commercial leases in France, granting the lessee an option to terminate the lease after 3 or 6 years, the Group does not consider the extension option for the same reasons;
- Other properties (offices, logistics platforms): the lease term corresponds to the initial term of the lease.

Certain leases include automatic renewal clauses or have indefinite terms. The Group is unable to reliably estimate the lease term for these leases beyond their strictly contractual period. Accordingly, they are accounted for as leases with no extension option. The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment is reviewed if a significant event or a significant change in circumstances occurs that affects this assessment and that is within the control of the lessee.

The Group has chosen to adopt the amendment to IFRS 16 — Leases, which was adopted by the International Accounting Standards Board (IASB) on 28 May 2020 and by the European Union on 12 October 2020. The impact on the consolidated financial statements is described in Note 24.

2.8. Impairment of non-financial assets

(a) Goodwill and trademarks

Goodwill and trademarks are allocated to groups of CGUs by operating segment.

CGUs to which goodwill and trademarks have been allocated are tested for impairment annually, or more frequently when there is an indication that they may be impaired. If the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

(b) Other intangible assets (other than goodwill and trademarks), property, plant and equipment and right-of-use assets

Amortisable intangible assets, property, plant and equipment and right-of-use assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. In assessing the fair value, an external valuation is obtained or management's best estimate is used to the extent the assumptions used by management reflect market expectations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.8. Impairment of non-financial assets *(continued)*

(b) Other intangible assets (other than goodwill and trademarks), property, plant and equipment and right-of-use assets (continued)

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (i.e., cash-generating units, or CGUs):

- For testing the carrying amount of the stores (mainly right-of-use assets, architect/decorator costs, leasehold improvements, furniture), the cash-generating unit is the store;
- For corporate assets (assets other than those related to the stores) where a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to an individual CGU, or otherwise to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified (country or global brand in the case of the headquarters).

Intangible assets (other than goodwill and trademarks), property, plant and equipment and right-of-use assets that have been subject to impairment in the previous year are reviewed for a possible reversal of the impairment at each reporting date (Notes 7, 8 and 10). Where an impairment loss is subsequently reversed, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years.

2.9. Deposits

Deposits are recorded at their historical value. Impairment is recorded if the net present value is higher than the estimated recoverable amount. The impact of not discounting is not material.

2.10. Assets held for sale and assets directly associated with discontinued operations

Non-current assets or disposal groups are classified as assets held for sale or directly associated with discontinued operations and stated at the lower of the carrying amount and fair value less costs to sell if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use, and a sale is considered highly probable.

2.11. Inventories

Inventories are carried at the lower of cost and net realisable value (net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses); with cost determined principally on a weighted average cost basis. The cost of inventories includes the cost of raw materials, direct labour, depreciation of machinery and production overheads (based on normal operating capacity). It excludes borrowing costs.

Inventories also include (a) the distribution and marketing of promotional goods that are intended to be sold to third parties and (b) miniature products, pouches and boxes that are essentially bundled and sold together with regular products.

The Group regularly reviews inventory quantities on hand for excess stock, discontinued products, obsolescence and a decline in net realisable value below cost and records an allowance within “cost of sales” against the inventory balance for any such decline.

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.12. Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are initially recognised at fair value and are subsequently measured at amortised cost using the effective interest method, less provision for impairment. The amount of the loss on a trade receivable is recognised in the statement of income within "Distribution expenses".

2.13. Financial assets

Under IFRS 9, the Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through OCI ("FVOCI") — debt instruments;
- Fair value through OCI ("FVOCI") — equity instruments; or
- Fair value through profit or loss ("FVTPL").

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

The classification of financial assets under IFRS 9 is generally based on the business model according to which a financial asset is managed and the contractual terms of cash flows. Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

Type of financial asset	Nature of classification	Measurement
At amortised cost		
Trade receivables	Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration (plus transactions costs that are directly attributable to the acquisition of the financial asset) that is unconditional unless they contain significant financing components, in which case they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore subsequently measures them at amortised cost using the effective interest method.	These assets are subsequently measured at amortised cost using the effective cost interest method. Impairment losses are deducted. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.13. Financial assets *(continued)*

Type of financial asset	Nature of classification	Measurement
Other financial assets at amortised cost	The Group classifies its financial assets as at amortised cost only if both of the following criteria are met: • The asset is held within a business model whose objective is to collect the contractual cash flows, and • The contractual terms give rise to cash flows that are solely payments of principal and interest.	These assets are subsequently measured at amortised cost using the effective cost interest method. Impairment losses are deducted. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gains or losses on derecognition are recognised in profit or loss (Note 25).
At fair value through OCI or profit or loss		
Financial assets at fair value through other comprehensive income — Debt instruments	These relate to debt securities for which the contractual cash flows are solely payment of principal and interest and the objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets.	At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI (movements in the carrying amount). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss (Note 25).

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.13. Financial assets *(continued)*

Type of financial asset	Nature of classification	Measurement
Financial assets at fair value through other comprehensive income — Equity instruments	On initial recognition of an equity instrument, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.	At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. The Group subsequently measures all equity instruments at fair value. Changes in the fair value of financial assets at fair value OCI. Dividends from such investments continue to be recognised in the income statement as other income when the Group's right to receive payments is established. Where the Group's management has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment (Note 25).
Financial assets at fair value through profit or loss	All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.	At initial recognition, the Group measures a financial asset at its fair value. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss (Note 25).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.13. Financial assets *(continued)*

Impairment of financial assets

Trade receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses that uses a lifetime expected loss allowance for all trade receivables.

To measure expected credit losses, trade receivables are grouped based on shared credit risk characteristics and the number of days past due.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 March 2022 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 120 days past due. Impairment losses on trade receivables are presented as net impairment losses within operating profit on the line "General and administrative expenses". Subsequent recoveries of amounts previously written off are credited against the same line item.

Debt investments

All of the entity's debt investments at amortised cost and FVOCI are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12-month expected losses. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

2.14. Derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- Hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge);
- Hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge); or
- Hedges of a net investment in a foreign operation (net investment hedge).

At inception of the transaction, the Group documents the economic relationship between the hedging instruments and the hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives used in hedging transactions are highly effective in offsetting changes in the fair values or cash flows of hedged items.

The fair value of the various derivative instruments used for hedging purposes is disclosed in Note 17. Movements in the hedging reserve in other comprehensive income are shown in the consolidated statement of changes in shareholders' equity.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the maturity of the hedged item is less than 12 months. Trading derivatives are classified as current assets or liabilities.

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.14. Derivative financial instruments and hedging activities *(continued)*

(a) Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of income, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

The Group does not use fair value hedges.

(b) Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gains or losses relating to the ineffective portion are recognised immediately in the statement of income within "finance income" or "finance costs" for interest derivatives and within "foreign currency gains/(losses)" for currency derivatives.

When forward contracts are used to hedge forecast transactions, the Group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in the cash flow hedge reserve within equity. The change in the forward component of the contract that relates to the hedged item is recognised within OCI in "Other reserves-Other items" within equity. In some cases, the Group may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains or losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedge reserve within equity.

Amounts accumulated in equity are reclassified to the statement of income in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in the statement of income within "finance income" or "finance costs".

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of income. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the statement of income within "finance income" or "finance costs" for interest derivatives and within "foreign currency gains/(losses)" for currency derivatives.

The Group does not use cash flow hedges.

(c) Net investment hedge

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges.

Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the statement of income within "Foreign currency gains/(losses)".

Gains and losses accumulated in equity are included in the statement of income when the foreign operation is partially divested or sold.

The Group does not use net investment hedges.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.14. Derivative financial instruments and hedging activities *(continued)*

(d) Derivatives at fair value through profit and loss

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of these derivative instruments are recognised immediately in the statement of income within "Finance income", "Finance costs" or "Foreign currency gains/(losses)".

2.15. Cash and cash equivalents

Cash and cash equivalents include cash in hand, short-term deposits and other short-term highly liquid investments with original maturities of three months or less.

Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

2.16. Share capital

Ordinary shares are classified as equity. There are no preference shares.

Incremental costs directly attributable to the issuance of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where a Group entity purchases the Group's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to owners of the Company. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to owners of the Company.

2.17. Dividend distribution

Dividends paid to the Group's shareholders are recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Group's shareholders.

2.18. Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year of less. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.19. Provisions

Within the normal framework of their activities, the Group and its subsidiaries are subject to various forms of litigation and legal proceedings. The Group sets aside a provision based on its past experience and on facts and circumstances known at the balance sheet date. Provisions for customer and warranty claims, dismantling and restoration obligations, restructuring costs and legal claims are recognised when:

- The Group has a present legal or constructive obligation as a result of past events;
- It is probable that an outflow of resources will be required to settle the obligation; and
- The amount can be reliably estimated.

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.19. Provisions *(continued)*

Restructuring provisions comprise lease termination penalties and employee termination payments where appropriate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Provision for dismantling and restoration costs

When the lease agreement includes an obligation to restore the leased property to its original condition at the end of the lease term or to compensate for dilapidation, a provision for the estimated discounted dismantling, restoration or compensation costs is recorded over the lease term.

Depending upon the nature of the obligation in the lease agreement, it may be considered that the alterations occurred when entering the lease. In this case the liability is immediately recorded at the inception of the lease and the same amount is included in right-of-use assets. This item is then depreciated over the lease term.

2.20. Employee benefits

(a) Pension obligations

The Group operates various pension schemes under both defined-benefit and defined-contribution plans:

- A defined-benefit plan is a pension plan that defines an amount of pension benefits that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation;
- A defined-contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. In a defined-contribution plan, the Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Defined-benefit plans

The only significant defined-benefit plans concern retirement indemnities in France. Employees receive a lump sum varying according to their seniority and other components of the collective agreement governing their employment.

The liability recognised in the balance sheet in respect of defined-benefit pension plans is the present value of the defined-benefit obligation at the balance sheet date. The defined-benefit obligation is calculated annually using the projected unit credit method. The present value of the defined-benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Actuarial gains and losses resulting from experience adjustments and changes in the actuarial assumptions that are used to calculate the obligations (excluding the estimated return on plan assets) are fully recognised within "Other comprehensive income" in the period in which they arise (see Note 2.1).

Past-service costs are recognised immediately in the statement of income.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.20. Employee benefits *(continued)*

(a) Pension obligations (continued)

Defined-contribution plans

For defined-contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised in employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Other post-employment obligations

The Group does not provide any other post-employment obligations.

(c) Share-based payment

L'Occitane Groupe S.A., the parent of the Company, operates a number of share-based payment plans granted to employees of the Group and its subsidiaries.

The Group has also authorised free share and stock option plans on its own equity instruments, the characteristics of which are described in Note 19.3.

Equity-settled share-based payment

The fair value of the employee services received in exchange for equity instruments granted is recognised as an expense over the vesting period.

The total amount of the expense is determined by reference to the fair value of the equity instruments granted:

- Including any market performance conditions (for example, an entity's share price);
- Excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- Including the impact of any non-vesting conditions (for example, the requirement for employees to save or hold shares for a specific period of time).

Non-market vesting conditions are included in assumptions about the number of equity instruments that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the Group revises its estimates of the number of equity instruments that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the statement of income, with a corresponding adjustment to equity in other reserves.

Market conditions are taken into account in the valuation of the option at the grant date and are not updated at subsequent reporting dates. The number of shares expected to vest is estimated based on non-market vesting conditions.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and additional paid-in capital when the equity instruments are exercised.

The grant by the parent company of equity-settled share-based payments to the employees of the Company or subsidiaries in the Group is treated as a capital contribution from the parent company. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as a share-based payment expense, with a corresponding impact in equity attributable to the owners of Company within "Contribution from the parent".

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.20. Employee benefits *(continued)*

(d) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: a) when the Group can no longer withdraw the offer of those benefits; and b) when the entity recognises costs for a restructuring within the scope of IAS 37 which involves the payment of termination benefits.

In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(e) Profit-sharing and bonus plans

The Group recognises a provision where legally or contractually obliged, or where there is a past practice that has created a constructive obligation.

(f) Employee leave entitlements

Employee entitlements to annual leave are recognised when they are accrued. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

2.21. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of income over the period of the borrowings using the effective interest method.

Fees paid on arranging loan facilities are recognised as loan transaction costs to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. If there is no evidence that some or all of the facility will likely be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.22. Revenue recognition

Revenue (net sales) comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's business. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating intraGroup transactions.

Revenue from sales invoiced when the transfer of control has not occurred is deferred in the balance sheet as deferred revenue within other current liabilities.

Revenue is recognised as follows:

(a) Sales of goods — Retail channel

The Group operates a chain of retail stores. Revenue from the sale of goods is recognised when the Group sells a product to the customer at the store.

Payment of the transaction price is due immediately when the customer purchases the products and takes delivery in store.

It is not the Group's policy to sell its products to end retail customers with a right of return. However, in some countries, the entity may retain an insignificant risk of ownership through a retail sale when a refund is offered or when return goods are accepted if the customer is not satisfied. Revenue in such cases is recognised at the time of the sale provided the entity can reliably estimate future returns and the Group recognises a liability in "Other current liabilities" for returns against revenue based on previous accumulated experience and other relevant factors.

(b) Sale of goods — Online channel

Sales are recognised when control of the products has transferred, i.e., when the products are delivered to the final customer.

(c) Sales of goods — Wholesale & other channel

Sales are recognised when control of the products has transferred, i.e., when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Products are sometimes sold with conditional discounts. Sales are recorded based on the price specified in the sales contracts/invoices, net of the estimated conditional discounts.

No element of financing is deemed present as the sales are made with a maximum credit term of 90 days.

When the customer has a right to return the product within a given period, the Group is obliged to refund the purchase price. A refund liability for the expected refunds to customers is recognised as adjustment to net sales in "Other current liabilities".

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.22. Revenue recognition *(continued)*

(d) Sale of gift cards

In some regions, in the ordinary course of the Group's business, the Group sells gift cards. Revenue is recognised when the customer redeems the gift cards for buying goods (the product is delivered to the customer).

As long as customers do not redeem the cards, the revenue for sales is deferred in the balance sheet.

Gift cards exceeding the validity period are recognised in the statement of income.

(e) Loyalty programme

The Group accounts for award credits as a separately identifiable component of the sales transaction(s) in which they are granted. The fair value of the consideration received or receivable in respect of the initial sale is allocated between the components, i.e., the goods sold (revenue) and the award credits granted (deferred revenue). The allocation is made by reference to the relative standalone values of the components, i.e., the amounts for which each component could be sold separately.

The fair value of the award credits is estimated by reference to the discount that the customer would obtain when redeeming the award credits for goods. The nominal value of this discount is reduced to take into account:

- Any discount that would be offered to customers who have not earned award credits from an initial sale;
- The proportion of award credits that are expected to be forfeited by customers.

The Group recognises revenue in respect of the award credits in the periods, and reflecting the pattern, in which award credits are redeemed. The amount of revenue recognised is based on the number of award credits that have been redeemed relative to the total number expected to be redeemed.

The part of the consideration allocated to goods sold is recorded in gross sales of products in the statement of income and the deferred revenue is recorded in "Other current liabilities" in the balance sheet.

(f) Consideration paid to distributors

In some cases, the Group can enter into arrangements with distributors where payments are made to compensate for certain promotional initiatives.

As such payments cannot usually be separated from the supply relationship, the Group recognises the consideration paid as a deduction from revenue.

2.23. Distribution expenses

The "Distribution expenses" line in the statement of income includes expenses relating to stores, mainly: employee benefits, rent and occupancy, depreciation and amortisation, freight on sales, promotional goods, credit card fees, maintenance and repair, telephone and postage, travel and entertainment, doubtful receivables, start-up costs and closing costs.

Distribution promotional goods include testers and bags and are expensed when the Group has access to those items.

Distribution expenses also include the amortisation of the ELEMIS backlog over 10 years (Note 2.5) which was based on the contractual period of the distribution agreement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.24. Marketing expenses

The "Marketing expenses" line in the statement of income includes mainly the following expenses: employee benefits, advertising expenses and promotional goods.

Marketing promotional goods include press kits, gifts with purchases, samples, commercial brochures and decoration items used to prepare the windows and are expensed when the Group has access to those items.

2.25. Research and development expenses

The "Research & development expenses" line in the statement of income mainly corresponds to employee benefits and professional fees.

2.26. Start-up and pre-opening costs of stores

Start-up costs and pre-opening costs of the stores are expensed as incurred under "Distribution expenses" in the statement of income. These costs mainly include broker and/or lawyer fees, rent paid before the opening date, and travel expenses relating to the opening team.

2.27. Other operating income and other operating expenses

(a) Other operating income

Other operating income notably includes:

- Impacts of the deconsolidation/reconsolidation of subsidiaries;
- Capital gains arising on changes in the percentage of interests in associates and joint ventures;
- Net profits on sales of assets;
- Excess of the fair value of acquired net assets over the cost of an acquisition (negative goodwill).

(b) Other operating expenses

Other operating expenses notably include:

- Impairment loss on goodwill and trademarks;
- Dilution losses arising from changes in the percentage of interests in associates and joint ventures;
- Restructuring expenses;
- Net losses on sales of assets.

(c) Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the statement of income over the period necessary to match them with the costs they are intended to cover.

Government grants relating to property, plant and equipment are first deferred in non-current liabilities and then classified as a reduction of property, plant and equipment when the asset concerned comes into service. Grants are then credited to the statement of income on a straight-line basis over the expected lives of the related assets.

Notes to the Consolidated Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.28. Foreign currency gains/(losses)

The "Foreign currency gains/(losses)" line in the statement of income relates to:

- Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the year-end translation of the exchange rates of monetary assets and liabilities denominated in foreign currencies (Note 2.4 (b)). These foreign currency gains and losses are mainly related to the financing of the subsidiaries;
- Gains or losses arising from changes in the fair value of the foreign exchange derivatives at fair value through profit or loss (Note 2.15 and Note 17);
- Gains or losses arising from the ineffective portion of changes in the fair value of foreign exchange derivatives that are designated as hedging instruments (Note 2.15 and Note 17).

2.29. Income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and recognises provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, no deferred income tax is accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax asset against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on the same entity or different taxable entities where there is an intention to settle the balances on a net basis.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.30. Earnings per share

Basic earnings per share are calculated by dividing profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Group and held as treasury shares.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

3. FINANCIAL RISK MANAGEMENT

3.1. Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

(a) Market risk

Foreign exchange risk

The Group conducts its distribution activities worldwide. Sales made by the subsidiaries are denominated in their local currency. The production sites are located in France and a major portion of production and purchasing costs is therefore denominated in EUR for L'Occitane en Provence and Melvita. For ELEMIS, LimeLife and Sol de Janeiro, transactions relating to the cost of sales are respectively carried out with third parties in GBP and USD, and production and purchasing in GBP and USD. For Grown Alchemist, transactions relating to the cost of sales are carried out in AUD. The Group is thus exposed to foreign exchange risk on its commercial transactions (both known and forecasted).

The Group invoices its subsidiaries in their local currencies whenever possible, in order to centralise foreign exchange risk at Group level. The Group's foreign exchange risk is split between trading operations related to commercial transactions with subsidiaries and financing operations related to intercompany financing.

As at 31 March 2023, the exposure to foreign exchange risk on the consolidated balance sheet is as follows:

In thousands of euros	EUR	JPY	HKD	USD	GBP	CNY	BRL	TWD	CHF	CAD	Other	Total
Trade receivables	44,568	15,999	21,222	82,361	24,514	35,389	12,103	4,604	257	843	14,693	**256,553**
Other current receivables	45,402	781	70	9,547	5,223	2,820	13,674	464	46	241	6,471	**84,740**
Cash and cash equivalents	30,536	1,867	2,233	45,655	13,878	15,097	1,825	1,687	20,359	2,088	12,031	**147,255**
Monetary assets	**120,507**	**18,647**	**23,525**	**137,563**	**43,615**	**53,306**	**27,602**	**6,755**	**20,663**	**3,172**	**33,195**	**488,548**
Borrowings	503,488	–	–	–	–	–	–	4,227	4,916	679	5,550	**518,859**
Trade payables	82,860	10,813	7,550	49,069	21,420	17,097	5,778	1,953	392	1,989	11,182	**210,103**
Social and tax liabilities	43,564	4,361	5,815	17,351	3,219	3,727	7,073	1,098	149	183	11,921	**98,461**
Monetary liabilities	**629,912**	**15,174**	**13,365**	**66,420**	**24,639**	**20,824**	**12,851**	**7,278**	**5,457**	**2,851**	**28,653**	**827,423**
Gross exposure in the statement of balance sheet	**(509,405)**	**3,473**	**10,160**	**71,143**	**18,976**	**32,482**	**14,751**	**(523)**	**15,206**	**321**	**4,542**	**(338,875)**

Notes to the Consolidated Financial Statements

3. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.1. Financial risk factors *(continued)*

(a) Market risk (continued)

Foreign exchange risk *(continued)*

As at 31 March 2022, the exposure to foreign exchange risk on the consolidated balance sheet was as follows:

In thousands of euros	EUR	JPY	HKD	USD	GBP	CNY	BRL	TWD	CHF	CAD	Other	Total
Trade receivables	32,223	17,744	9,436	39,520	29,678	35,626	11,794	4,712	334	923	17,633	199,623
Other current receivables	37,172	510	284	12,376	5,248	6,729	9,430	379	207	622	9,978	82,935
Cash and cash equivalents	162,142	22,883	2,458	32,504	62,313	22,723	3,679	1,071	1,397	5,715	44,014	360,899
Monetary assets	**231,537**	**41,137**	**12,178**	**84,400**	**97,239**	**65,078**	**24,903**	**6,162**	**1,938**	**7,260**	**71,625**	**643,457**
Borrowings	652,056	–	–	–	5,792	–	–	3,997	3,896	–	5,189	670,930
Trade payables	71,409	12,563	3,657	33,889	37,301	30,174	4,476	1,531	702	2,908	11,293	209,903
Social and tax liabilities	47,973	5,613	4,687	12,055	3,981	6,833	6,627	1,256	47	248	15,487	104,807
Monetary liabilities	**771,438**	**18,176**	**8,344**	**45,944**	**47,074**	**37,007**	**11,103**	**6,784**	**4,645**	**3,156**	**31,969**	**985,640**
Gross exposure in the statement of balance sheet	**(539,901)**	**22,961**	**3,834**	**38,456**	**50,165**	**28,071**	**13,800**	**(622)**	**(2,707)**	**4,104**	**39,656**	**(342,183)**

Commercial transactions

The Group treasury's risk management policy is to systematically hedge transaction risk (amounts invoiced) at a minimum of 80%.

Economic risk (amounts forecasted) is hedged depending on market conditions and management expectations. All decisions to hedge economic risk are formally approved by the Director of Group Cash Management and Financing.

The Group uses forward contracts to hedge the main part of its foreign exchange risk exposure and currency options hedging up to 40% of its exposure on its main currencies (USD, GBP, JPY, HKD and CNY). All decisions to use foreign exchange derivatives-based products are formally approved by the Group Treasury Manager. The Group does not use hedge accounting.

The intrinsic value of foreign currency options is determined with reference to the relevant spot market exchange rate. The difference between the contracted strike rate and the discounted spot market exchange rate is defined as the time value.

3. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.1. Financial risk factors *(continued)*

(a) Market risk (continued)

Foreign exchange risk *(continued)*

Financing operations
The Group's risk management policy is to maximise natural hedging using multicurrency bank facilities whenever possible.

For those currencies not covered by multicurrency bank facilities, the Group's risk management policy is to finance subsidiaries in their local currencies whenever possible, and to hedge the corresponding exposure.

During the financial years ended 31 March 2023 and 2022, if the euro had weakened/strengthened by 10% in comparison to the currencies listed below with all other variables held constant, equity, net sales and post-tax profit for the year would have been higher/lower as illustrated below:

In thousands of euros	Currency translation differences (other comprehensive income)		Net sales		Profit for the year	
31 March	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
USD	91,057	88,569	60,598	27,316	8,969	5,959
JPY	11,812	13,679	18,120	20,603	7,837	9,180
HKD	(278)	(6,988)	(16,125)	(9,793)	(1,459)	(7,746)
CNY	20,758	26,172	29,810	32,799	13,904	19,611
GBP	46,964	49,032	22,752	23,480	7,604	11,943

The above sensitivity does not take into consideration the effect of a higher/lower euro on the fair market value of the foreign currency derivative instruments and on realised exchange gains and losses. The fair value of these derivatives at year-end is not material.

Cash flow and fair value interest rate risk
The Group's cash is currently invested in short-term treasury deposits to take advantage of any increase in euro interest rates.

The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. An analysis of borrowings by type of interest rate is provided in Note 20.3.

The Group can manage its cash flow interest rate risk by using floating-to-fixed interest rate swaps. These swaps have the economic effect of converting borrowings from floating rates to fixed rates. Under the interest rate swaps, the Group agrees with other parties to exchange, at specified intervals, the differences between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional amounts. The Group does not have any floating-rate interest swap.

In accordance with the financial covenants described in Note 20.2, the margin of certain bank borrowings is liable to change.

Notes to the Consolidated Financial Statements

3. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.1. Financial risk factors *(continued)*

(a) Market risk (continued)

Cash flow and fair value interest rate risk *(continued)*

Based on the simulations performed as of 31 March 2023 and 2022, if interest rates had been 100 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been lower/higher, mainly as a result of higher/lower interest expense on floating-rate borrowings (Note 26).

In thousands of euros	**2023**	**2022**
Sensitivity of finance costs	4,971	1,091
Sensitivity of finance income	1,419	401
Sensitivity of post-tax profit	438	212

The sensitivity of equity would be the same as the impact on post-tax profit, except for the effects mentioned below for derivatives.

Price risk

The Group is not significantly exposed to commodity price risk.

The Group is exposed to price risk arising from investments in financial assets such as equity, fixed income, private equity, property or multi-asset funds. Investments are made in accordance with the limits and rules set by the Financial Investments Policy.

The amounts recognised in the consolidated statement of income or in the consolidated statement of comprehensive income in relation to the investments held by the Group are disclosed in Note 3.3.

(b) Credit risk

Credit risk is managed on a Group basis, except where it relates to trade receivables balances. Each local entity is responsible for monitoring and analysing the credit risk of its customers. Standard payment and delivery terms and conditions are offered. Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVPL), derivative financial instruments and deposits with bank and financial institutions, as well as credit exposures to wholesale, retail customers and to the former four key directors of L'Occitane Russia (Notes 3.3 and 6.1).

The Group has no significant concentrations of credit risk for customers:

- For customers in the "Wholesale & other" channel, sales are made with credit terms generally between 60 and 90 days. The Group maintains adequate allowances for potential credit losses and monitors the solvency of its counterparties. As at 31 March 2023 and 2022, the Group did not have any significant concentrations of business with a particular customer that could, if suddenly eliminated, severely impact its operations;
- For customers in the "Retail" and "Online" channels, the Group's sales to end customers are made in cash or via major credit cards and no credit terms are generally granted. When the Retail and Online sales are generated in department stores, a credit term is granted to the department store until the cash is transferred to the Group. This credit term is generally from 30 to 90 days;
- All significant cash deposits are made with major financial institutions with an investment grade rating and are invested in fixed-term deposits with negotiated terms and conditions and interest rates, or in mutual funds. The Group has temporary exposure to non-investment grade institutions on payments made by customers in certain countries, until the related amounts to investment grade institutions. Cash and cash equivalents and derivative financial instruments are concentrated with a few independently rated parties with a minimum rating of "BBB-" (Investment Grade) except in countries rated below BBB-.

3. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.1. Financial risk factors *(continued)*

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of its underlying businesses, the Group aims to maintain flexibility in funding by keeping committed credit lines available. Management monitors rolling forecasts of the Group's liquidity reserve (comprising undrawn borrowing facilities and cash and cash equivalents) based on expected cash flows. The liquidity reserves as at 31 March 2023 were as follows:

31 March *In thousands of euros*	**2023**	**2022**
Cash and cash equivalents and bank overdrafts	147,255	360,899
Undrawn borrowing facilities (Note 20.3)	461,523	268,177
Liquidity reserves	**608,778**	**629,076**

Surplus cash held by the Group is invested in call accounts, certificates of deposit, money market funds and securities or any other financial assets authorised by the Financial Investments Policy.

The repayment of certain bank borrowings is subject to a financial covenant (Note 20.2).

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining time to contractual maturity at the balance sheet date. The amounts disclosed in the table are the contractual undiscounted cash flows:

		Between			
In thousands of euros	**Less than 1 year**	**1 and 2 years**	**2 and 5 years**	**Over 5 years**	**Total**
Borrowings (Note 20)	194,040	302,768	18,840	3,211	518,859
Trade payables (Note 22)	210,103	–	–	–	210,103
Lease liabilities (Note 8.2)	82,393	66,993	92,925	33,391	275,702
Interests payments on borrowings	12,095	8,791	1,392	21	22,299
Total as at 31 March 2023	**498,631**	**378,552**	**113,157**	**36,623**	**1,026,963**
Borrowings (Note 20)	289,611	2,749	373,245	5,325	670,930
Trade payables (Note 22)	209,903	–	–	–	209,903
Lease liabilities (Note 8.2)	93,722	65,812	88,800	25,898	274,232
Interests payments on borrowings	3,267	3,099	3,348	70	9,784
Total as at 31 March 2022	**596,503**	**71,660**	**465,393**	**31,293**	**1,164,849**

The interest payments on borrowings are based on existing interest rates as at 31 March 2023. The net carrying amount approximates the fair value.

Notes to the Consolidated Financial Statements

3. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.2. Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, such that it can continue to provide returns for equity owners and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to equity owners, return capital to equity owners, issue new shares or sell assets to reduce debt.

3.3. Fair value estimate

Fair value of financial instruments

The table below presents the net carrying amount and fair value of some of the Group's financial instruments, with the exception of cash, trade receivables and trade payables as well as accrued expenses (their carrying amount less impairment of trade receivables and payables is assumed to approximate their fair values given their short maturities):

	31 March 2023		31 March 2022	
In thousands of euros	**Net carrying amount**	**Fair value**	**Net carrying amount**	**Fair value**
Assets				
Financial assets at fair value through other comprehensive income (FVOCI)	37,880	37,880	33,117	33,117
Financial assets at fair value through profit or loss (FVPL)	8,645	8,645	–	–
Derivative financial instruments	2,337	2,337	1,931	1,931
Total assets	**48,862**	**48,862**	**35,048**	**35,048**
Liabilities				
Floating rate	518,859	518,859	670,930	670,930
Total borrowings	**518,859**	**518,859**	**670,930**	**670,930**
Derivative financial instruments	248	248	1,208	1,208
Other financial liabilities	338,650	338,650	171,865	171,865
Total liabilities	**338,898**	**338,898**	**173,073**	**173,073**

The fair value of financial instruments was determined as indicated below.

3. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.3. Fair value estimate *(continued)*

Fair value measurement hierarchy

IFRS 13 for financial instruments requires the disclosure of fair value measurements by level according to the following fair value measurement hierarchy:

- Quoted prices in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (level 2);
- Inputs for the asset or liability that are not based on observable market data (i.e., unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities that are measured at fair value:

	31 March 2023				31 March 2022			
In thousands of euros	**Level 1**[(a)]	**Level 2**[(b)]	**Level 3**[(c)]	**Total**	**Level 1**[(a)]	**Level 2**[(b)]	**Level 3**[(c)]	**Total**
Assets								
Derivatives at fair value (Note 17)	–	2,337	–	2,337	–	1,931	–	1,931
Financial assets at fair value through profit or loss (Note 6.1)	–	–	8,645	8,645	–	–	–	–
Financial assets at fair value through other comprehensive income (FVOCI) (Note 13)	9,416	2,847	25,617	37,880	9,079	2,306	21,732	33,117
Total assets	**9,416**	**5,184**	**34,262**	**48,862**	**9,079**	**4,237**	**21,732**	**35,048**
Liabilities								
Derivatives at fair value (Note 17)	–	248	–	248	–	1,208	–	1,208
Other financial liabilities (Note 6.3)	–	–	338,650	338,650	–	–	171,865	171,865
Total liabilities	**–**	**248**	**338,650**	**338,898**	**–**	**1,208**	**171,865**	**173,073**

(a) The fair value of financial instruments traded in active markets (such as equity securities) is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

(b) The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by external counterparties using methods and assumptions that are based on market conditions existing at each balance sheet date. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the balance sheet date. If all significant inputs required to measure the fair value of an instrument are observable, the instrument is included in level 2.

(c) If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

As at 31 March 2022, some data used to measure the fair value of some investments classified in level 2 were not directly based on observable and identifiable market data. Therefore, the Group modified the classification of Financial assets at fair value through other comprehensive income and the corresponding investments were reclassified from level 2 to level 3 as at 31 March 2022 for an amount of €21.7 million. There is no impact on the fair value of those investments.

Notes to the Consolidated Financial Statements

3. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.3. Fair value estimate *(continued)*

Fair value measurements using financial instruments traded in active markets (level 1)

On 10 May 2021, the Group acquired shares in Carbios S.A., which is specialised in recycling plastic and packaging products, for a net amount of €10,000,000 and including total depreciation of €584,000 (less than 3% of the total shares), of which €337,000 was reversed in the year ended 31 March 2023.

Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability (level 2).

The following table presents the change in level 2 instruments for the period ended 31 March 2023:

In thousands of euros	Financial assets as at 31 March 2022	Transfer from level 2 to level 3	New financial assets	Disposals	Gain/(loss) recognised through OCI	Gain/(loss) recognised through profit and loss	Exchange difference	Financial assets as at 31 March 2023
Derivative financial instruments (Note 17)	1,931	–	–	–	–	406	–	2,337
Other investments at fair value through other comprehensive Income (FVOCI)	2,306	(325)	1,068	–	(230)	–	28	2,847
Sub-total financial assets at FVOCI	**2,306**	**(325)**	**1,068**	**–**	**(230)**	**–**	**28**	**2,847**
Total financial Assets (level 2)	**4,237**	**(325)**	**1,068**	**–**	**(230)**	**406**	**28**	**5,184**

In thousands of euros	Financial liabilities as at 31 March 2022	Transfer from level 2 to level 3	New financial liabilities	Disposals	Gain/(loss) recognised through OCI	Gain/(loss) recognised through profit and loss	Exchange difference	Financial liabilities as at 31 March 2023
Derivative financial instruments (Note 17)	1,208	–	–	–	–	(960)	–	248
Total financial Liabilities (level 2)	**1,208**	**–**	**–**	**–**	**–**	**(960)**	**–**	**248**

3. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.3. Fair value estimate *(continued)*

Fair value measurements using significant unobservable inputs (level 3)

The following table presents the change in level 3 instruments for the year ended 31 March 2023:

Level 3

In thousands of euros	Financial assets as at 31 March 2022	Transfer from level 2 to level 3	New financial assets	Disposals	Gain/(loss) recognised through OCI	Gain/(loss) recognised through profit or loss	Unwinding of discount	Exchange difference	Changes in estimates in the valuation of the exercise price	Financial assets as at 31 March 2023
Financial assets at fair value through profit and loss (FVPL)										
Fair value of the receivable from the sale of L'Occitane Russia (Note 13)	–	–	44,546	–	–	(35,901)	–	–	–	8,645
Financial assets at fair value through other comprehensive income (FVOCI)										
SCPI FI Commerce (real estate investment fund)	9,520	–	–	–	(441)	–	–	–	–	9,079
Truffle investment	10,413	–	5,400	–	(2,056)	–	–	–	–	13,757
Other investments	1,799	325	820	(38)	(125)	–	–	–	–	2,781
Sub-total financial assets at FVOCI	**21,732**	**325**	**6,220**	**(38)**	**(2,622)**	**-**	**-**	**-**	**-**	**25,617**
Total financial assets (level 3)	**21,732**	**325**	**50,766**	**(38)**	**(2,622)**	**(35,901)**	**-**	**-**	**-**	**34,262**

In thousands of euros	Financial liabilities as at 31 March 2022	Transfer from level 2 to level 3	New financial liabilities	Disposals	(Gain)/loss recognised through OCI	(Gain)/loss recognised through profit and loss	Unwinding of discount	Exchange difference	Changes in estimates in the valuation of the exercise price	Financial liabilities as at 31 March 2023
Other financial liabilities (Note 6.3)	171,865	–	45,532	–	–	–	2,732	2,561	115,960	338,650
Total financial liabilities (level 3)	**171,865**	**-**	**45,532**	**-**	**-**	**-**	**2,732**	**2,561**	**115,960**	**338,650**

Assets at fair value through other comprehensive income

Among the financial assets at fair value through other comprehensive income, other investments correspond to one investment of €1,400,000 and 12 other investments individually representing less than €200,000; for all investments, the percentage of voting shares is lower than 20%.

Notes to the Consolidated Financial Statements

3. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.3. Fair value estimate *(continued)*

Considerations for assessing the fair value of the receivable from the sale of L'Occitane Russia

Main characteristics

As described in Note 6.1, the main characteristics of the transaction are as follows:

- Payment for the shares will be made through four instalments between June 2025 and June 2028;
- Payment for the shares is secured by a pledge agreement signed on 3 June 2022;
- There is a call option exercisable for the Group on 3 June 2025, 2026, 2027, 2028 and 2029. The exercise price is based on the fair value of the Russian business will be determined by an independent expert.

Classification of the receivable from the sale of L'Occitane Russia

Under IFRS 9, the receivable from the sale of L'Occitane Russia does not meet the SPPI criteria and is considered as a non-recourse loan. Therefore, the receivable cannot be measured at amortised cost and is valued at fair value through profit and loss.

Assessment of the fair value

To assess the fair value of the receivable, the following scenarios were considered:

- Investors can pay the contractual instalments: the Group will receive the cash flows;
- Investors cannot pay the contractual instalments: the Group will receive the collateral, i.e., the shares of the Russian entity.

The main factors impacting the value of the receivable are the equity value of the Russian entity in RUB and the FX rate, and the related volatility.

The optional nature of the payment requires diffusion models to assess the risk factors; a Monte-Carlo model is used to determine the fair value.

3. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.3. Fair value estimate *(continued)*

Considerations for assessing the fair value of the receivable from the sale of L'Occitane Russia (continued)

Assessment of the fair value

The fair value of the receivable was assessed based on the following key assumptions:

Key assumptions	As at 3 June 2022	As at 31 March 2023
Assumptions used to estimate the equity value in RUB (enterprise value estimated based on the discounted future cash flows — net debt)		
Business plan time frame in years	4	3
Annual growth in net sales over the plan	2.5%	2.5%
Average EBITDA (%) over the 4-year plan (EBITDA: operating profit before depreciation, amortisation and impairment)	31.8%	32.4%
Long-term growth rate	4.5%	4.0%
Post-tax discount rate	28.0%	30.0%
Equity value (in thousands of RUB)	5,050,000	4,183,222
Assumptions used to estimate the fair value of the receivable under the Monte Carlo diffusion model		
Market inputs		
EUR and RUB risk-free interest rates	EUR rates and forward points between 1 and 6 years	EUR rates and forward points between 1 and 6 years
RUB/EUR implied volatility	Between 13% (2 years) and 48% (1 week)	Between 13% (2 years) and 25% (1 week)
Exchange spot rate (EUR/RUB)	67.41	84.59
Other inputs		
Subsidiary/foreign exchange spot correlation	0%	0%
Volatility based on historical volatility of market indices (MOEX) [(1)]	35%	35%
Fair value of the receivable before liquidity discount (in thousands of euros)	52,407	43,227
Liquidity discount [(2)]	15%	80%
Fair value of the receivable (in thousands of euros)	44,546	8,645

(1) Given the lack of a directly observable market for the volatility of the subsidiary, its volatility is estimated based on the historical volatility of the MOEX benchmark index over a 3-year period (given the first option is long dated with an expiry date in 2025).

(2) The liquidity discount has been increased to consider higher uncertainty due to the ongoing war and sanctions.

Based on this model, the fair value of the receivable from the sale of L'Occitane Russia amounts to €44.5 million as of 3 June 2022 and to €8.6 million as of 31 March 2023. The change in the fair value of the receivable from the sale of L'Occitane Russia is recorded as a financial item within "Finance costs" for a loss of €35.9 million (Note 26).

Notes to the Consolidated Financial Statements

3. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.3. Fair value estimate *(continued)*

***Considerations for assessing the fair value of the receivable from the sale of L'Occitane Russia** (continued)*

Sensitivity analysis

The relationship of key inputs to the fair value of the receivable are as follows:

- Increasing the CAGR to 5% over the business plan time frame would increase the fair value of the receivable (pre-liquidity discount) by €7.6 million as at 3 June 2022 and by €11.5 million as at 31 March 2023;
- Decreasing the CAGR to 0% over the business plan time frame would decrease the fair value of the receivable (pre-liquidity discount) by €11.3 million as at 3 June 2022 and by €9.1 million as at 31 March 2023;
- Increasing the discount rate by 5% would decrease the fair value of the receivable (pre-liquidity discount) by €3.3 million as at 3 June 2022 and by €3.7 million as at 31 March 2023;
- Decreasing the discount rate by 5% would increase the fair value of the receivable (pre-liquidity discount) by €4.0 million as at 3 June 2022 and by €4.5 million as at 31 March 2023;
- Increasing the EBITDA rate by 5% would increase the fair value of the receivable (pre-liquidity discount) by €5.0 million as at 3 June 2022 and by €9.1 million as at 31 March 2023;
- Decreasing the EBITDA rate by 5% would decrease the fair value of the receivable (pre-liquidity discount) by €6.7 million as at 3 June 2022 and by €7.7 million as at 31 March 2023;
- Decreasing the volatility rate to 25% would increase the fair value of the receivable (pre-liquidity discount) by €3.6 million as at 3 June 2022 and by €2.1 million as at 31 March 2023;
- Increasing the volatility rate to 45% would decrease the fair value of the receivable (pre-liquidity discount) by €4.1 million as at 3 June 2022 and by €2.5 million as at 31 March 2023;
- Increasing the RUB/EUR foreign exchange volatility by 5% would decrease the fair value of the receivable (pre-liquidity discount) by €1.3 million as at 3 June 2022 and by €0.9 million as at 31 March 2023.

Other financial liabilities (Note 6.3)

Other financial liabilities correspond to the put options granted by the Group to non-controlling interests:

- Put option on Sol de Janeiro non-controlling interests for €285.1 million;
- Put option on 14 Group S.A non-controlling interests for €23.4 million;
- Put option on Grown Alchemist Holdings Pty Ltd. non-controlling interests for €10.0 million;
- Put option on Elemis non-controlling interests for €13.8 million;
- Put option on Symbiose Cosmetics France non-controlling interests for €4.4 million;
- Put option on L'Occitane GmbH non-controlling interests for €1.9 million.

Fair value of other financial instruments (unrecognised)

The Group also has a number of financial instruments (bank borrowings) that are not measured at fair value in the balance sheet. For the majority of these instruments, the fair values are not materially different from their carrying amounts, since the interest receivable/payable is either close to current market rates or the instruments are short term in nature.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group makes estimates and judgements concerning the future. By definition, the resulting accounting estimates rarely match actual results.

Estimates are used for, but not limited to, depreciation, amortisation and impairment of non-current assets (Notes 2.6, 2.7 and 2.8), allocation of the excess of the cost of an acquisition over the carrying amount of the net assets acquired to contractual customer relationships and backlog (Note 2.5), indefinite life of trademarks (Note 2.5), measurement of lease liabilities (Note 2.7), measurement of inventories (Note 2.11), inventory allowance (Note 2.11), measurement of provisions (Note 2.19), trade receivables allowance (Note 2.12), revenue recognition (Note 2.22), current and deferred income taxes (Note 2.29), fair value of derivative instruments (Note 2.14), valuation of share-based payments (Note 19.3), valuation of put options (Note 6.3), contingencies (Note 31), the allocation of the purchase price for Grown Alchemist (Note 6.1) and the estimated fair value of the receivable from the sale of L'Occitane Russia, representing a new significant estimate for the period (Notes 3.3 and 6.1).

Estimates and judgements are continually assessed and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are explained below.

4.1. Impairment test of non-current assets

Impairment tests of intangible assets (including goodwill and trademarks), property, plant and equipment and right-of-use assets are performed in accordance with the accounting policy presented in Note 2.8.

Goodwill and trademarks are allocated to operating segments defined as one or several brands under the responsibility of a dedicated management team.

The recoverable amounts of the group of cash-generating units (CGUs) monitored at brand level were determined on the basis of value-in-use calculations.

Value in use is determined with respect to projected future cash flows, taking into account the time value of money and the specific risks attributable to the CGUs. Future cash flow projections are based on medium-term budgets and plans. These plans are drawn up for a period of 4 to 5 years. Cash flows beyond the 4 or 5-year period are extrapolated using the estimated long-term growth rates stated below. These long-term growth rates are determined consistently with the strategy to operate the trademark and with the analysis of the forecasts included in industry reports specific to the sector in which each CGU operates.

The plan takes into account the inflationary context which can impact costs but which is also reflected in the sale price of products. Therefore Management considers that its activities will not be significantly affected by the inflation context.

Notes to the Consolidated Financial Statements

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(CONTINUED)*

4.1. Impairment test of non-current assets *(continued)*

The main key assumptions used for value-in-use calculations of the recoverable amounts of the main goodwill and trademarks are as follows:

31 March 2023 *in millions of euros*		**Elemis**	**LimeLife**	**Melvita**	**Sol de Janeiro**
Business plan time frame in years		5	5	5	5
Compound annual growth rate in net sales over the plan		19.6%	14.7%	20.8%	17.8%
Average percentage of EBITDA over the plan		23.2%	5.8%	(2.6)%	19.8%
Long-term growth rate		1.9%	1.9%	1.9%	1.9%
Post-tax discount rate		9.6%	8.7%	9.5%	8.7%
Carrying amounts of assets before impairment test					
	Goodwill	530.4	122.0	35.9	213.2
	Trademark	285.8	–	14.1	165.9
	Other items	94.7	21.8	2.2	7.2
Recoverable amount		1,214.5	91.3	29.4	908.4
Headroom available/(impairment loss)		303.7	(52.5)	(22.8)	518.1

For LimeLife and Melvita, to take into account the low performance of the business which was lower than expectations over the last periods, Management has revised down its sales and EBITDA objectives over the plan to estimate the value-in-use. Management has determined that the fair value less costs to sell would not be higher than the value-in-use calculations.

For Melvita, the carrying amount of the CGU has been reduced to its recoverable amount through recognition of a total impairment loss of €22.8 million against goodwill. For LimeLife, the carrying amount of the CGU has been reduced to its recoverable amount through recognition of a total impairment loss of €52.5 million against goodwill.

No other class of assets was impaired. Those losses are included in the line "Other operating expenses" within the operating profit and are allocated to "Other brands" within the segment information (Note 5).

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(CONTINUED)*

4.1. Impairment test of non-current assets *(continued)*

31 March 2022 *in millions of euros*		**Elemis**	**LimeLife**	**Melvita**	**Sol de Janeiro**
Business plan time frame in years		4	5	5	5
Compound annual growth rate in net sales over the plan		27.3%	32.7%	21.0%	60.0%
Average percentage of EBITDA over the plan		24.1%	6.8%	10.7%	22.3%
Long-term growth rate		2.1%	2.0%	1.4%	2.1%
Post-tax discount rate		8.7%	8.5%	8.2%	8.5%
Carrying amounts of assets before impairment test					
	Goodwill	538	169	36	253
	Trademark	284	–	14	163
	Other items	67	21	9	(17.6)*
Recoverable amount		1,279	255	80	397
Headroom available		390	64	21	219

(*) Mainly comprising the deferred tax assets recognized on the trademark for €33.6 million (Note 6.2).

Assumptions	**Approach used to determine values**
Compound annual growth rate in net sales ("CAGR")	Average annual growth rate over the plan based on past performance, management's expectations of market development, strategic positioning, current industry trends and including long-term inflation forecasts for each region. The projected annual growth rate can be higher than the historical performance and current average industry trends due to the expected effects of strategic positioning measures implemented and the international development of brands.
Budgeted EBITDA	The EBITDA is defined as follows: operating profit before depreciation, amortisation and impairment. Due to IFRS 16 impacts, budgeted EBITDA does not include lease expenses. Weighted EBITDA is expressed as a percentage of net sales over the forecast period. Budgeted EBITDA is based on past performance and management's expectations for the future, taking into account business development strategies for each country and distribution channel/sub-channel (Retail, Online channels, Wholesale & others).
Long-term growth rate	Weighted average growth rate used to extrapolate cash flows beyond the budget period. The growth rates are consistent with forecasts in view of the country mix, the rise in the cost of raw materials and inflation.

Notes to the Consolidated Financial Statements

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(CONTINUED)*

4.1. Impairment test of non-current assets *(continued)*

Assumptions	Approach used to determine values
Post-tax discount rate	WACC per country in which the trademark is operated. This reflects the specific risks relating to the relevant segments and the countries in which the Group operates.
Terminal value	The sustainable long-term cash flow was determined by extrapolating the estimated cash flow in the FY28 plans for ELEMIS, Melvita, LimeLife and Sol de Janeiro.
Other assumptions	Management used other assumptions such as working capital requirements (inventory turnover ratio, DSO and DPO) and annual capital expenditure based on historical management experience and the planned strategy.
Headroom/(impairment loss)	Headroom or impairment loss is calculated as the difference between the recoverable value and all the assets used by the Group to operate the trademark: goodwill, trademark net of the corresponding deferred tax liability, right-of use assets, PP&E and working capital.

Sensitivity analysis

The recoverable amount of the ELEMIS and Sol de Janeiro CGUs would equal its carrying amount if the key assumptions were to change individually as follows:

	ELEMIS	Sol de Janeiro
CAGR	16.8%	8.4%
EBITDA % for each year of the business plan decreased by	5.1 points	10.2 points
WACC	12.0%	16.9%
Long-term growth rate	–1.4%	–13.6%

The recoverable amount of the LimeLife and Melvita CGUs would decrease if the key assumptions were to change individually as follows:

Additional impairment loss due to:	LimeLife	Melvita
100 basis-point decrease in CAGR	€3.3 million	€1.4 million
50 basis-point decrease in the EBITDA % for each year	€4.0 million	€3.8 million
50 basis-point increase in WACC	€6.2 million	€2.9 million
50 basis-point decrease in long-term growth rate	€4.8 million	€2.3 million

For L'Occitane en Provence, the estimated value in use significantly exceeds the carrying amount of goodwill to an extent that no reasonably possible change in any of the key assumptions would eliminate the headroom.

4.2. Depreciation and amortisation periods

The Group's main intangible assets and property, plant and equipment with a definite useful life relate to the stores. Right-of-use assets are depreciated on a straight-line basis in accordance with the accounting policy presented in Note 2.7, and are tested for impairment in accordance with the accounting policy presented in Note 2.8.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(CONTINUED)*

4.3. Other financial liabilities

The Group has several put options on non-controlling interests resulting from business combinations and other transactions with non-controlling shareholders. The liabilities resulting from the put options are estimated based on the contractual formula, mainly using EBITDA or EBIT (as estimated based on the plan for the company excluding the effects of IFRS 16) to determine the price. The value is discounted reflecting the current market assessment of the time value and the risk specific to the liabilities.

4.4. Business combinations

The accounting for acquisitions during the year included estimated values for acquired assets and liabilities and, in particular, newly recognised intangible assets. This valuation process was supported by external experts and incorporated assumptions relating to future profit growth rates, EBIT margins and other commercial considerations. Useful economic lives were also estimated for these new assets. Changes to the estimates made, including both adjustments to provisional values and through prospective changes to the useful economic lives of the assets, may result in changes to the amounts reported in the balance sheet and statement of income as a result of the acquisition.

4.5. Income tax

The Group is subject to income tax in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income tax. There are many transactions and calculations for which the ultimate tax assessment is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters differs from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such assessment is made.

4.6. Investments at fair value

The Group measures some financial instruments at their fair value through other comprehensive income. This estimate relates to those classified in level 2 and 3 (Note 3.3).

4.7. Receivable from the sale of L'Occitane Russia

The Group measures the receivable from the sale of L'Occitane Russia at fair value through profit and loss, based on diffusion models to assess the risk factors and a Monte-Carlo model to determine the fair value (Note 3.3).

Notes to the Consolidated Financial Statements

5. SEGMENT INFORMATION

For accounting policies related to segment information, see Note 2.4.

5.1. Operating segments

Management measures the profit or loss for each operating segment according to its operating profit/(loss). Operating segment information is as follows:

31 March 2023 *In thousands of euros*	**L'Occitane en Provence**	**ELEMIS**	**Sol de Janeiro**	**Other brands**	**Total**
Net sales	**1,421,214**	**255,945**	**266,989**	**190,541**	**2,134,689**
In % of total	*66.6%*	*12.0%*	*12.5%*	*8.9%*	*100%*
Gross profit	**1,201,277**	**186,730**	**190,369**	**139,766**	**1,718,141**
% of net sales	*84.5%*	*73.0%*	*71.3%*	*73.4%*	*80.5%*
Distribution expenses	(596,614)	(58,334)	(43,094)	(86,660)	(784,702)
Marketing expenses	(208,184)	(52,959)	(61,529)	(45,037)	(367,709)
Research & development expenses	(15,544)	(2,236)	(1,267)	(3,434)	(22,481)
General and administrative expenses	(144,682)	(21,523)	(18,815)	(16,478)	(201,498)
Share of profit/(loss) from associates and joint ventures	(16,590)	–	–	–	(16,590)
Other operating income	3,211	64	–	785	4,060
Other operating expenses	(14,709)	(39)	–	(75,341)	(90,089)
Operating profit/(loss)	**208,165**	**51,703**	**65,664**	**(86,399)**	**239,132**
% of net sales	*14.6%*	*20.2%*	*24.6%*	*(45.3%)*	*11.2%*

31 March 2022 *In thousands of euros*	**L'Occitane en Provence**	**ELEMIS**	**Sol de Janeiro**	**Other brands**	**Total**
Net sales	**1,360,991**	**226,317**	**26,081**	**167,969**	**1,781,358**
In % of total	*76.4%*	*12.7%*	*1.5%*	*9.4%*	*100.0%*
Gross profit	**1,154,563**	**167,507**	**18,176**	**123,169**	**1,463,415**
% of net sales	*84.8%*	*74.0%*	*69.7%*	*73.3%*	*82.2%*
Distribution expenses	(563,867)	(46,575)	(2,224)	(85,701)	(698,367)
Marketing expenses	(194,463)	(48,764)	(8,101)	(29,503)	(280,831)
Research & development expenses	(14,570)	(1,595)	(92)	(2,650)	(18,907)
General and administrative expenses	(131,060)	(18,853)	(7,324)	(15,764)	(173,001)
Share of profit/(loss) from associates and joint ventures	(13,640)	–	–	–	(13,640)
Other operating income	38,990	4	–	130	39,124
Other operating expenses	(6,779)	(206)	–	(94)	(7,079)
Operating profit/(loss)	**269,174**	**51,518**	**435**	**(10,413)**	**310,714**
% of net sales	*19.8%*	*22.8%*	*1.7%*	*(6.2%)*	*17.4%*

There are no significant inter-segment transfers or transactions.

5. SEGMENT INFORMATION *(CONTINUED)*

5.2. Geographic areas

(a) Net sales by location

Net sales allocated based on the location of the invoicing subsidiary are as follows:

	2023		2022	
In thousands of euros	**Total**	**In %**	**Total**	**In %**
Asia	896,231	*42.0%*	875,420	*49.1%*
Including China	*298,096*	*14.0%*	*327,994*	*18.4%*
Americas	695,016	*32.6%*	343,306	*19.3%*
Including the United States	*581,267*	*27.2%*	*251,725*	*14.1%*
EMEA	543,443	*25.5%*	562,632	*31.6%*
Net sales	**2,134,689**	***100%***	**1,781,358**	***100%***

In the EMEA total there are the net sales for Luxembourg. The amount was nil in FY23 and in FY22.

(b) Non-current assets by location

The following table shows the breakdown of non-current assets by location, allocated based on the location of the subsidiary owning the asset.

	2023			2022		
In thousands of Euros	**Property, Plant and Equipment**	**Right-of-use assets**	**Intangible assets**	**Property, Plant and Equipment**	**Right-of-use assets**	**Intangible assets**
Asia	28,528	74,959	1,556	25,980	71,648	1,438
Including China	*7,079*	*7,151*	*707*	*6,852*	*6,995*	*757*
Americas	22,654	71,058	450,577	26,005	79,391	445,191
Including the United States	*10,796*	*43,266*	*449,638*	*12,460*	*50,167*	*444,401*
EMEA	74,053	125,639	38,055	76,739	113,895	40,726
Including Luxembourg	*5*	*220*	*1,419*	*810*	*9,399*	*20,087*
Total	**125,234**	**271,656**	**490,188**	**128,724**	**264,934**	**487,355**

Notes to the Consolidated Financial Statements

6. INFORMATION RELATING TO GROUP STRUCTURE

6.1. For the year ended 31 March 2023

6.1.1 Exit from Russia

On 19 May 2022, the Group decided to exit from its subsidiary L'Occitane Russia. This subsidiary accounted for 3.5% of consolidated net sales for the year to 31 March 2022 and 2.1% of the Group's total assets as at that date. On 3 June 2022, a share purchase agreement was signed between the Group and the four key directors of the subsidiary. Each of the four key directors hold between 23% and 31% of the total shares formerly held by the Group.

Payment for the shares will be made through four instalments between June 2025 and June 2028 (Note 3.3) and is secured by a pledge agreement signed on 3 June 2022. There is a call option exercisable for the Group on 1 April 2025, 2026, 2027, 2028 and 2029. The exercise price is based on the fair value to be determined by an independent expert.

Based on these agreements, the Group no longer has exclusive control of the Russian entity and does not have significant influence. The exit from the Group was completed on 31 May 2022 (the three days between 31 May 2022 and the date of agreements were assessed by management as not material).

Derecognition of the assets and liabilities of L'Occitane Russia

The following assets (including goodwill) and liabilities of L'Occitane Russia were derecognised:

Assets *In millions of euros*	**31 March 2022**
Property, plant and equipment	2.1
Right-of-use assets	15.9
Goodwill	28.5
Intangible assets	0.6
Deferred income tax assets	2.8
Other non-current assets	1.2
Non-current assets	**51.0**
Inventories	10.2
Trade receivables	8.1
Other current assets	2.7
Cash and cash equivalents	11.7
Current assets	**32.7**
Total assets	**83.8**
Lease liabilities	9.8
Other non-current liabilities	0.2
Non-current liabilities	**10.0**
Trade payables	15.3
Social and tax liabilities	3.3
Lease liabilities	6.5
Other current liabilities	1.0
Provisions	0.0
Other current liabilities	**26.1**
Total liabilities	**36.1**
Net assets	**47.6**

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.1. For the year ended 31 March 2023 *(continued)*

6.1.1 Exit from Russia (continued)

Derecognition of the assets and liabilities of L'Occitane Russia *(continued)*

The impact on the consolidated financial statements of the two months of activity in April and May is €10.4 million in net sales and €1.2 million in profit.

Loss resulting from the sale of L'Occitane Russia

The capital loss on disposal estimated as at 3 June 2022 amounts to €14.4 million and is composed of (in millions of euros):

Fair value of the receivable after illiquidity discount	44.6
(-) Net assets of the Russian entity as at 3 June 2022	47.6
(-) Net amount of loss on trade receivables and reversal of consolidation entries	(0.6)
Capital loss from the sale of L'Occitane Russia before reclassification of currency translation differences	**(3.6)**
(-) Reclassification to statement of income of the charge previously recognised in other comprehensive income (currency translation differences)	(10.8)
Capital loss from the sale of L'Occitane Russia	**(14.4)**

The capital loss is recorded within "Other operating expenses" in the statement of income (see Note 3.3 for details on the fair value of the receivable).

6.1.2 Acquisition of Grown Alchemist

On 1 April 2022, L'Occitane International S.A. acquired from LOG Investment (a subsidiary of the parent company L'Occitane Group S.A.), 49.24% of the equity interests (representing 76.18% of the voting rights) in 14 Groupe S.A.. 14 Groupe S.A holds 65% of the equity interests and voting rights of Grown Alchemist for an amount of €5,033,000. L'Occitane International S.A holds 32.01% of the equity interests of Grown Alchemist.

As the transaction is a business combination under common control, the Group applied IFRS 3 by analogy and used the acquisition method of accounting.

Grown Alchemist is an Australian brand with cross-category success across skincare, bodycare, haircare and nutricosmetics supplements.

Consideration for the acquisition in thousands of euros

The breakdown of the consideration was as follows:

Cash paid	5,033
Ordinary shares issued	–
Contingent consideration	–
Percentage interest	32.01%
Net identifiable assets acquired by the Group	1,645
Provisional goodwill	**3,388**

Notes to the Consolidated Financial Statements

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.1. For the year ended 31 March 2023 *(continued)*

6.1.2 Acquisition of Grown Alchemist (continued)

Assets acquired and liabilities assumed in millions of euros

ASSETS *In millions of euros*	**Carrying amount — April 1, 2022**	**Fair value adjustment**	**Fair value**
Property, plant and equipment, net	1.0	–	1.0
Intangible assets, net	0.2	–	0.2
Other non-current receivables	0.1	–	0.1
Non-current assets	**1.3**	**–**	**1.3**
Inventories	5.6	–	5.6
Trade receivables	1.9	–	1.9
Other current assets	0.4	–	0.4
Cash and cash equivalents	1.5	–	1.5
Current assets	**9.3**	**–**	**9.3**
Total assets	**10.6**	**–**	**10.6**
LIABILITIES *In thousands of euros*			
Borrowings	2.7	–	2.7
Non-current liabilities	**2.7**	**–**	**2.7**
Trade payables	1.5	–	1.5
Social and tax liabilities	0.4	–	0.4
Other current liabilities	0.9	–	0.9
Current liabilities	**2.8**	**–**	**2.8**
Total liabilities	**5.5**	**–**	**5.5**
Net identifiable assets acquired	5.1	–	5.1
Deduct: non-controlling interests	(3.5)	–	(3.5)
Add: goodwill	–	–	3.4
Net assets acquired	**1.6**	**–**	**5.0**

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.1. For the year ended 31 March 2023 *(continued)*

6.1.2 Acquisition of Grown Alchemist (continued)

Assets acquired and liabilities assumed in millions of euros *(continued)*

The Group recognises non-controlling interests in an acquired entity based on the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

The put options granted by the Group to non-controlling interests are measured according to accounting policy (Note 2.2).

Goodwill is attributable to the acquisition's strategic fit for the Group in terms of brand recognition and identity, product quality, management capability, and growth, profitability, and cash generation prospects. The acquisition is in line with the Group's strategy of building a leading portfolio of premium beauty brands.

Contribution to net sales and profit

The acquired business contributed to €15.0 million to the Group's net sales and a loss for €4.2 million in the consolidated financial statements.

6.1.3 Investment in L'Occitane Middle East

On 1 June 2022, the Group invested an additional amount of €13.5 million in cash in L'Occitane Middle East to develop its activity in Saudi Arabia. The percentage interest remained stable at 51% (Note 11).

6.2. For the year ended 31 March 2022

6.2.1 Acquisition of Sol de Janeiro

On 23 December 2021, the Group acquired 82.86% of Sol de Janeiro for a total consideration of €378.7 million (see also Note 6.3 on put options granted to non-controlling shareholders).

Consideration for the acquisition in millions of euros

The breakdown of the consideration was as follows:

Cash paid	330,877
Ordinary shares issued	–
Contingent consideration	–
Percentage interest	82.86%
Net identifiable assets acquired by the Group	154,799
Provisional goodwill	**202,618**

As at 31 March 2023, the final goodwill amounted to €203 million.

Notes to the Consolidated Financial Statements

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.2. For the year ended 31 March 2022 *(continued)*

6.2.1 Acquisition of Sol de Janeiro (continued)

Assets acquired and liabilities assumed

ASSETS *In thousands of euros*	**Carrying amount — December 31, 2021**	**Fair value adjustment**	**Fair value**
Property, plant and equipment, net	0.9	–	0.9
Intangible assets, net	1.1	156.7	157.8
Deferred income tax assets	2.7	–	2.7
Other non-current receivables	0.3	–	0.3
Non-current assets	**5.0**	**156.7**	**161.7**
Inventories	20.2	–	20.2
Trade receivables	5.9	–	5.9
Other current assets	6.3	–	6.3
Cash and cash equivalents	8.7	–	8.7
Current assets	**41.1**	**–**	**41.1**
Total assets	**46.0**	**156.7**	**202.7**
LIABILITIES *In thousands of euros*			
Deferred income tax liabilities	–	35.3	35.3
Non-current liabilities	**–**	**35.3**	**35.3**
Trade payables	9.3	–	9.3
Social and tax liabilities	0.4	–	0.4
Other current liabilities	3.0	–	3.0
Current liabilities	**12.7**	**–**	**12.7**
Total liabilities	**12.7**	**35.3**	**47.9**
Net identifiable assets acquired	**33.3**	**121.4**	**154.8**
Deduct: non-controlling interests	(5.7)	(20.8)	(26.5)
Add: goodwill	–	–	202.6
Net assets acquired	**27.6**	**100.6**	**330.9**

The Group recognises non-controlling interests in an acquired entity based on the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Goodwill was attributable to the acquisition's strategic fit for the Group in terms of brand recognition and identity, product quality, management capability, and growth, profitability, and cash generation prospects. The acquisition was in line with the Group's strategy of building a leading portfolio of premium beauty brands.

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.2. For the year ended 31 March 2022 *(continued)*

6.2.1 Acquisition of Sol de Janeiro (continued)

Purchase price allocation and fair value adjustments

The purchase price allocation led to the measurement of the identifiable assets and liabilities of Sol de Janeiro at fair value as at 31 December 2021.

The fair value adjustments were as follows:

- The fair value of the trademark was estimated based on the royalty method with a net royalty rate of 7.7% and a post-tax discount rate of 10.3%, including a positive tax amortisation effect;
- Deferred tax liabilities were recognized on the fair value adjustment of the trademark.

As at 31 March 2022, the above fair values had been determined on a provisional basis. The net identifiable assets acquired are based on the net carrying amount of assets and liabilities as at 31 December 2021. As at 31 March 2023, the above fair values are final.

The impact between the acquisition date at 23 December 2021 and the consolidation as from 31 December 2021 was not material.

Contribution to net sales and profit

The acquired business contributed €26.1 million to the Group's net sales and €2.0 million to its profit for the period from 31 December 2021 to 31 March 2022.

If the acquisition had occurred on 1 April 2021, consolidated unaudited pro-forma net sales and profit for the year ended 31 March 2022 would have been €90.5 million and €15.5 million, respectively.

Acquisition-related costs

Acquisition-related costs amounted to €2.9 million and were recognised as administrative expenses. Acquisition costs comprise insurance costs for €0.5 million, corresponding to the liability guarantee clause covered by the insurer and paid by the Company.

6.2.2 L'Occitane Inc. Chapter 11 proceedings

Context

On 14 January 2021, the Board of Directors approved the decision to file Chapter 11 proceedings with respect to L'Occitane Inc. The case was filed on 26 January 2021 before the bankruptcy court of New Jersey (the "Court"). The aim of proceedings was to facilitate the negotiation of lease arrangements with lessors. The goal was to reach a consensual plan under which general unsecured creditors (mainly lessors) would agree to accept payment of less than the full amount of the liabilities. There was no plan to liquidate the subsidiary.

The Group owned 100% of L'Occitane Inc. However, based on the legal restrictions applicable to Chapter 11 proceedings, the operational activities of L'Occitane Inc. were managed through motions that must be validated by the Court. Motions granted by the Court to L'Occitane Inc. to operate the business could have been overturned by the same Court. The Group no longer controlled the relevant activities. Consequently, the exclusive control of L'Occitane Inc. was lost as soon as bankruptcy proceedings were filed. L'Occitane Inc. was deconsolidated at the date the proceedings were filed with the Court (26 January 2021). Subsequent to the derecognition of the assets and liabilities of L'Occitane Inc., the Group's investment in L'Occitane Inc. was recorded using the equity method.

Notes to the Consolidated Financial Statements

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.2. For the year ended 31 March 2022 *(continued)*

6.2.2 L'Occitane Inc. Chapter 11 proceedings (continued)

Context *(continued)*

As of 31 August 2021, the Chapter 11 proceedings were closed by the Court and this date was considered as the effective date for the reconsolidation of L'Occitane Inc., since the Court had no control of L'Occitane Inc. At this date, the L'Occitane Group therefore regained exclusive control of the subsidiary, which was reconsolidated in its consolidated financial statements.

In the consolidated financial statements, the impact of the operations of L'Occitane Inc. was presented as follows:

- As an investment accounted for using the equity method from 1 April 2021 to 31 August 2021: the net loss in the consolidated statement of income amounts to €8.9 million and was presented within "Share of profit/(loss) from associates and joint ventures accounted for using the equity method" (Note 11);
- As a fully consolidated subsidiary for the month from September 2021. Net sales and net profit for the period from September 2021 to March 2022 amounted to €89.7 million and €2.5 million, respectively.

Fair value of the Group's investment in L'Occitane Inc.

As at 31 August 2021, the Group remeasured the fair value of L'Occitane Inc. at €0 million, including a creditor current account with the Group for €19,942,000 considered as part of net debt.

The key underlying assumptions for the zero fair value estimate of L'Occitane Inc. were as follows:

- The enterprise value was estimated in a range of $40.0 million–$44.9 million based on the discounted cash flow (DCF) method (50%) and the public companies multiples method (50%);
- Under the DCF method, the annual growth rate (CAGR) and the EBIT margin were estimated at 2% and 2.5%, respectively. The WACC used was 9.5 %. The terminal value takes into account a long-term growth rate of 2% in line with the inflation forecast data for the United States;
- For the public companies multiples method, the revenue multiple applicable was estimated in a range of 0.23x–0.27x, while the EBIT multiple applicable was estimated in a range of 10.6x–11.6x;
- Net debt was deducted from the enterprise value in an amount of $42.3 million to take into account the intercompany loan, cash, the normalisation of the net working capital and the cash-outs related to the finalisation of Chapter 11 proceedings (accounts payable to landlords, rejected part of accounts payable to landlords and professional fees).

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.2. For the year ended 31 March 2022 *(continued)*

6.2.2 L'Occitane Inc. Chapter 11 proceedings (continued)

Reconsolidation of the assets acquired and liabilities assumed of L'Occitane Inc.

The fair value of the investment in L'Occitane Inc. amounting to €0 million was considered as the acquisition price.

As at 31 August 2021, the following assets and liabilities of L'Occitane Inc. were recognized as a result of the reconsolidation:

ASSETS *In thousands of euros*	**Carrying amount — 31 August 2021**	**Fair value adjustment**	**Provisional fair value**
Property, plant and equipment, net	12.3	–	12.3
Intangible assets, net	0.3	–	0.3
Right-of-use assets	55.3	–	55.3
Deferred income tax assets	14.1	–	14.1
Other non-current receivables	0.6	–	0.6
Non-current assets	**82.5**	**–**	**82.5**
Inventories	16.1	–	16.1
Trade receivables	5.9	–	5.9
Current income taxes	0.9	–	0.9
Other current assets	3.8	–	3.8
Cash and cash equivalents	20.9	–	20.9
Current assets	**47.5**	**–**	**47.5**
Total assets	**130.1**	**–**	**130.1**
LIABILITIES *In thousands of euros*			
Borrowings	–	–	–
Lease liabilities	45.0	–	45.0
Other non-current liabilities	0.3	–	0.3
Non-current liabilities	**45.3**	**–**	**45.3**
Trade payables	50.3	–	50.3
Social and tax liabilities	3.4	–	3.4
Borrowings	19.9	–	19.9
Lease liabilities	12.6	–	12.6
Other current liabilities	3.7	–	3.7
Provisions	0.1	–	0.1
Current liabilities	**90.1**	**–**	**90.1**
Total liabilities	**135.4**	**–**	**135.4**
Net assets acquired/(liabilities assumed)	**(5.3)**	**–**	**(5.3)**
Non-controlling interests	1.3	–	1.3
Fair value of L'Occitane	–	–	–
Goodwill	**6.6**	**–**	**6.6**

Notes to the Consolidated Financial Statements

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.2. For the year ended 31 March 2022 *(continued)*

6.2.2 L'Occitane Inc. Chapter 11 proceedings (continued)

Purchase price allocation and fair value adjustments

During the purchase price allocation process, the identifiable assets and liabilities of L'Occitane Inc. were measured at fair value as at 31 August 2021.

The bases for fair value adjustments were as follows:

- L'Occitane Inc. did not own any trademarks;
- Customer relationships (Wholesale & other channel): given that there were no long-term exclusive distribution agreements, the fair value of customer relationships is not deemed to be material;
- Right-of-use assets were measured at an amount equal to the recognised liability. Due to the renegotiation of the lease terms with the landlords during the Chapter 11 proceedings, the new lease terms reflected the market terms and no fair value adjustment was necessary;
- Deferred tax assets were recognised based on the tax planning, taking into account the Group's transfer pricing policy;
- The lease liability was measured in accordance with IFRS 16 and recognised as if lease contracts were new leases as at 31 August 2021.

Goodwill resulting from this business combination was attributable to future synergies, mainly thanks to the acquisition of a reorganised stores network with renegotiated lease arrangements.

There was no deductible goodwill for tax purposes.

6.2.3 Investment in Carbios

On 10 May 2021, the Group acquired shares in Carbios S.A., specialising in plastic and packaging product recycling, for an initial amount of €10,000,000. The shares acquired represent less than 3% of the total share capital (Note 3.3).

6.2.4 Investment in L'Occitane Middle East

On 1 October 2021, the Group invested an additional amount of €4,924,138 in L'Occitane Middle East to develop its activity in Dubai. The percentage interest remained stable at 51%.

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.2. For the year ended 31 March 2022 *(continued)*

6.2.5 Acquisition of a non-controlling interest in Elemis

On 28 March 2022, the Group repurchased 926 Elemis shares (corresponding to 7.72% of the total issued share capital of LOI Elemis Sarl) for a purchase price of €76.6 million from Chasselas Equity S.A. These shares were sold to Chasselas Equity S.A on 6 March 2019. Following this acquisition, the Group's percentage interest increased from 90.9% to 98.62%.

The Group recognised a decrease in non-controlling interests and a decrease in equity attributable to owners of the Group. The effect of this acquisition can be summarized as follows:

In thousands of euros	**31 March 2022**
Carrying amount of non-controlling interests acquired	68,878
Consideration paid to non-controlling interests	76,579
Excess of consideration paid recognised in the transactions with non-controlling interests reserve within equity (attributable to owners of the Company)	**(7,701)**

6.2.6 New non-controlling interest in Symbiose France

On 16 December 2021, the general manager of Symbiose France acquired 2.21% (corresponding to 31 shares) of Symbiose France for a purchase price of €1 million. The percentage interest decreased from 100% to 97.79%.

The Group recognised an increase in non-controlling interests and an increase in equity attributable to owners of the Group. The effect of this acquisition can be summarized as follows:

In thousands of euros	**31 March 2022**
Carrying amount of non-controlling interests sold	147
Consideration received from non-controlling interests	1,000
Excess of consideration received recognised in the transactions with non-controlling interests reserve within equity (attributable to owners of the Company)	**853**

A put option was granted to the non-controlling shareholder and general manager of Symbiose France in an amount of €4,071,000 as at 31 March 2022. The put option can be exercised in 2025.

Notes to the Consolidated Financial Statements

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.3. Other financial liabilities

Changes in other financial liabilities

Other financial liabilities correspond mainly to put option arrangements. The following put options have been granted by the Group to non-controlling interests:

			Excess of consideration in transactions with non-controlling interests				
				Change in the valuation of the exercise price of the put options granted to non-controlling interests			
In thousands of euros	% non-controlling shareholders with put options	31 March 2022	New put options	Changes in estimates in the valuation of the exercise price	Unwinding of discount	Exchange differences	31 March 2023
Put on Sol de Janeiro non-controlling interests	17.30%	150,463	–	127,365	1,505	5,805	285,138
Put on 14 Groupe SA non-controlling interests	50.76%	–	27,900	(3,023)	793	(2,270)	23,400
Put on Grown Alchemist non-controlling interests	35.00%	–	17,632	(6,832)	210	(974)	10,036
Put on Elemis non-controlling interests	1.40%	15,435	–	(1,775)	111	–	13,771
Put on Symbiose France non-controlling interests	2.20%	4,071	–	225	61	–	4,357
Put on L'Occitane GmbH non-controlling interests	30%	1,896	–	–	52	–	1,948
Total other financial liabilities		**171,865**	**45,532**	**115,960**	**2,732**	**2,561**	**338,650**

The Group records all changes related to (i) changes in estimates, (ii) exchange differences and (iii) unwinding of discounts in equity within "Excess of consideration in transactions with non-controlling interests".

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.3. Other financial liabilities *(continued)*

Inputs used by management to determine the present value of the put options

The following table summarises quantitative information about significant unobservable inputs used in the measurement of the present value of the redemption amount of the main put options granted to non-controlling interests:

in thousands of euros	**Present value of the redemption amount**		**Unobservable inputs**	**Range of inputs**		**Relationship of unobservable inputs to present value of redemption amount**
	31 March 2022	**31 March 2023**		**31 March 2022**	**31 March 2023**	
Put on Sol de Janeiro non-controlling interests	150,463	285,138	Annual EBIT growth rate	17% / 27%	15% / 19%	Increasing the annual EBIT growth rate by 100 basis points would increase the present value by €2,851,000. Decreasing the annual EBIT growth rate by 100 basis points would decrease the present value by €2,851,000.
			Annual EBITDA growth rate	27%	19%	
			Average % EBIT over the plan	22%	20%	
Put on Elemis non-controlling interests	15,435	13,771	Annual EBITDA growth rate Compound annual growth rate ("CAGR") % EBITDA over the plan FY24	Same unobservable inputs as the ones used in the Elemis business and disclosed in note 4.1		Increasing the annual EBITDA growth rate by 100 basis points would increase the present value by €138,000. Decreasing the annual EBITDA growth rate by 100 basis points would decrease the present value by €138,000.
Put on Symbiose Cosmetics non-controlling interests	4,071	4,357	Annual EBITDA growth rate	17 / 27%	-6% / 26%	Increasing the annual EBITDA growth rate by 100 basis points would increase the present value by €19,000. Decreasing the annual EBITDA growth rate by 100 basis points would decrease the present value by €19,000.
			Compound annual growth rate ("CAGR")	9%	9%	
			Average % EBITDA over the plan	18%	20%	

Notes to the Consolidated Financial Statements

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.3. Other financial liabilities *(continued)*

Inputs used by management to determine the present value of the put options (continued)

in thousands of euros	Present value of the redemption amount		Unobservable inputs	Range of inputs		Relationship of unobservable inputs to present value of redemption amount
	31 March 2022	31 March 2023		31 March 2022	31 March 2023	
Put on L'Occitane GmbH non-controlling interests	1,896	1,948	Annual EBITDA growth rate	3% / 5%	1% / 5%	Increasing the annual EBITDA growth rate by 100 basis points would increase the present value by €19,000. Decreasing the annual EBITDA growth rate by 100 basis points would decrease the present value by €19,000.
			Compound annual growth rate ("CAGR")	3%	2%	
			Average % EBITDA over the plan	26%	26%	
Put option arrangement in 14 Groupe S.A non-controlling interests	–	23,400	Annual EBITDA growth rate	–	27% / 33%	Increasing the discount rate by 100 basis points and decreasing the annual EBITDA growth rate by 100 basis points would decrease the present value by €683,000. Decreasing the discount rate by 100 basis points and increasing the annual EBITDA growth rate by 100 basis points would increase the present value by €718,000.
			Compound annual growth rate ("CAGR")	–	15%	
			Average % EBITDA over the plan	–	20%	
Put option arrangement in Grown Alchemist Holdings Pty Ltd non-controlling interests	–	10,036	At the acquisition date, a put option was granted to the non-controlling shareholders of Grown Alchemist Holdings Pty Ltd for an amount of €17.6m. On May 4, 2023, the Board approved the acquisition of the shares held by the non-controlling shareholders for an amount of €10m. As at March 31, 2023, the fair value of the put option corresponds to the purchase price for the shares.			

6. INFORMATION RELATING TO GROUP STRUCTURE *(CONTINUED)*

6.3. Other financial liabilities *(continued)*

Other considerations regarding the put options

Assumptions	Approach used to determine values
Discount rate	Reflect current market assessments of the time value and the risk specific to the liability.
Timing	Management assumed exercise of the put option as from the beginning of the exercisable period: • Put on Sol de Janeiro: exercise windows between 2025 and 2027 • Put on Elemis: from April 1st, 2024 • Put on Symbiose: exercise windows between 2024 and 2037 • Put on L'Occitane GmbH: from March 1st, 2027 • Put on 14 Group S.A.: exercise windows between 2025 and 2027
Annual EBITDA growth factor	The EBITDA is defined as follows: operating profit before depreciation, amortisation and impairment. Estimated based on the plan for the company excluding the effects of IFRS 16
Annual EBIT growth factor	The EBIT corresponds to the operating profit. Estimated based on the plan for the company excluding the effects of IFRS 16
Put option arrangement in Sol de Janeiro	The put option granted to Sol de Janeiro non-controlling interests can be exercised at different periods at an exercise price based on an EBIT multiple (between 20x and 17x). Under certain circumstances of departure of the non-controlling shareholder, the multiple is decreased to a minimum of 17x. This contingent consideration arrangement in which the payment is decreased if employment terminates for specific reasons corresponds to remuneration for post-combination services recorded as a social liability and recognised as remuneration expense over the 3-year vesting period (Note 24).
Put option arrangement in 14 Groupe S.A.	The put option granted to 14 Groupe S.A non-controlling interests can be exercised in FY 2027 at an exercise price based on an EBITDA multiple. The EBITDA multiple increases in line with the increase in EBITDA (from 10x to 17x).

Notes to the Consolidated Financial Statements

7. PROPERTY, PLANT AND EQUIPMENT

7.1. Year ended 31 March 2023

As at 31 March 2023, property, plant and equipment can be analysed as follows:

In thousands of euros	Land	Buildings	Machinery and equipment	Other PP& E	Leasehold and improvements related to stores	Other PP&E related to stores	PP&E in progress	Total
Cost as at 31 March 2022	**3,476**	**61,026**	**71,725**	**113,140**	**136,815**	**34,982**	**5,502**	**426,666**
Additions	–	4	4,252	13,366	19,576	3,241	3,230	43,669
Disposals	–	(332)	(1,720)	(6,484)	(12,112)	(3,263)	(798)	(24,709)
Acquisition of subsidiaries	–	–	381	38	597	–	–	1,016
Deconsolidation of L'Occitane Russia	–	–	–	(2,522)	(3,438)	(3,231)	(87)	(9,278)
Other movements	–	18	4,560	1,203	6,968	2,914	(3,118)	12,545
Exchange differences	(43)	(200)	(158)	(573)	(3,673)	(224)	19	(4,852)
Cost as at 31 March 2023	**3,433**	**60,516**	**79,040**	**118,168**	**144,733**	**34,419**	**4,748**	**445,057**
Accum. depreciation as at 31 March 2022	–	**(32,054)**	**(51,337)**	**(94,170)**	**(93,841)**	**(26,540)**	**–**	**(297,942)**
Depreciation	–	(3,401)	(6,287)	(14,667)	(15,852)	(3,182)	–	(43,389)
Reversal of impairment loss	–	–	–	–	918	–	–	918
Disposals	–	262	1,721	6,137	10,886	3,217	–	22,223
Deconsolidation of L'Occitane Russia	–	–	–	1,547	2,990	2,664	–	7,201
Other movements	–	–	(3,536)	(351)	(6,081)	(2,556)	–	(12,524)
Exchange differences	–	31	73	604	2,809	173	–	3,690
Accum. depreciat. as at 31 March 2023	**–**	**(35,162)**	**(59,366)**	**(100,900)**	**(98,171)**	**(26,224)**	**–**	**(319,823)**
Net carrying amount as at 31 March 2023	**3,433**	**25,354**	**19,674**	**17,268**	**46,562**	**8,195**	**4,748**	**125,234**

Additions of the period mainly relate to 87 store openings and refurbishments for €19,576,000.

Disposals of the period mainly relate to 106 store closures.

Excluding non-cash items, total cash additions amount to €43,901,000.

7. PROPERTY, PLANT AND EQUIPMENT *(CONTINUED)*

7.2. Year ended 31 March 2022

As at 31 March 2022, property, plant and equipment can be analysed as follows:

In thousands of euros	Land	Buildings	Machinery and equipment	Other PP& E	Leasehold and improvements related to stores	Other PP&E related to stores	PP&E in progress	Total
Cost as at 31 March 2021	**3,246**	**59,169**	**67,828**	**105,793**	**127,170**	**32,737**	**5,417**	**401,360**
Additions	35	41	2,737	8,184	13,295	2,982	3,457	30,731
Disposals	–	–	(320)	(4,599)	(17,734)	(5,097)	(124)	(27,874)
Acquisition of subsidiaries	–	–	457	2,627	7,413	2,704	–	13,201
Other movements	–	722	574	(1,757)	3,172	456	(3,353)	(186)
Exchange differences	195	1,094	449	2,892	3,499	1,200	105	9,434
Cost as at 31 March 2022	**3,476**	**61,026**	**71,725**	**113,140**	**136,815**	**34,982**	**5,502**	**426,666**
Accum. depreciation as at 31 March 2021	**–**	**(28,129)**	**(44,894)**	**(82,845)**	**(89,889)**	**(25,256)**	**–**	**(271,013)**
Depreciation	–	(3,805)	(6,516)	(13,434)	(16,483)	(5,414)	–	(45,652)
Impairment loss	–	–	–	–	(3,784)	–	–	(3,784)
Reversal of impairment loss	–	–	–	41	1,144	–	–	1,185
Disposals	–	–	275	4,607	16,999	4,965	–	26,846
Acquisition of subsidiaries	–	–	–	–	–	–	–	–
Other movements	–	–	(6)	(1,280)	1,052	(4)	–	(238)
Exchange differences	–	(120)	(196)	(1,259)	(2,880)	(831)	–	(5,286)
Accum. depreciat. as at 31 March 2022	**–**	**(32,054)**	**(51,337)**	**(94,170)**	**(93,841)**	**(26,540)**	**–**	**(297,942)**
Net carrying amount as at 31 March 2022	**3,476**	**28,972**	**20,388**	**18,970**	**42,974**	**8,442**	**5,502**	**128,724**

Additions of the period mainly relate to 80 store openings and refurbishments for €13,295,000.

Disposals of the period mainly relate to 110 store closures.

Excluding non-cash items, total cash additions amount to €31,726,000.

Notes to the Consolidated Financial Statements

7. PROPERTY, PLANT AND EQUIPMENT *(CONTINUED)*

7.3. Classification of PP&E depreciation in the statement of income

Depreciation of the Group's property, plant and equipment was charged to the consolidated statement of income as follows:

31 March *In thousands of euros*	**2023**	**2022**
Cost of sales	9,250	10,189
Distribution expenses	27,511	29,251
Marketing expenses	118	114
Research and development expenses	583	890
General and administrative expenses	5,927	5,208
Depreciation expense	**43,389**	**45,652**

7.4. Impairment tests of property, plant and equipment

31 March *In thousands of euros*	**2023**	**2022**
Accumulated impairment provision as of the beginning of the year	**(6,479)**	**(3,701)**
Impairment provision	–	(3,784)
Reversal of impairment loss (used)	918	125
Reversal of impairment loss (unused)	–	1,060
Acquisition of subsidiaries	–	(154)
Exchange differences	–	(25)
Accumulated impairment provision as at 31 March	**(5,561)**	**(6,479)**

Property, plant and equipment are allocated to the Group's cash-generating units (CGUs) and are tested for impairment as described in Note 2.6.

An impairment loss amounting to €3,784,000 as at 31 March 2022 was recorded within "cost of sales" and "distribution expenses" to adjust the carrying amount of fixed assets related to the stores.

The reversal of used impairment provisions corresponds to stores that are closed.

8. LEASES

This note provides information on leases where the Group is a lessee.

8.1. Right-of-use assets

Amounts recognised in the consolidated balance sheet

Changes in right-of-use assets can be analysed as follows:

In thousands of euros	**Stores**	**Offices**	**Other**	**Total**
Net book value as at 31 March 2022	**199,975**	**46,201**	**18,758**	**264,934**
Additions	104,593	17,976	16,958	139,527
Change in estimated lease term	(14,982)	(1,310)	(372)	(16,664)
Depreciation (Note 24.3)	(80,176)	(13,292)	(7,044)	(100,512)
Sale of L'Occitane Russia (Note 6.1)	(12,812)	(2,398)	(665)	(15,875)
Impairment loss net of reversals (note 24.3)	(418)	–	–	(418)
Reclassification	179	(22)	20	177
Exchange differences	220	541	(274)	487
Net book value as at 31 March 2023	**196,579**	**47,696**	**27,381**	**271,656**

During the year ended 31 March 2023, additions mainly relate to new stores (€12,521,000) and other effects such as the extension or renewal of contracts or new offices (€113,534,000).

During the financial year ended 31 March 2022, the Group reassessed the lease term of the store on the Champs-Elysées, Paris, France as a shorter period until the next exit option in July 2023. This resulted in a decrease in the net carrying amount of the right-of-use assets and of lease liabilities. On 19 December 2022, an agreement was reached in which the Group waives its right to the exit option in July 2023 and is eligible for a rent-free period of 8 months in an amount of €3.1 million from 1 April 2023. The contract and the lease term are then extended until July 2026 which resulted in an increase in the net carrying amount of the right-of-use assets and of lease liabilities by €10.7 million.

The key money for the flagship store on the Champs-Elysées is pledged for an amount of €15,599,273 as security for the 2019 Long-Term Loan.

Amounts recognized in the consolidated statement of income

The consolidated statement of income shows the following amounts relating to leases:

31 March 2023 *In thousands of euros*	**Stores**	**Offices**	**Other**	**Total**
Distribution expenses	(80,176)	–	–	(80,176)
General and administrative expenses	–	(13,292)	(7,044)	(20,336)
Depreciation expense	**(80,176)**	**(13,292)**	**(7,044)**	**(100,512)**

31 March 2022 *In thousands of euros*	**Stores**	**Offices**	**Other**	**Total**
Distribution expenses	(73,524)	–	–	(73,524)
General and administrative expenses	–	(16,868)	(5,723)	(22,591)
Depreciation expenses	**(73,524)**	**(16,868)**	**(5,723)**	**(96,115)**

Notes to the Consolidated Financial Statements

8. LEASES *(CONTINUED)*

8.1. Right-of-use assets *(continued)*

Impairment tests for right-of-use assets

31 March 2023

In thousands of euros	**2023**	**2022**
Accumulated impairment as of the beginning of year	**(27,561)**	**(9,792)**
Impairment loss	(4,064)	(19,923)
Reversal of impairment loss (used)	3,646	2,155
Exchange differences	143	(1)
Accumulated impairment provision as at March	**(27,836)**	**(27,561)**

Right-of-use assets are allocated to the Group's cash-generating units (CGUs) and are tested for impairment as described in Note 2.7. Note 4.1 describes the key assumptions used for the value-in-use calculations.

An impairment loss amounting to €4,064,000 as at 31 March 2023 was recorded within "Distribution expenses" to adjust the carrying amount of certain right-of-use assets related to stores.

The reversal of used impairment provisions corresponds to stores that are closed.

8.2. Lease liabilities

Amounts recognised in the consolidated balance sheet

Maturities of lease liabilities can be analysed as follows:

In thousands of euros	**2023**	**2022**
Within 1 year	82,393	93,722
Between 1 and 2 years	66,993	65,812
Between 2 and 5 years	92,925	88,800
Over 5 years	33,391	25,898
Period ended 31 March	**275,702**	**274,232**
Total current portion	**82,393**	**93,722**
Total non-current portion	**193,309**	**180,510**

The total cash outflow for leases for the year ended 31 March 2023 was €113,553,000.

Amounts recognised in the consolidated statement of income

The consolidated statement of income shows the following amounts relating to leases:

In thousands of euros	**31 March 2023**	**31 March 2022**
Interest expense (included in finance costs)	7,609	8,861
Expense related to short-term leases (included in distribution expenses)	4,021	5,956
Expense related to leases of low-value assets that are not shown above as short-term leases (included in cost of sales and administrative expenses)	3	8
Expense related to variable lease payments not included in lease liabilities (included in distribution expenses)	67,155	74,119
Total	**78,788**	**88,944**

The variable lease payments are mainly linked to sales generated from stores.

9. GOODWILL

Goodwill is monitored by management at the level of the trademarks (Note 2.8).

9.1. Change in goodwill and breakdown

Change in goodwill can be analysed as follows:

In thousands of Euros		31 March 2021	Additions	Reconsolidation of L'Occitane Inc.	Exchange differences	31 March 2022	Additions	Sale of L'Occitane Russia	Impairment loss	Exchange differences & Other	31 March 2023
Elemis		524,301	–	–	13,355	537,656	–	–	–	(7,263)	530,393
Sol de Janeiro		–	202,618	–	6,260	208,878	–	–	–	4,333	213,211
LimeLife		113,392	–	–	6,362	119,754	–	–	–	2,484	122,238
L'Occitane [a]											
of which:	*Russia*	24,776	–	–	(695)	24,081	–	(28,491)	–	4,410	–
	Japan	19,979	–	–	(779)	19,200	–	–	–	(1,283)	17,917
	Malaysia	9,201	–	–	386	9,587	–	–	–	(264)	9,323
	Norway	5,016	–	–	147	5,163	–	–	–	(762)	4,401
	United States	–	–	6,620	372	6,992	–	–	–	145	7,137
	Other countries	20,863	–	–	1,000	21,863	–	–	–	(409)	21,454
Melvita		35,931	–	–	–	35,931	–	–	–	–	35,931
Erborian		2,384	–	–	–	2,384	–	–	–	–	2,384
Grown Alchemist		–	–	–	–	–	3,388	–	–	–	3,388
Total cost		**755,843**	**202,618**	**6,620**	**26,408**	**991,489**	**3,388**	**(28,491)**	**–**	**1,391**	**967,777**
Accumulated impairment loss [b]		(1,000)	–	–	–	(1,000)	–	–	(75,364)	2,129	(74,235)
Net carrying amount		**754,843**	**202,618**	**6,620**	**26,408**	**990,489**	**3,388**	**(28,491)**	**(75,364)**	**3,520**	**893,542**

(a) Goodwill related to L'Occitane en Provence results from past acquisitions of exclusive distributors in the above-mentioned countries.

(b) Impairment loss is related to the goodwill of Melvita for €22.8m and LimeLife for €52.5m.

9.2. Goodwill impairment testing

The key assumptions and sensitivity analysis are disclosed in Note 4.1.

Notes to the Consolidated Financial Statements

10. INTANGIBLE ASSETS

10.1. Year ended 31 March 2023

Intangible assets include:

- Acquired trademarks with indefinite useful lives;
- Internally used software, including enterprise resource planning (ERP) systems, point-of-sale systems, etc.

Changes in intangible assets can be analysed as follows:

In thousands of euros	Websites	Trademarks	Software	Contractual customer relation ships	Intangible assets progress	Other intangible assets	Total
Cost as at 31 March 2022	**819**	**434,844**	**76,992**	**34,567**	**5,675**	**25,464**	**578,361**
Additions	578	60	2,403	–	3,150	2,607	8,798
Disposals (Note 30.1)	(69)	(149)	(1,437)	–	(322)	(438)	(2,415)
Acquisition of subsidiaries	–	236	8	–	–	–	244
Deconsolidation of L'Occitane Russia (Note 6.2)	(229)	–	(587)	–	–	(1)	(817)
Other movements	1,546	–	(550)	–	(5,328)	4,120	(212)
Exchange differences	(50)	8,699	(71)	621	(17)	(27)	9,155
Cost as at 31 March 2023	**2,595**	**443,690**	**76,758**	**35,188**	**3,158**	**31,725**	**593,114**
Accumulated amortisation and impairment at 31 March 2022	**(348)**	**13**	**(64,286)**	**(12,171)**	**–**	**(14,214)**	**(91,006)**
Amortisation (Note 10.3)	(831)	–	(6,035)	(3,402)	–	(3,746)	(14,014)
Disposals (Note 30.1)	37	–	1,224	–	–	444	1,705
Deconsolidation of L'Occitane Russia	41	–	215	–	–	1	257
Other movements	(739)	–	788	–	–	(35)	14
Exchange differences	68	–	32	(18)	–	36	118
Accumulated amortisation and impairment as at 31 March 2023	**(1,772)**	**13**	**(68,062)**	**(15,591)**	**–**	**(17,514)**	**(102,926)**
Net carrying amount as at 31 March 2023	**823**	**443,703**	**8,696**	**19,597**	**3,158**	**14,211**	**490,188**

Additions mainly concerned:

- Assets in progress for €3,150,000 related mainly to software (excluding SaaS costs);
- Software for an amount of €2,403,000.

10. INTANGIBLE ASSETS *(CONTINUED)*

10.2. Year ended 31 March 2022

Intangible assets include:

- Acquired trademarks with indefinite useful lives (Sol de Janeiro, Elemis, Melvita);
- Internally used software, including enterprise resource planning (ERP) systems, point-of-sale systems, etc.

Changes in intangible assets can be analysed as follows:

In thousands of euros	Websites	Trademarks	Software	Contractual customer relation ships	Intangible assets progress	Other intangible assets	Total
Cost as at 31 March 2021	**56**	**259,155**	**73,321**	**33,191**	**6,102**	**23,456**	**395,281**
Additions	141	27	3,858	–	4,495	275	8,796
Disposals (Note 30.1)	(446)	(637)	(3,661)	(334)	(1)	–	(5,079)
Acquisition of subsidiaries (Note 6.2)	–	157,761	41	–	106	148	158,056
Other movements	1,069	–	2,684	–	(5,076)	1,539	216
Exchange differences	(1)	18,538	749	1,710	49	46	21,091
Cost as at 31 March 2022	**819**	**434,844**	**76,992**	**34,567**	**5,675**	**25,464**	**578,361**
Accumulated amortisation and impairment at 31 March 2021	**(7)**	**(611)**	**(59,283)**	**(8,574)**	**–**	**(10,857)**	**(79,332)**
Amortisation (Note 10.3, 10.4)	(183)	–	(8,731)	(3,478)	–	(3,337)	(15,729)
Disposals (Note 30.1)	446	624	3,476	334	–	–	4,880
Other movements	(603)	–	698	–	–	–	95
Exchange differences	(1)	–	(446)	(453)	–	(20)	(920)
Accumulated amortisation and impairment as at 31 March 2022	**(348)**	**13**	**(64,286)**	**(12,171)**	**–**	**(14,214)**	**(91,006)**
Net carrying amount as at 31 March 2022	**471**	**434,857**	**12,706**	**22,396**	**5,675**	**11,250**	**487,355**

Additions mainly concerned:

- Assets in progress for €4,495,000 related mainly to software (excluding SaaS costs);
- Software for an amount of €3,858,000.

Notes to the Consolidated Financial Statements

10. INTANGIBLE ASSETS *(CONTINUED)*

10.3. Classification of the amortisation of intangible assets in the consolidated statement of income

Intangible asset amortisation was charged to the statement of income as follows:

31 March *In thousands of euros*	**2023**	**2022**
Cost of sales	13	12
Distribution expenses	4,357	4,775
Marketing expenses	15	288
General and administrative expenses	9,629	10,654
Amortisation expense	**14,014**	**15,729**

10.4. Impairment tests of intangible assets

Intangible assets with an indefinite useful life are allocated to the Group's cash-generating units (CGUs) as described in Note 2.8 and tested for impairment. Note 4.1 describes the key assumptions used for the value-in-use calculations.

31 March *In thousands of euros*	**2023**	**2022**
Accumulated impairment provision as at the beginning of the year	**(27)**	**(27)**
Accumulated impairment provision as at 31 March	**(27)**	**(27)**

11. ASSOCIATES AND JOINT VENTURES

11.1. Interests in associates and joint ventures

The amounts disclosed for interests in associates and joint ventures are as follows:

In thousands of euros **Name of entity**	**Place of business**	**% of ownership interest**	**Nature of relationship**	**Measurement method**	**Share of profit/(loss) FY23**	**Carrying amount FY23**
Good Glamm Group	India	15.53%	Associate	Equity method	(9,419)	16,839
L'Occitane Middle East	Middle East	51%	Joint Venture	Equity method	(7,024)	22,760
CAPSUM	Europe/USA	26%	Associate	Equity method	(147)	26,525
Total Investments in associates and joint ventures					**(16,590)**	**66,124**

Changes in the carrying amount of equity-accounted investments are as follows:

	Good Glamm Group	**L'Occitane Middle East**	**Capsum**	**TOTAL**
31 March 2022	24,677	15,890	26,672	67,239
Increase in capital	–	13,456	–	13,456
Capital gain arising from the change in the % interest in associates and joint ventures (Note 25)	1,700	–	–	1,700
Profit/(loss) for the period	(9,419)	(7,024)	(147)	(16,590)
Currency translation effects	(1,038)	438	–	(600)
Other	919	–	–	919
31 March 2023	**16,839**	**22,760**	**26,525**	**66,124**

Notes to the Consolidated Financial Statements

11. ASSOCIATES AND JOINT VENTURES *(CONTINUED)*

11.2. Summary balance sheet for associates and joint ventures

In thousand of euros	Good Glamm Group 31 March 2023	L'Occitane Middle East 31 March 2023	Capsum 31 March 2023
Current assets			
Cash and cash equivalents	16,150	4,860	775
Other current assets	78,290	28,812	22,831
Total current assets	**94,440**	**33,672**	**23,606**
Non-current assets	82,650	22,441	48,036
Current liabilities	(56,870)	(25,777)	(30,271)
Non-current liabilities	(12,020)	(24,225)	(15,824)
Net assets	**108,200**	**6,111**	**25,547**

In thousands of euros **Reconciliation of carrying amounts**	Good Glamm Group 31 March 2023	L'Occitane Middle East 31 March 2023	CAPSUM 31 March 2023
Net assets	**108,200**	**6,111**	**25,547**
Group's share in %	15.53%	51%	26%
Group's share in thousands of euros	16,803	3,117	6,642
Notional goodwill	36	19,643	19,883
Carrying amount	**16,839**	**22,760**	**26,525**

11. ASSOCIATES AND JOINT VENTURES *(CONTINUED)*

11.3. Summary statement of comprehensive income for associates and joint ventures

31 March 2023 *In thousands of euros*	Good Glamm Group	L'Occitane Middle East	CAPSUM
Net sales	77,070	47,180	46,421
Cost of sales	(28,920)	(17,496)	(35,483)
Gross profit	**48,150**	**29,684**	**10,938**
Distribution expenses	–	(17,293)	(3,330)
Marketing expenses	–	(6,733)	–
General and administrative expenses	(98,680)	(10,107)	(7,115)
Other gains/(losses), net	(900)	–	31
Other financial interest	(5,440)	(759)	(192)
Income tax expense	–	–	(899)
Profit/(loss) for the period	**(56,870)**	**(5,208)**	**(567)**
Other comprehensive income	–	–	–
Total comprehensive income	**(56,870)**	**(5,208)**	**(567)**

The statement of income of Good Glamm Group is presented by nature. Accordingly, all operating expenses were classified in only one line of the above income statement.

11.4. Commitments and contingent liabilities in respect of associates and joint ventures

There are no commitments to provide funding for joint ventures or associates and no contingent liabilities (contingent liabilities incurred jointly with other investors or liabilities for which the Group is severally liable).

Notes to the Consolidated Financial Statements

12. INTERESTS IN OTHER ENTITIES

The summary financial information for each subsidiary that has non-controlling interests (NCI) material to the Group is set out below.

The materiality of non-controlling interests was determined based on a mix of quantitative and qualitative factors, notably the percentage of the subsidiary's contribution in the Group's consolidated financial statements, the amount of the non-controlling interests at year-end, and the importance of the subsidiary to the Group's strategy.

The amounts disclosed for each subsidiary are before inter-company eliminations.

Summary balance sheet

	31 March 2023			31 March 2022		
In thousands of euros	**LimeLife**	**ELEMIS**	**Sol de Janeiro**	**LimeLife**	**ELEMIS**	**Sol de Janeiro**
Current assets	32,605	230,682	126,899	42,237	198,468	385,597
Current liabilities	53,997	42,246	44,943	50,168	51,380	354,910
Net current assets/(liabilities)	**(21,392)**	**188,436**	**81,956**	**(7,931)**	**147,088**	**30,687**
Non-current assets	88,602	832,762	387,117	131,604	841,968	379,515
Non-current liabilities	9,048	53,729	37,097	7,228	54,725	39,367
Net non-current assets/(liabilities)	**79,554**	**779,033**	**350,020**	**124,376**	**787,243**	**340,148**
Net assets/(liabilities)	**58,162**	**967,469**	**431,976**	**116,445**	**934,331**	**370,835**
% interest owned by the Group	58.0%	98.6%	82.9%	58.0%	98.6%	82.9%
Accumulated non-controlling interests	72	13,101	37,310	3,433	12,371	28,307

Summary statement of comprehensive income

	31 March 2023			31 March 2022		
In thousands of euros	**LimeLife**	**ELEMIS**	**Sol de Janeiro**	**LimeLife**	**ELEMIS**	**Sol de Janeiro**
Net sales	55,295	225,097	268,225	71,103	206,860	25,487
Profit/(loss) for the year	(63,237)	41,607	51,156	(7,372)	44,988	1,964
Other comprehensive income/(expense)	5,196	(8,468)	1,467	6,797	28,184	11,109
Total comprehensive income/(expense)	**(58,041)**	**33,139**	**52,623**	**(575)**	**73,172**	**13,073**

Other comprehensive income is mainly related to currency translation adjustments on goodwill, trademarks and intangible assets.

Other comprehensive income for LimeLife mainly relates to currency translation adjustments on goodwill.

12. INTERESTS IN OTHER ENTITIES *(CONTINUED)*

Summary statement of cash flows

	31 March 2023			31 March 2022		
In thousands of euros	**LimeLife**	**ELEMIS**	**Sol de Janeiro**	**LimeLife**	**ELEMIS**	**Sol de Janeiro**
Cash flows from operating activities	(9,994)	28,178	30,853	(13,747)	10,769	(3)
Cash flows from investing activities	(1,152)	(4,875)	(2,228)	(368)	(7,993)	8,017
Cash flows from financing activities	5,271	(28,504)	(37,269)	18,261	(5,027)	3,285
Net increase/(decrease) in cash and cash equivalents	**(5,875)**	**(5,201)**	**(8,644)**	**4,146**	**(2,251)**	**11,299**

13. OTHER NON-CURRENT ASSETS

Other non-current assets can be analysed as follows:

31 March *In thousands of euros*	**2023**	**2022**
Deposits	23,227	24,800
Equity investments at fair value through other comprehensive income (FVOCI) (Note 3.3)	37,880	33,117
Fair value of the receivable from the sale of L'Occitane Russia (Note 3.3)	8,645	–
Tax receivables	5,575	7,315
Other	1,308	2,546
Other non-current assets	**76,636**	**67,778**

14. INVENTORIES

Inventories can be analysed as follows:

31 March *In thousands of euros*	**2023**	**2022**
Raw materials and supplies	55,104	37,480
Finished goods and work in progress	285,379	249,304
Inventories, gross	**340,483**	**286,784**
Less allowance	(23,286)	(23,622)
Inventories	**317,197**	**263,162**

Notes to the Consolidated Financial Statements

15. TRADE RECEIVABLES

Trade receivables can be analysed as follows:

31 March *In thousands of euros*	2023	2022
Trade receivables, gross	261,056	204,939
Less allowance for doubtful receivables	(4,503)	(5,316)
Trade receivables	**256,553**	**199,623**

The carrying amounts of the Group's trade receivables approximate their fair value. At the balance sheet date, there is no concentration of credit risk with respect to trade receivables, as the Group has a large number of customers located across the globe. The maximum credit risk exposure at each balance sheet date is the fair value of receivables set out above. The Group does not hold any collateral as security.

The trade receivables ageing analysis is as follows:

31 March *In thousands of euros*	2023	2022
Current and past due within 3 months	236,155	191,999
3 to 6 months	15,333	7,872
6 to 12 months	3,464	2,337
Over 12 months	6,104	2,731
Trade receivables, gross	**261,056**	**204,939**

Movements in the Group's impairment allowance for trade receivables are as follows:

31 March *In thousands of euros*	2023	2022
At the beginning of the year	(5,316)	(3,982)
Impairment allowance	(3,581)	(1,891)
Reversal of impairment	3,601	1,301
Sale of L'Occitane Russia (Note 6.1)	931	–
Acquisition of Sol de Janeiro	–	(554)
Exchange differences	(138)	(190)
At the end of the year	**(4,503)**	**(5,316)**

The accrual and reversal of a receivables impairment allowance was included in distribution expenses.

15. TRADE RECEIVABLES *(CONTINUED)*

The ageing of the receivables impairment allowance by due date is as follows:

31 March *In thousands of euros*	**2023**	**2022**
Within 3 months	1,003	1,349
3 to 6 months	615	1,343
6 to 12 months	335	725
Over 12 months	2,550	1,899
Impaired receivables	**4,503**	**5,316**

Individually impaired receivables relate to wholesalers facing unexpectedly difficult economic circumstances.

The ageing analysis of trade receivables past due but not impaired as at 31 March 2023 and 2022 is as follows:

31 March *In thousands of euros*	**2023**	**2022**
Within 3 months	23,000	28,907
3 to 6 months	14,718	6,527
6 to 12 months	3,129	1,612
Over 12 months	3,554	833
Trade receivables past due but not impaired	**44,401**	**37,879**

These trade receivables relate to a number of customers for whom there is no significant financial difficulty based on past experience. The overdue amounts can be recovered.

The Group considers that there is no recoverability risk on these past due receivables.

16. OTHER CURRENT ASSETS

The following table presents details of other current assets:

In thousands of euros	**2023**	**2022**
Value added tax receivable and other taxes and social items receivable	31,318	23,095
Prepaid expenses	19,504	21,515
Income tax receivable [(a)]	11,528	10,844
Advance payments to suppliers	6,813	12,168
L'Occitane Middle East current account [(b)]	7,277	7,112
Other current assets	8,300	8,201
Total other current assets	**84,740**	**82,935**

(a) The income tax receivable relates to down payments of income tax that are higher than the final income tax expense expected to be paid for the year.

(b) The group has granted three loans to L'Occitane Middle East. The loans are denominated in US dollar and repayable in full on April 24, 2023, September 15, 2023 and January 4, 2024. The average interest rates during the year were respectively 3.3%, 3.6% and 3.3%. There are no collateral as security against the loans.

Notes to the Consolidated Financial Statements

17. DERIVATIVE FINANCIAL INSTRUMENTS

17.1. Analysis of derivative financial instruments

Derivative financial instruments can be analysed as follows:

In thousands of euros	31 March 2023		31 March 2022	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Foreign exchange derivatives at fair value through profit or loss	2,337	249	1,931	1,208
Sub-total derivative financial instruments at fair value through profit or loss	**2,337**	**249**	**1,931**	**1,208**
Interest rate derivatives at fair value through other comprehensive income	–	(0)	–	–
Sub-total derivative financial instruments designated as hedging instruments	**–**	**(0)**	**–**	**–**
Current portion of derivative financial instruments	**2,337**	**248**	**1,931**	**1,208**

Trading derivatives are classified as current assets or current liabilities. The fair value of a derivative is classified as a non-current asset or liability if the remaining maturity of the hedged item is more than 12 months, and as a current asset or liability if the maturity of the hedged item is less than 12 months.

Hedged highly probable forecast transactions denominated in foreign currencies are expected to occur at various dates over the next 12 months. Gains and losses recognised in the hedging reserve within other comprehensive income on forward foreign exchange contracts designated as hedging instruments as of the end of the period will be recognised in the statement of income in the period or periods during which the hedged forecast transaction will itself affect the statement of income. This is generally within the 12 months from the balance sheet date.

The change in the fair value of derivatives at fair value through profit and loss is recognised in the statement of income within "Foreign currency gains/(losses)" for currency derivatives.

17.2. Derivatives at fair value through profit or loss

The change in the fair value of derivatives at fair value through profit or loss is as follows:

31 March *In thousands of euros*	**2023**	**2022**
— within 'foreign currency gains/(losses)' for currency derivatives (Note 28)	1,366	1,308
Total change in the fair value of derivatives at fair value through profit or loss: gains/(losses)	**1,366**	**1,308**

17. DERIVATIVE FINANCIAL INSTRUMENTS *(CONTINUED)*

17.3. Notional amounts of derivatives

Notional principal amounts of outstanding forward foreign exchange derivatives are as follows:

31 March	**2023**	**2022**
In thousands of euros		
Sale of currencies		
CNY	63,077	51,971
HKD	26,427	23,931
USD	17,995	29,810
AUD	13,128	1,494
JPY	11,052	13,947
MXN	6,817	4,597
KRW	4,906	–
GBP	3,473	9,161
THB	2,631	2,653
PLN	586	256
CZK	483	312
CAD	407	–
HUF	367	200
CHF	201	–
NOK	166	578
SEK	50	92
RUB	–	8,586
SGD	–	799
ZAR	–	204
Purchase of currencies		
GBP	41,970	–
USD	22,151	–
CNY	16,437	–
JPY	15,223	6,056
AUD	2,010	–
CAD	1,527	–
CHF	1,505	–
NOK	1,241	–
SEK	939	–
CZK	809	–
HKD	656	–
PLN	–	–
MXN	–	308
HUF	–	57

Notes to the Consolidated Financial Statements

18. CASH AND CASH EQUIVALENTS

The following table presents details of cash and cash equivalents:

31 March *In thousands of euros*	**2023**	**2022**
Cash at bank and on hand	146,266	358,230
Cash equivalents	990	2,669
Cash and cash equivalents	**147,255**	**360,899**

Cash equivalents include highly liquid investments in short-term bank deposits.

The effective interest rates on cash at bank and in hand are as follows:

	2023	**2022**
Cash in euros	€STR or Euribor + margin	€STR or Euribor + margin
Cash in foreign currencies	Local market rate + margin	Local market rate + margin

The effective interest rates on cash equivalents are as follows:

	2023	**2022**
Cash equivalents in euros (short-term bank deposits)	Euribor/Local market rate	Euribor/Local market rate

19. CAPITAL AND RESERVES

L'Occitane International S.A. is a société anonyme incorporated in the Grand Duchy of Luxembourg. The Company's authorised capital is €1,500,000,000, of which €44,309,000 was issued as at 31 March 2022. At the same date, 72.28% of the Company's share capital was held by L'Occitane Groupe S.A., incorporated in Luxembourg ("LOG" or the "parent company"). CIME S.C.A. is the ultimate parent company, incorporated in Luxembourg.

All of the Company's issued shares are fully paid up and carry the same rights and obligations.

19.1. Share capital and additional paid-in capital

Changes in the number of shares, share capital and additional paid-in capital are as follows (in thousands of euros, except for the number of shares):

	Number of shares	**Share capital**	**Additional paid-in capital**
As at 31 March 2022	**1,476,964,891**	**44,309**	**342,851**
As at 31 March 2023	**1,476,964,891**	**44,309**	**342,851**

19.2. Treasury shares

As at 31 March 2022, the Company holds 6,829,070 shares in treasury and the aggregate price of the purchased shares is deducted from equity as "Treasury shares reserve" for an amount of €15,476,000.

As at 31 March 2023, the Company holds 5,355,641 shares in treasury and the aggregate price of the purchased shares is deducted from equity within the "Treasury shares reserve" for an amount of €12,104,000.

19. CAPITAL AND RESERVES *(CONTINUED)*

19.3. Share-based payment

The Company grants three types of share-based payments:

- Share-based payments related to LOI equity instruments;
- Share-based payments related to LimeLife equity instruments until March 31, 2022;
- Share-based payments related to LOG equity instruments.

Fair value of options granted

The fair value at grant date is independently determined using an adjusted Black-Scholes model, which includes a Monte Carlo simulation model that takes into account the exercise price, the term of the option, the share price at the grant date, the expected dividend yield, the risk-free interest rate over the term of the option, and the correlations and volatilities of the peer group companies.

Main characteristics and description of the plans settled in LOI instruments

Stock options

The stock option plans can be summarised as follows:

	31 March 2023		31 March 2022	
	Average exercise price in HKD per share option	Number of options	Average exercise price in HKD per share option	Number of options
At the beginning of the period	14.63	6,696,600	15.94	12,512,350
Granted during the year	20.67	8,186,000	–	–
Exercised during the period	14.56	(1,473,429)	15.69	(5,544,450)
Cancelled/lapsed during the period	17.70	(458,000)	15.12	(271,300)
At the end of the year	**18.35**	**12,951,171**	**14.63**	**6,696,600**

A new share-based payment plan settled in LOI equity instruments was granted on October 27, 2022 for a total of 8,186,000 share options

The cancelled stock options relate to employees who left the Company before the end of the vesting period.

Stock options outstanding at the end of the years have the following vesting dates and exercise prices:

			Number of share options	
Grant date	**Vesting date**	**Exercise price**	**31 March 2023**	**31 March 2022**
21 March 2016	21 March 2020	14.36 HKD	520,500	520,500
02 February 2017	02 February 2021	15.16 HKD	1,347,800	1,473,350
29 March 2018	29 March 2022	14.50 HKD	3,134,671	4,702,750
27 October 2022	27 October 2026	20.67 HKD	7,948,200	–
Total			**12,951,171**	**6,696,600**

Notes to the Consolidated Financial Statements

19. CAPITAL AND RESERVES *(CONTINUED)*

19.3. Share-based payment *(continued)*

Free shares

The free share plans can be summarised as follows:

	31 March 2023		31 March 2022	
	Average exercise price in HKD per free share	Number of free shares	Average exercise price in HKD per free share	Number of free shares
As at April 1st	–	–	14.50	3,360,300
Vested during the period	–	–	14.50	(2,333,700)
Forfeited during the period	–	–	14.50	(1,026,600)
At the end of the period		**–**		**–**

Main characteristics and description of the plans settled in LimeLife equity instruments

L'Occitane International S.A. granted rights to LimeLife equity instruments to LimeLife's non-controlling shareholders. This free share plan was based on a four-year presence condition starting 12 December 2017. There were no performance criteria.

The plan was vested as at 31 March 2022.

This plan can be summarised as follows:

	31 March 2023		31 March 2022	
	Average fair value in EUR per free share	Number of free shares	Average fair value in EUR per free share	Number of free shares
As at 1 April	–	–	6.4	1,266,891
Vested during the year	–	–	6.4	422,297
As at 31 March	**–**	**–**	**6.4**	**1,689,188**

		Number of free shares	
Grant date	**Vesting date**	**31 March 2023**	**31 March 2022**
12 December 2017	12 December 2018	–	422,297
12 December 2017	12 December 2019	–	422,297
12 December 2017	12 December 2020	–	422,297
12 December 2017	12 December 2021	–	422,297
Total		**–**	**1,689,188**

The fair value was assessed at the grant date of the shares was determined by reference to the enterprise value of LimeLife (based on discounted future cash flows) as at 12 December 2017.

19. CAPITAL AND RESERVES *(CONTINUED)*

19.3. Share-based payment *(continued)*

Main characteristics and description of the plans settled in LOG equity instruments

LOG, the parent company of L'Occitane International S.A., granted rights to its own equity instruments to L'Occitane International S.A. and to its subsidiaries' employees.

The free share plans are summarized below:

	2023		2022	
	Average exercise price in EUR per free share	Number of free shares	Average exercise price in EUR per free share	Number of free shares
As at 1 April	88.11	314,900	77.29	422,600
Granted during the year	–	–	144.21	37,600
Vested during the year	–	–	72.26	(103,800)
Forfeited during the year	95.09	(52,900)	68.40	(41,500)
As at 31 March	**86.70**	**262,000**	**88.11**	**314,900**

Free shares outstanding at the end of the year have the following expiry date and exercise prices:

		Number of free shares	
Grant date	**Expiry date**	**2023**	**2022**
01 October 2019	30 September 2023	16,800	25,200
30 September 2020	29 September 2024	223,900	252,100
29 June 2021	29 June 2025	20,500	36,400
30 June 2021	30 June 2025	800	1,200
Total		**262,000**	**314,900**

Notes to the Consolidated Financial Statements

19. CAPITAL AND RESERVES *(CONTINUED)*

19.3. Share-based payment *(continued)*

Total share-based payment expense

In the years ended 31 March 2022 and 31 March 2023, the share-based payment expense recognised within employee benefits was as follows:

In thousands of euros	**2023**	**2022**
LOI equity instruments	814	772
LOG equity instruments	2,146	6,798
LimeLife instruments	–	1,056
Social charges	2,532	983
Total (note 24)	**5,492**	**9,609**

As at 31 March 2022, an amount of €1,056,000 has been recorded within share-based payments for non-controlling shareholders of LimeLife.

The total remaining share-based payment expense to be recognised within future employee benefits is as follows:

In thousands of euros	**2023**	**2022**
LOI equity instruments	4,069	–
LOG equity instruments	2,805	7,230
Total	**6,874**	**7,230**

19.4. Distributable reserves

On 31 March 2023, the distributable reserves of L'Occitane International S.A. amounted to €672,542,590 (€839,965,536 as at 31 March 2022).

19.5. Dividend per share

On 28 September 2022, the Annual General Meeting approved the distribution of a €96.8 million dividend, or €0.06585 per share (excluding 6,829,070 treasury shares), which was paid on 22 October 2022.

19.6. Additional paid in capital

Additional paid in capital includes:

- Additional paid in capital recognised in the individual Company financial statements;
- The impact of marking to market the shares issued in consideration for acquisitions;
- The difference between the carrying amount net of tax and the nominal amount of the compound financial instruments converted to equity on 26 February 2007.

19.7. Currency translation differences

At 31 March 2023, currency translation differences are mainly composed of currency translation differences relating to subsidiaries with a functional currency in USD, GBP, RUB, JPY and CNY, and arising mainly on goodwill and some non-current assets.

20. BORROWINGS

Borrowings can be analysed as follows:

In thousands of euros	31 March 2023	31 March 2022
FY 2022 Term loan	300,031	300,354
FY 2021 Revolving Facility	11,132	64,604
FY 2020 NEU CP Facility	187,000	282,800
FY 2019 Long-term loan	13,587	15,602
FY 2012 bank borrowing	2,860	3,571
Other bank borrowings	4,245	3,996
Bank overdraft	4	3
Total	**518,859**	**670,930**
FY 2022 Term loan	(32)	(354)
FY 2021 Revolving Facility	(5)	275
FY 2020 NEU CP Facility	(187,000)	(282,800)
FY 2019 Long-term loan	(2,037)	(2,018)
FY 2012 bank borrowing	(717)	(714)
Other bank borrowings	(4,245)	(3,997)
Bank overdraft	(4)	(3)
Total current portion	**(194,040)**	**(289,611)**
Total non-current portion	**324,819**	**381,319**

20.1. Maturity of non-current borrowings

For the years ended 31 March 2023 and 2022, the maturity of non-current borrowings, excluding the current portion, can be broken down as follows:

In thousands of euros	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
FY 2022 Term loan	300,000	–	–	300,000
FY 2021 Revolving facility	–	11,127	–	11,127
FY 2019 Long Term Loan	2,054	6,284	3,211	11,550
FY 2012 bank borrowing	714	1,429	–	2,143
Maturity as at 31 March 2023	**302,769**	**18,840**	**3,211**	**324,819**
FY 2022 Term loan	–	300,000	–	300,000
FY 2021 Revolving facility	–	64,879	–	64,879
FY 2019 Long Term Loan	2,035	6,223	5,326	13,584
FY 2012 bank borrowing	714	2,142	–	2,856
Maturity as at 31 March 2022	**2,749**	**373,244**	**5,326**	**381,319**

Notes to the Consolidated Financial Statements

20. BORROWINGS *(CONTINUED)*

20.2. Credit facility agreements

FY2023 Bilateral Cash Pooling Facility

On 30 September 2022, the Group signed an unsecured bilateral cash pooling facility in US dollars (USD) for an amount up to USD 40million with a one-year maturity and an automatic yearly extension option. An amount of €0 (euro equivalent) had been drawn as at 31 March 2023

The FY2023 Bilateral Cash Pooling Facility is periodically contractually repriced. The interest rates depend on the leverage ratios set out below, calculated annually following publication of the consolidated financial statements. The interest rate is repriced in line with the change in the ratio, as follows:

Leverage ratio	**Repricing**
Ratio higher than 2.5	MFFR + Margin
Ratio between 2.0 and 2.5	MFFR + Margin — 0.25
Ratio between 1.5 and 2.0	MFFR + Margin — 0.45
Ratio between 1.0 and 1.5	MFFR + Margin — 0.55
Ratio between 0.5 and 1.0	MFFR + Margin — 0.65
Ratio lower than 0.5	MFFR + Margin — 0.75

As at 31 March 2023, the interest rate was based on the Mid Fed Funds Rate (MFFR) + Margin — 0.65.

The margin is consistently increased by 15 bps until 31 December 2022 and by 35 bps from January 2023 if the FY2023 Bilateral Cash Pooling Facility is drawn in USD.

The FY2023 Bilateral Cash Pooling Facility is subject to a financial covenant: if the Company fails to maintain its leverage ratio below a given level, this will trigger a default event and the early repayment of the loan. The leverage ratio, which is based on the Group's annual consolidated financial statements, is calculated by dividing consolidated net debt by EBITDA. The following definitions are used to measure this ratio:

Consolidated net debt	Current and non-current borrowings (including finance leases and other commitments but excluding lease commitments within the scope of IFRS 16, long-term employee benefits, raw materials commitments and grants to a foundation) — cash and cash equivalents
EBITDA	Operating profit before depreciation, amortisation and impairment and before net movements in provisions (excluding the impact of IFRS 16)

The leverage ratio must be lower than 2.5 (and can be temporarily extended to 3.0 twice in the event of a business combination). The covenant was respected as at 31 March 2023.

20. BORROWINGS *(CONTINUED)*

20.2. Credit facility agreements *(continued)*

FY2022 Term loan

On 21 December 2021, the Company signed a Term Loan Agreement for an amount of €300,000,000 with a three-year maturity. An amount of €300,000,000 (euro equivalent) had been drawn as at 31 March 2023.

The FY 2022 Term Loan Agreement is periodically contractually repriced. The interest rates depend on the above described leverage ratio, calculated annually following publication of the Group's consolidated financial statements. The interest rate is repriced in line with the change in the ratio, as follows:

Leverage ratio	**Repricing**
Ratio higher than 2.5	Euribor + Margin
Ratio between 2.0 and 2.5	Euribor + Margin — 0.25
Ratio between 1.5 and 2.0	Euribor + Margin — 0.45
Ratio between 1.0 and 1.5	Euribor + Margin — 0.55
Ratio between 0.5 and 1.0	Euribor + Margin — 0.65
Ratio lower than 0.5	Euribor + Margin — 0.75

During the year ended 31 March 2023, the interest rate was based on Euribor + Margin — 0.65

The FY2022 Term Loan Agreement is subject to a financial covenant: if the Company fails to maintain its leverage ratio below a given level, this will trigger a default event and the early repayment of the loan. The leverage ratio, which is based on the Group's annual consolidated financial statements, is calculated by dividing consolidated net debt by EBITDA. For the measurement of this ratio, the following definitions are used:

Consolidated net debt	Current and non-current borrowings (including finance leases and other commitments but excluding lease commitments within the scope of IFRS 16, long-term employee benefits, raw materials commitments and grants to a foundation) — cash and cash equivalents
EBITDA	Operating profit before depreciation, amortisation and impairment and before net movements in provisions (excluding the impact of IFRS 16)

The leverage ratio must be lower than 2.5. The covenant was respected as at 31 March 2023.

The directly attributable transaction costs related to the issuance of this FY2022 Term Loan Agreement amounted to €1,550,000. As this financing is a term loan, the fees were capitalised as a deferred charge and amortised over the term of the loan.

Notes to the Consolidated Financial Statements

20. BORROWINGS *(CONTINUED)*

20.2. Credit facility agreements *(continued)*

FY2021 Revolving Credit Facility

On 31 March 2021, and to refinance both the FY2015 Revolving Credit Facility and the FY2021 Revolving Facility (COVID-19), the Company signed an unsecured multi-currency revolving facility agreement for an amount of €600 million with a five-year maturity and an option to extend for two additional years. The first extension for one additional year till 31st March 2027 has been activated on 28th February 2022. An amount of €11,126,962 had been drawn as at 31 March 2023.

The FY2021 Revolving Credit Facility is periodically contractually repriced. The interest rates depend on the below-described leverage ratio calculated annually after the consolidated financial statements of the Group are issued. The interest rate is repriced in line with the change in the ratio, as follows:

Leverage ratio	**Repricing**
Ratio higher than 2.5	Euribor + Margin
Ratio between 2.0 and 2.5	Euribor + Margin — 0.25
Ratio between 1.5 and 2.0	Euribor + Margin — 0.45
Ratio between 1.0 and 1.5	Euribor + Margin — 0.55
Ratio between 0.5 and 1.0	Euribor + Margin — 0.65
Ratio lower than 0.5	Euribor + Margin — 0.75

In the year ended 31 March 2023, the interest rate was based on Euribor + Margin — 0.62.

The margin is increased by 15 bps if the Revolving Credit Facility is drawn in USD.

A bonus of 1 bp can be obtained for each of 4 CSR (corporate social responsibility) KPIs:

- Traceability of plants used in the products;
- Use of renewable electricity;
- Direct Suppliers CSR rating;
- B-Corp certification

As at 31 March 2023, the Group reached three KPIs out of four KPIs. The impact was a decrease in the margin of 0.03 bps.

20. BORROWINGS *(CONTINUED)*

20.2. Credit facility agreements *(continued)*

FY2021 Revolving Credit Facility (continued)

The FY2021 Revolving Credit Facility is subject to a financial covenant: if the Company fails to maintain its leverage ratio below a given level, this will trigger a default event and the early repayment of the loan. The leverage ratio, which is based on the Group's annual consolidated financial statements, is calculated by dividing consolidated net debt by EBITDA. The following definitions are used to measure this ratio:

Consolidated net debt	Current and non-current borrowings (including finance leases and other commitments but excluding lease commitments within the scope of IFRS 16, long-term employee benefits, raw materials commitments and grants to a foundation) — cash and cash equivalents
EBITDA	Operating profit before depreciation, amortisation and impairment and before net movements in provisions (excluding the impact of IFRS 16)

The leverage ratio must be lower than 2.5 (and can be temporarily extended to 3.0 on two occasions in the event of a business combination). The covenant was respected at 31 March 2023.

The directly attributable transaction costs related to the issuance of this FY2021 Revolving Credit Facility Agreement amounted to €3,514,000. As there is no evidence that some or all the facility will likely be drawn down, the fees were capitalized as a deferred charge and amortized over the term of the facility.

FY2020 NEU CP facility

On 17 October 2019, the Group signed a programme to issue short-term marketable debt instruments ("NEU CP") on a commercial paper market in the eurozone governed by the Banque de France. The total amount available is €300,000,000.

Multiple short-term marketable debt instruments were drawn during the year.

As at 31 March 2023, the balance amounts to €187,000,000 for a weighted average rate of 3.0% for initial maturities comprising between 5 and 199 days.

FY2019 Long-Term Loan

On 4 September 2018, the Group signed a long-term loan agreement for an amount of €22.5 million with an 11-year maturity that can be drawn by M&L Distribution France. As at 31 October 2018, the bank borrowing had been fully drawn. This loan is repaid quarterly and four repayments were made in June 2022, September 2022, December 2022 and March 2023, for amounts of €501,921, €503,138, €504,358 and €505,581 respectively.

The outstanding amount as at 31 March 2023 is €13,584,275.

The interest rate on the Long-Term Loan is 0.97% (fixed rate).

The FY2019 Long-Term Loan is secured by a pledge over business assets related to the 86 Champs-Elysées flagship store in Paris.

Notes to the Consolidated Financial Statements

20. BORROWINGS *(CONTINUED)*

20.2. Credit facility agreements *(continued)*

FY2012 bank borrowing

On 20 June 2011, the Group signed a bank borrowing agreement for an amount of €10.0 million with a 15-year maturity. The borrowing can only be drawn by Laboratoires M&L (formerly known as L'Occitane S.A.).

This loan is repaid in annual instalments, with one repayment made in December 2021 for an amount of €714,286. As at 31 March 2023, the outstanding amount is €2,857,143.

The interest rate of the bank borrowing is based on 3M Euribor + Margin.

The FY 2012 bank borrowing is secured by a pledge over the land and building acquired by Laboratoires M&L to build the new logistics platform in Manosque, France.

20.3. Borrowing facilities

The Group has the following undrawn borrowing facilities:

31 March *In thousands of euros*	**2023**	**2022**
Floating rate:		
— Expiring within one year	59,650	15,856
— Expiring beyond one year	401,873	252,321
Fixed rate:		
— Expiring within one year	–	–
— Expiring beyond one year	–	–
Total	**461,523**	**268,177**

20.4. Changes in cash flows relating to borrowings

The Group recognised changes arising from cash flows and non-cash changes:

		Cash flows		Other changes		
In thousands of Euros	**31 March 2022**	**Proceeds**	**Repayments**	**Interest expense**	**Interest Paid**	**31 March 2023**
FY 2022 Term Loan	300,354	–	–	30	(354)	300,031
FY2021 Revolving facility	64,604	69,443	(123,233)	312	5	11,131
FY2020 NEU CP Facility	282,800	317,000	(412,800)	–	–	187,000
FY 2019 Long term loan	15,602	–	(2,015)	2	(3)	13,587
FY 2012 bank borrowing	3,571	–	(714)	3	(0)	2,860
Other bank borrowings	3,996	11,869	(11,460)	6	(164)	4,247
Bank overdrafts	3	–	–	4	(3)	4
Total	**670,930**	**398,312**	**(550,222)**	**358**	**(519)**	**518,859**

21. OTHER CURRENT AND NON-CURRENT LIABILITIES

Other current and non-current liabilities include the following:

31 March *In thousands of euros*	2023	2022
Retirement indemnities	10,963	12,135
Long-term employment benefits	1,144	1,068
Provisions for dismantling and restoration costs	8,708	8,390
Other	1,528	1,359
Total non-current liabilities	**22,343**	**22,952**
Grants to a foundation	74	172
Deferred revenue [(a)]	31,920	19,844
Sale of ELEMIS non-controlling shareholders [(b)]	–	76,579
Provisions for dismantling and restoration costs	2,475	2,019
Right to return goods	1,996	2,145
Total current liabilities	**36,466**	**100,759**

(a) Deferred revenue relates to (i) sales for which the transfer of control and related risks has not occurred at the year-end; and (ii) the fair value of the consideration received which is allocated to the award credits granted for any loyalty programmes.

(b) The liability relating to the acquisition of non-controlling interests in Elemis was paid on 1 April 2022.

21.1. Provision for retirement benefits

Subsidiaries of the Group generally contribute to the national pension system, which is a defined-contribution obligation. The expense recognised in connection with these defined-contribution plans is classified in "social security" within "employee benefits" (Note 24.1).

In addition to these defined-contribution plans, a defined-benefit plan exists in France. A lump-sum payment is made on the date the employee reaches retirement age, such award being determined for each individual based upon factors such as years of service and projected final salary. There are no plan assets.

Notes to the Consolidated Financial Statements

21. OTHER CURRENT AND NON-CURRENT LIABILITIES *(CONTINUED)*

21.1. Provision for retirement benefits *(continued)*

Amounts recognised in the balance sheet and in the statement of income

The amounts recognised in the balance sheet are determined as follows:

31 March	**2023**	**2022**
In thousands of euros		
Present value of unfunded obligations	10,963	12,135
Liability in the balance sheet	**10,963**	**12,135**

Movements in the defined-benefit obligation over the year are as follows:

	2023	**2022**
In thousands of euros		
As at 1 April	12,135	13,146
Current service cost	907	1,634
Past service cost	–	–
Interest cost	148	60
Change in IAS19	–	(1,347)
Actuarial (gains)/losses	(1,884)	(1,073)
Exchange differences	(162)	(34)
Benefits paid	(182)	(251)
As at 31 March	**10,963**	**12,135**

The amounts recognised in the income statement are as follows:

31 March	**2023**	**2022**
In thousands of euros		
Current service cost	907	1,634
Interest cost	148	60
Total included in employee benefit expenses (Note 24)	**1,055**	**1,694**

21. OTHER CURRENT AND NON-CURRENT LIABILITIES *(CONTINUED)*

21.1. Provision for retirement benefits *(continued)*

Main assumptions

The principal actuarial assumptions used were as follows:

31 March	**2023**	**2022**
In %		
Discount rate	3.60	1.80
Inflation rate	2.10	2.00
Future salary increases	3.50	3.00
Retirement age (in number of years)	62–65	62–65

The discount rate is set with reference to a corporate bond yield: iBoxx Euro zone AA rated corporate bonds + 10 years.

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory. Mortality assumptions for France (the most important country in terms of employee headcount) are based on the Insee TD/TV 2009-11 table.

Assumptions regarding employee turnover are based on historical statistics recorded by the French subsidiaries in previous years.

The sensitivity of the overall pension liability to changes in the principal assumptions is not material: an increase/decrease of 0.25% in the discount rate would result in an increase/decrease of €254,000 in the defined-benefit obligation.

21.2. Provision for dismantling and restoration costs

As at 31 March 2023, provisions for dismantling and restoration costs are as follows:

		Charged/(credited) to the statement of income				
In thousands of euros	**31 March 2022**	**Provisions recorded in the statement of income**	**Used during the year**	**Reclassification**	**Exchange differences**	**31 March 2023**
Provisions recorded over the lease term	4,511	979	(29)	(391)	63	5,133
Provisions recorded at inception	5,898	710	(170)	–	(387)	6,051
Total	**10,409**	**1,689**	**(199)**	**(391)**	**(324)**	**11,184**

Notes to the Consolidated Financial Statements

22. TRADE PAYABLES

The credit terms granted by suppliers to the production and distribution subsidiaries are generally between 80 and 110 days and between 30 and 60 days, respectively.

The ageing analysis of trade payables by due date at 31 March 2023 and 2022 is as follows:

31 March *In thousands of euros*	**2023**	**2022**
Current and past due within 3 months	208,063	204,349
Past due from 3 to 6 months	812	1,272
Past due from 6 to 12 months	32	1,093
Past due over 12 months	1,196	3,189
Trade payables	**210,103**	**209,903**

23. PROVISIONS

As at 31 March 2023, provisions can be analysed as follows:

		Charged/(credited) to the statement of income					
In thousands of euros	**31 March 2022**	**Additional provisions**	**Unused amounts reversed**	**Used during the year**	**Reclassification**	**Exchange differences**	**31 March 2023**
Employee-related disputes [(a)]	755	1,259	–	(88)	–	(22)	1,904
Commercial claims [(b)]	1,148	404	–	(31)	–	11	1,532
Tax risks	236	12	(90)	–	107	(18)	247
Total	**2,139**	**1,675**	**(90)**	**(119)**	**107**	**(29)**	**3,683**

(a) Employee-related disputes relate mainly to disputes with employees with respect to employee benefits or potential claims from social security authorities.

(b) Commercial claims relate mainly to claims from distributors.

In management's opinion, after taking appropriate legal advice, these legal claims will not give rise to any significant loss beyond the amounts provisioned at each balance sheet date.

No reimbursement is expected in connection with these provisions and accordingly, no corresponding asset was recognised.

The unused provisions reversed mainly result from certain risks reaching the end of the applicable limitation period.

24. EXPENSES BY NATURE

24.1. Breakdown of expenses by nature

Expenses by nature include the following amounts:

31 March *In thousands of euros*	**2023**	**2022**
Employee benefit expenses [(a)]	503,168	423,705
Rent and occupancy [(b)]	115,974	109,546
Raw materials and consumables used	355,994	225,594
Change in inventories of finished goods and work in progress	(61,046)	(23,505)
Advertising costs [(c)]	305,758	228,104
Auditors' remuneration [(d)]	2,677	2,531
Professional fees [(e)]	205,897	158,011
Depreciation, amortisation and impairment (Note 23.4)	156,820	177,863
Transportation expenses	106,348	99,673
Other expenses [(f)]	101,348	87,527
Total cost of sales, distribution expenses, marketing expenses, research and development expenses and general and administrative expenses	**1,792,938**	**1,489,049**

(a) Employee benefits include wages, salaries, bonuses, share-based payment, social security, post-employment benefits and temporary staff expenses.

(b) The rent and occupancy amount as at 31 March 2023 mainly includes variable lease payments based on sales for €67,155,000 (€74,119,000 for the financial year ended 31 March 2022) and rent and occupancy costs relating to short-term leases for €4,021,000 (€5,956,000 for the financial year ended 31 March 2022). During the financial year ended 31 March 2022, an amount of €3,423,000 of rent concessions had been recorded as negative variable rents.

(c) Advertising costs also include all promotional goods gifted to customers with no obligation to purchase products.

(d) Auditors' remuneration relates to audit services for €2,465,000 (€1,918,000 as at 31 March 2022) and non-audit services for €212,000 (€613,000 as at 31 March 2022), of which €2,171,000 relates to PwC's Audit services (€1,918,000 as at 31 March 2022) and €212,000 relates to PwC's non-audit services (€613 as at 31 March 2022).

(e) Professional fees mainly include payments made to warehouse management companies, marketing agencies and lawyers.

(f) Other expenses notably include out-of-pocket travel expenses, IT services, telephone and postage.

Notes to the Consolidated Financial Statements

24. EXPENSES BY NATURE *(CONTINUED)*

24.2. Workforce and employee benefits

Employee benefits include the following amounts:

31 March	**2023**	**2022**
In thousands of euros		
Wages, salaries and bonuses	403,689	332,468
Share-based payment (Note 19.3)	5,492	9,609
Social security	85,155	76,117
Remuneration for post-combination services granted to non-controlling interests (Note 6.3)	4,354	501
Post-employment benefits (Note 21.1)	1,055	1,694
Other	3,423	3,316
Total employee benefits	**503,168**	**423,705**
Workforce (full-time equivalent)	**8,701**	**9,042**

Wages, salaries and bonuses includes the cost of temporary staff.

The Group's workforce is expressed as the number of employees at the end of the reporting period.

24.3. Breakdown of depreciation, amortisation and impairment

Depreciation, amortisation and impairment include the following:

In thousands of euros	**31 March 2023**	**31 March 2022**
Depreciation of property, plant and equipment (Note 7.3)	43,324	45,652
Impairment of property, plant and equipment (Note 7.4)	–	3,784
Reversal of impairment on property, plant and equipment (Note 7.4)	(918)	(1,185)
Depreciation of right-of-use assets (Note 8.1)	100,512	96,115
Impairment of right-of-use assets (Note 8.1)	418	17,768
Amortisation of intangible assets (Note 10)	14,014	15,729
Depreciation, amortisation and impairment	**157,350**	**177,863**

25. OTHER OPERATING INCOME/EXPENSES

Other operating income/expenses, net can be analysed as follows:

31 March *In thousands of euros*	**2023**	**2022**
Capital gain arising from the change in the % interest in associates and joint ventures (Note 11.1)	1,700	25,062
Government grants [(a)]	1,514	1,044
Other items	846	–
Reconsolidation/deconsolidation of L'Occitane Inc.	–	12,873
Excess of the fair value of acquired net assets over the acquisition cost (negative goodwill)	–	145
Other operating income	**4,060**	**39,124**
Impairment of LimeLife and Melvita goodwill (note 4)	(75,364)	–
Reclassification to income statement of the charge previously recognized in other comprehensive income (currency translation differences) (Note 6.1)	(10,805)	–
Capital loss from the sale of L'Occitane Russia before reclassification of currency translation differences (Note 6.1)	(3,632)	–
Loss on sale of assets (Note 30.1)	(288)	(590)
Dilution loss arising from the change in the % interest in associates and joint ventures (Note 11.1)	–	(4,945)
Restructuring expenses	–	(1,448)
Other items	–	(96)
Other operating expenses	**(90,089)**	**(7,079)**

(a) Government grants correspond to grants for research and development costs and employee profit-sharing schemes.

Notes to the Consolidated Financial Statements

26. FINANCE INCOME AND FINANCE COSTS

Finance income and finance costs break down as follows:

31 March *In thousands of euros*	**2023**	**2022**
Interest on cash and cash equivalents	2,799	1,908
Finance income	**2,799**	**1,908**
Change in the fair value of the receivable from the sale of L'Occitane Russia (Note 3.3)	(35,901)	–
Interest expense	(12,802)	(5,845)
Interest and finance expenses paid/payable for lease liabilities (Note 8.2)	(7,609)	(8,857)
Other	–	(1,728)
Finance costs	**(56,312)**	**(16,430)**
Finance costs, net	**(53,513)**	**(14,522)**

Interest expense relates to bank borrowings, current accounts with non-controlling interests and related parties (excluding financing from the parent) and bank overdrafts.

27. FOREIGN CURRENCY GAINS/(LOSSES)

Foreign currency gains/(losses) break down as follows:

31 March *In thousands of euros*	**2023**	**2022**
Foreign exchange differences	(7,368)	(1,616)
Fair value gains/(losses) on derivatives (Note 17)	1,366	1,308
Foreign currency gains/(losses)	**(6,002)**	**(308)**

Foreign exchange differences mainly correspond to:

- Net unrealised foreign exchange loss: €10.8 million (net losses amounting to €2.2 million for the year ended 31 March 2022);
- Net unrealised foreign exchange gain: €1.1 million (net gains amounting to €1.8 million for the year ended 31 March 2022).
- Net realised foreign exchange loss: €6.0 million (net losses amounting to €5.0 million for the year ended 31 March 2022);
- Net realised foreign exchange gain: €8.3 million (net gains amounting to €3.8 million for the year ended 31 March 2022).

28. INCOME TAX EXPENSE

28.1. Income tax expense

Income tax expense breaks down as follows:

31 March *In thousands of euros*	**2023**	**2022**
Current income tax	(54,792)	(60,160)
Deferred income tax	(6,632)	6,185
Total income tax expense	**(61,424)**	**(53,975)**

The reconciliation between the reported income tax expense and the theoretical tax expense that would arise using a standard tax rate is as follows:

31 March *In thousands of euros*	**2023**	**2022**
Profit before tax and share of profit/(loss) from joint ventures accounted for using the equity method	194,507	289,410
Income tax calculated at corporate tax rate *(Luxembourg tax rate of 24.94% as at 31 March 2023 and 2022)*	(48,510)	(72,179)
Effect of different tax rates in foreign countries	20,105	24,491
Changes in tax rates	1,255	(268)
Effect of unrecognized tax assets	(12,746)	(3,919)
Recognition of previously unrecognised tax assets	366	–
Expenses not deductible for taxation purposes [(a)]	(20,706)	(945)
Provision for tax risks	30	(142)
Effect of unremitted tax earnings	(1,208)	(916)
Minimum tax payments	(10)	(97)
Income tax expense	**(61,424)**	**(53,975)**

(a) For the year ended 31 March 2023, expenses not deductible for taxation purposes mainly relate to the impairment losses of LimeLife and Melvita goodwill and to L'Occitane Russia divestiture.

Notes to the Consolidated Financial Statements

28. INCOME TAX EXPENSE *(CONTINUED)*

28.2. Components of deferred income tax assets and liabilities

Nature of deferred income tax assets and liabilities

Net deferred income tax assets recorded at 31 March 2023 and 2022 break down as follows:

	2023	2022
In thousands of euros		
ASSETS		
Intercompany margin in inventory	28,002	31,412
Excess tax basis over carrying amount of PP&E	10,288	14,028
Tax losses carried forward	24,675	22,519
Lease liabilities	7,047	7,368
Employee benefits	5,408	7,110
Promotional goods expensed	3,420	3,848
Inventory valuation	6,767	6,591
Loyalty programs	2,167	2,662
New tax regulation	134	269
Deferred tax related to grants to a foundation	1,198	–
Other temporary differences	12,282	11,298
Total assets	**101,388**	**107,105**
To be recovered after more than 12 months	*43,969*	*46,349*
To be recovered within 12 months	*57,419*	*60,756*
LIABILITIES		
Identified trademarks in business combinations (Note 6)	(79,290)	(79,222)
Goodwill tax amortization	(27,939)	(20,825)
Income tax on unremitted earnings (Note 28.4)	(6,728)	(7,718)
Derivative financial instruments	(298)	(244)
Other temporary differences	(1,655)	(1,287)
Total liabilities	**(115,910)**	**(109,296)**
To be recovered after more than 12 months	*(108,884)*	*(101,334)*
To be recovered within 12 months	*(7,026)*	*(7,962)*
Deferred income tax, net	**(14,522)**	**(2,191)**
Deferred income tax assets	*84,966*	*94,005*
Deferred income tax liabilities	*(99,488)*	*(96,196)*

28. INCOME TAX EXPENSE *(CONTINUED)*

28.2. Components of deferred income tax assets and liabilities *(continued)*

Recognition of deferred income tax assets

Deferred income tax assets are recognised to the extent that the realisation of the related benefit through future taxable profits is probable.

As at 31 March 2023, the Group had tax losses of €179,008,000 to be carried forward, generating a potential deferred income tax asset of €51,004,000. As at 31 March 2022, these figures were €172,811,000 and €45,266,000, respectively.

Deferred tax assets include an amount of €23,096,000 relating to carried-forward tax losses of the following main subsidiaries:

- LimeLife US for €10,504,000;
- L'Occitane Inc. for €2,798,000;
- ELEMIS US for €9,767,000

The losses were incurred by these subsidiaries over the last two financial years following the COVID-19 pandemic. The Group concluded that the deferred tax assets will be recoverable using estimates of future taxable profit based on the approved business plans and budgets for each subsidiary. Each subsidiary is expected to generate taxable profit from 2024 onwards. The losses can be carried forward indefinitely and do not expire.

Unrecognised deferred income tax assets at 31 March 2023 amount to €26,329,000 (€22,519,000 at 31 March 2022) and mainly related to Brazil.

28.3. Movements in deferred tax assets and liabilities, net

Movements in deferred tax assets and liabilities, net during the year were as follows:

31 March *In thousands of euros*	**2023**	**2022**
At the beginning of the year	**(2,191)**	**13,068**
(Charged)/credited to income (Note 28.1)	(6,632)	6,185
(Charged)/credited to equity (Note 28.5)	(474)	(564)
Sale of L'Occitane Russia (Note 6.1)	(3,424)	–
Reconsolidation of L'Occitane Inc. (Note 6.2)	–	14,078
Acquisition of subsidiaries (Note 6.2)	–	(32,543)
Exchange differences	(1,801)	(2,415)
At the end of the year	**(14,522)**	**(2,191)**

Notes to the Consolidated Financial Statements

28. INCOME TAX EXPENSE *(CONTINUED)*

28.4. Income tax on unremitted earnings

Deferred income taxes on the unremitted earnings of the Group's foreign subsidiaries and associates are provided for unless the Group intends to indefinitely reinvest the earnings in the subsidiaries. The Group does intend to indefinitely reinvest unremitted earnings of its foreign subsidiaries in most jurisdictions.

For certain subsidiaries for which the Group does not intend to indefinitely reinvest unremitted earnings in these foreign jurisdictions, the corresponding distribution of earnings may trigger taxes. Therefore, the Group provides for deferred income taxes on these earnings where distribution would trigger taxes. The corresponding deferred tax liability amounts to €6,728,000 at 31 March 2023 and €7,718,000 at 31 March 2022.

28.5. Income tax on components of other comprehensive income

The tax (charge)/credit relating to components of other comprehensive income is as follows:

	31 March 2023			31 March 2022		
In thousands of euros	**Before tax**	**Tax (charge)/ credit**	**After tax**	**Before tax**	**Tax (charge)/ credit**	**After tax**
Fair value gains/(losses) on cash flow hedges (Note 17)	1,410	–	1,410	1,890	–	1,890
Actuarial gains/(losses) on defined-benefit obligations (Note 21.1)	1,884	(474)	1,410	2,398	(564)	1,834
Currency translation differences	(650)	–	(650)	50,485	–	50,485
Other comprehensive income	**2,644**	**(474)**	**2,170**	**54,773**	**(564)**	**54,209**

29. EARNINGS PER SHARE

The Group applies the rules governing earnings per share as described in Note 2.30 above.

29.1. Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity owners of the Company by the weighted average number of ordinary shares outstanding during the period, excluding ordinary shares purchased by the Group and held as treasury shares (Note 19.2).

31 March	**2023**	**2022**
Profit for the year attributable to equity holders of the Company *(in thousands of euros)*	**115,110**	**242,034**
Weighted average number of ordinary shares in issue [(a)]	1,471,609,250	1,470,135,821
Basic earnings per share *(in € per share)*	**0.078**	**0.165**

(a) Treasury shares are deducted from total shares in issue for the purposes of calculating earnings per share.

29.2. Diluted earnings per share

The Group has two categories of dilutive potential ordinary shares: share options and free shares. For the share options, a calculation is performed to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	2023	**2022**
Profit for the year attributable to equity holders of the Company *(in thousands of euros)*	**115,110**	**242,034**
Weighted average number of ordinary shares in issue [(a)]	1,471,609,250	1,470,135,821
Adjustment for share options	2,039,865	3,017,232
Weighted average number of ordinary shares for diluted earnings per share in issue	1,473,649,115	1,473,153,053
Diluted earnings per share *(in € per share)*	**0.078**	**0.164**

(a) Treasury shares are deducted from total shares in issue for the purposes of calculating earnings per share.

Notes to the Consolidated Financial Statements

30. SUPPLEMENTAL DISCLOSURE ON CASH FLOW INFORMATION

30.1. Proceeds from sale of assets

In the consolidated statement of cash flows, proceeds from the sale of assets comprise the following:

	2023				2022			
31 March *In thousands of euros*	**Intangible assets**	**Property, plant and equipment**	**Right-of-use assets**	**Total**	**Intangible assets**	**Property, plant and equipment**	**Right-of-use assets**	**Total**
Disposals — Cost	2,415	24,709	3,703	30,827	5,079	27,874	2,391	35,344
Disposals — Accumulated depreciation and amortisation	(1,705)	(22,223)	(2,893)	(26,821)	(4,880)	(26,846)	(1,801)	(33,527)
Net carrying amount (Note 7 and 10)	**710**	**2,486**	**810**	**4,006**	**199**	**1,028**	**590**	**1,817**
Profit/(loss) on sale of assets (Note 25)	5	(284)	(9)	(288)	73	(809)	146	(590)
Proceeds from sale of assets	**715**	**2,202**	**801**	**3,718**	**272**	**219**	**736**	**1,227**

Profit/(loss) on the sale of assets is presented within "Other operating income/expenses" in the consolidated statement of income (Note 25).

30.2. Net movement in provisions and other liabilities

In the consolidated statement of cash flows, the net movement in provisions and other liabilities recorded in the consolidated statement of income comprises the following:

31 March *In thousands of euros*	*Notes*	**2023**	**2022**
Employee-related disputes	(23)	1,171	(392)
Commercial claims	(23)	373	723
Tax risks	(23)	(78)	(71)
Dismantling and restoration costs	(21.2)	1,490	917
Retirement benefits	(21.1)	873	1,443
Net movement in provisions		**3,829**	**2,620**

30.3. Other non-cash items

The Group has granted share-based payments as described in Note 19.3.

30. SUPPLEMENTAL DISCLOSURE ON CASH FLOW INFORMATION *(CONTINUED)*

30.4. Effects of exchange rate fluctuations on the net increase/(decrease) in cash and cash equivalents

The effects of exchange rate fluctuations as stated in the consolidated statement of cash flows include the following:

- The translation at the closing exchange rate of foreign currency cash and cash equivalents;
- The exchange rate effect of the movement in foreign currency cash and cash equivalents from the average exchange rate to the closing exchange rate;
- The exchange movements on intragroup transactions not settled at year-end.

30.5. Cash flows reported on a net basis

In accordance with IAS 7.23, proceeds from and repayments of borrowings in which the turnover is quick, the amounts are large and the maturities are short are reported on a net basis in the consolidated statement of cash flows.

31. CONTINGENCIES

31.1. Legal proceedings

The Group is subject to legal proceedings, claims, taxes, customs, employee-related and other disputes arising in the ordinary course of business. Management does not expect that the ultimate costs required to settle these other matters will have a material adverse effect on the Group's consolidated financial position, statement of income or cash flows.

31.2. Other contingent liabilities

The Group has contingent liabilities in respect of bank, other guarantees and other matters arising in the ordinary course of business. It is not expected that any material liabilities will arise from the contingent liabilities. All guarantees given by the Group are described in Note 31.

Notes to the Consolidated Financial Statements

32. COMMITMENTS

32.1. Capital and other expenditure commitments

Capital and other expenditure contracted at the balance sheet date but not yet incurred is as follows:

31 March	**2023**	**2022**
In thousands of euros		
Property, plant and equipment	4,348	4,746
Intangible assets	269	20
Raw materials	5,117	6,717
Total	**9,734**	**11,483**

The amounts as at 31 March 2023 and 31 March 2022 mainly relate to the plants in France.

32.2. Other commitments

31 March	**2023**	**2022**
In thousands of euros		
Pledge over property (land and buildings)	16,441	19,171
Total	**16,441**	**19,171**

The Group has also committed to invest up to €20,000,000 in an investment fund named Truffle Capital (maturity of 5 years with a 2-year renewal option) and to €3,000,000 in an investment fund named Karista (maturity of 5 years). The Group has already invested a cumulative amount of €18,400,000 in Truffle Capital and €1,416,000 in Karista

In FY22, the Group committed to invest in Livelihoods Carbon fund Sicav for a total amount of €5,000,000. Livelihoods was founded in 2008 under the leadership of Danone to restore degraded ecosystems, redevelop local economies and combat climate change. In return, it is expected to receive carbon offsets under the form of dividends in-kind until 2030. As at March 31 2023, an amount of capital calls of €139,000 was recorded in the line "Other non-current assets" in the balance sheet.

During FY23, the Group committed to invest in the Mirova fund Sicav for a total amount of €40,000,000. Mirova was founded in 2012 under the leadership of Natixis Investment Managers to preserve and restore natural capital including sustainable agriculture and sustainable forestry. In return, it is expected to receive carbon offsets under the form of dividends in-kind until 2030. As at March 31 2023, no capital call was recorded in the line "Other non-current assets" in the balance sheet.

33. TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties are described below.

33.1. Key management compensation

Key management is composed of the directors (executive and non-executive Board members of the Company) and senior management.

Directors' emoluments

Directors are the Board members. Directors' emoluments expensed during the year can be analysed as follows:

31 March 2023 *In thousands of euros*	Salaries and other benefits in kind	Employer's contribution to a retirement benefit scheme	Bonuses	Directors' fees	Share-based payments	Services	Total
Executive directors							
Reinold Geiger [(a)]	–	–	150	–	–	622	772
André Hoffmann [(b)]	659	–	280	–	–	–	939
Séan Harrington	600	–	674	–	68	–	1,342
Karl Guénard	124	34	68	–	47	–	273
Thomas Levilion [(c)]	124	26	352	–	–	–	502
Non-executive director							
Thomas Levilion [(c)]	–	–	–	26	–	–	26
Independent Non-executive directors							
Mark Broadley	–	–	–	56	10	–	66
Valérie Bernis [(d)]	–	–	–	31	–	–	31
Christèle Hiss Holliger	–	–	–	10	–	–	10
Jackson Ng	–	–	–	50	10	–	60
Betty Liu	–	–	–	29	–	–	29
Total	**1,507**	**60**	**1,524**	**202**	**135**	**622**	**4,050**

(a) Reinold Geiger is the Chairman

(b) André Hoffman is the Chief Executive Officer

(c) Thomas Levilion has been re-designated from an executive Director to a non-executive Director on 1st July 2022 and he replaced Martial Lopez

(d) Valérie Bernis has been replaced by Betty Liu on 1st January 2023

Notes to the Consolidated Financial Statements

33. TRANSACTIONS WITH RELATED PARTIES *(CONTINUED)*

33.1. Key management compensation *(continued)*

Directors' emoluments (continued)

31 March 2022 *In thousands of euros*	Salaries and other benefits in kind	Employer's contribution to a retirement benefit scheme	Bonuses	Directors' fees	Share-based payments	Services	Total
Executive directors							
Reinold Geiger [(a)]	–	–	150	–	–	697	847
André Hoffmann [(b)]	618	–	278	–	–	–	896
Yves Blouin	428	70	115	–	121	–	734
Thomas Levilion	385	94	150	–	127	–	756
Séan Harrington	544	–	805	–	32	–	1,381
Karl Guénard	116	31	120	–	14	–	281
Non-executive director							
Martial Lopez	–	–	–	10	–	–	10
Independent Non-executive directors							
Mark Broadley	–	–	–	45	5	–	50
Pierre Milet [(c)]	–	–	–	18	–	–	18
Valérie Bernis	–	–	–	30	5	–	35
Jackson Ng	–	–	–	39	5	–	44
Betty Liu [(c)]	–	–	–	–	–	–	–
Total	**2,091**	**195**	**1,618**	**142**	**309**	**697**	**5,052**

(a) Reinold Geiger was the Chairman

(b) André Hoffman was the Chief Executive Officer.

(c) Pierre Milet was replaced by Betty Liu on 1st March 2022

There is no defined-benefit obligation for directors.

33. TRANSACTIONS WITH RELATED PARTIES *(CONTINUED)*

33.1. Key management compensation *(continued)*

Directors' material interests in transactions, arrangements or contracts

There were no significant transactions, arrangements or contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a direct or indirect material interest at the end of the financial year or at any time during the year.

Five highest-paid individuals

The five highest-paid individuals are as follows:

31 March *In thousands of euros*	**2023**	**2022**
Salaries and other benefits in kind	2,640	2,014
Employer's contribution to a retirement benefit scheme	65	105
Bonuses	2,736	1,848
Directors' fees	–	–
Share-based payment	399	182
Services	–	697
Total	**5,840**	**4,846**

Fees for three directors are included in the 31 March 2023 and 2022 amounts.

There is no defined-benefit obligation for the five highest-paid individuals.

The emoluments of the five highest-paid individuals are analysed according to the following bands:

31 March *Number of individuals*	**2023**	**2022**
Nil to €700,000	–	–
€700,000 to €800,000	–	1
€800,000 to €900,000	1	2
€900,000 to €1,000,000	2	1
over €1,000,000	2	1
Total	**5**	**5**

Senior management's emoluments expensed during the year

The emoluments of members of senior management (excluding termination benefits) are as follows:

31 March *In thousands of euros*	**2023**	**2022**
Salaries and other benefits in kind	2,642	3,168
Employer's contribution to a retirement benefit scheme	170	324
Bonuses	1,939	1,172
Directors' fees	–	–
Share-based payment	559	1,339
Total	**5,310**	**6,003**

There is no defined benefit obligation for senior management.

Notes to the Consolidated Financial Statements

33. TRANSACTIONS WITH RELATED PARTIES *(CONTINUED)*

33.1. Key management compensation *(continued)*

Senior management's emoluments expensed during the year (continued)

The emoluments of members of senior management (excluding termination benefits) are analysed according to the following bands:

31 March *Number of individuals*	**2023**	**2022**
Nil to €200,000	–	–
€200,000 to €300,000	3	3
€300,000 to €400,000	–	2
€400,000 to €500,000	3	–
over €500,000	3	7
Total	**9**	**12**

33.2. Sales of products and services

31 March *In thousands of euros*	**2023**	**2022**
Sales of goods and services		
— Sales of L'Occitane products to Les Minimes [(a)]	50	–
— Sales of L'Occitane products to L'Occitane Middle East	18,123	10,612
— Sales of L'Occitane products to Capsum	6	–
— Sales of L'Occitane products to L'Occitane Inc.	–	13,334
— Sales of Erborian products to L'Occitane Middle East	3,699	368
— Sales of Melvita products to L'Occitane Middle East	–	46
— Sales of Elemis products to L'Occitane Middle East	5,261	–
— Management fees to parent [(b)]	231	231
— Sales of services to LOG Investments	374	42
— Interests on loan to L'Occitane Middle East	223	–
Total sales of products	**27,968**	**24,633**
Receivables from related parties in connection with the above sales of products		
— Receivables from parent	418	271
— Receivables from LOG Investments	27	53
— Receivables from L'Occitane Middle East	16,082	6,921
— Receivables from Cloître des Minimes [(a)]	61	–
Total receivables	**16,588**	**7,245**

(a) In the normal course of business, the Group sells L'Occitane products to Les Minimes SAS, which is owned by the parent company (60.6%) ,by Mr. Reinold Geiger (6.6%) and by other shareholders (32.8%)

(b) Management fees invoiced by the Company to the parent company amounted to €231,000 (€231,000 for the financial year ended 31 March 2022).

33. TRANSACTIONS WITH RELATED PARTIES *(CONTINUED)*

33.3. Purchases of goods and services

31 March *In thousands of euros*	**2023**	**2022**
Purchases		
— Services from Parent	–	(109)
— Goods and services from Pierre Hermé [(a)]	–	1,468
— Goods and services from Capsum	2,409	3,489
Total purchases	**2,409**	**4,848**
Payables to related parties in connection with the above services		
— Goods and services from Pierre Hermé [(a)]	–	293
— Goods from L'Occitane Middle East	25	51
— Goods from Capsum	759	230
Total payables	**784**	**574**

The Company runs two stores (in Paris and London) with Pierre Hermé SAS. The Company buys pastries from Pierre Hermé SAS for takeaway sales. Pierre Hermé SAS used to be an associate of L'Occitane Group S.A. until it sold its shares to a third party in December 2021. From that time, Pierre Hermé is no longer a related party of L'Occitane International S:A:

33.4. Borrowings from related parties/loans to related parties

31 March *In thousands of euros*	**2023**	**2022**
Loans to related parties		
— Receivables from L'Occitane Middle East	7,277	6,945
Total loans to related parties	**7,277**	**6,945**

33.5. Formation of joint ventures/Acquisition of additional interests in a subsidiary

There were no transactions with related parties linked to the formation of joint ventures or acquisition of additional interests in subsidiaries other than those listed in Note 6 during the years ended 31 March 2023 and 31 March 2022.

33.6. Commitments and contingencies

The Group has not guaranteed any loans to any key management personnel.

33.7. Other transactions with related parties

Acquisition of Grown Alchemist

On 1 April 2022, L'Occitane International S.A. acquired from LOG Investment (a subsidiary of the parent company L'Occitane Group S.A.) 49.24% of equity interests (representing 76.18% of the voting rights) in 14 Groupe S.A. which holds 65% of the equity interests and voting rights of Grown Alchemist, for an amount of €5.0 million. Grown Alchemist is an Australian brand with cross-category success across skincare, bodycare, haircare and nutricosmetics (supplements) with natural ingredients (Note 6.1).

Notes to the Consolidated Financial Statements

34. COMPANY-LEVEL INFORMATION

34.1. Company balance sheet

ASSETS *In thousands of euros*	31 March 2023	31 March 2022
Property, plant and equipment	5	810
Right-of-use assets	220	9,399
Intangible assets	3,100	24,045
Investments at costs in subsidiaries	1,296,913	1,542,774
Investments at costs in joint-ventures and associates	76,200	62,744
Investments at fair value through other comprehensive income (FVOCI)	83	9,162
Other non-current receivables due from subsidiaries	–	4,090
Other non-current receivables	11,971	10,073
Non-current assets	**1,388,492**	**1,663,097**
Inventories	–	23,758
Trade receivables due from subsidiaries	2,928	162,439
Trade receivables	269	15,455
Other current assets due from subsidiaries	–	163,735
Other current assets	935	19,151
Derivative financial instruments	–	1,931
Cash and cash equivalents	12,628	252,414
Current assets	**16,760**	**638,883**
TOTAL ASSETS	**1,405,252**	**2,301,980**

EQUITY AND LIABILITIES *In thousands of euros*	31 March 2023	31 March 2022
Share capital	44,309	44,309
Additional paid-in capital	342,851	342,851
Retained earnings	342,804	669,481
Total equity	**729,964**	**1,056,641**
Borrowings	-	364,878
Lease liabilities	124	7,288
Deferred income tax liabilities	1,656	2,176
Other financial liabilities	338,650	171,865
Non-current liabilities	**340,430**	**546,207**
Trade payables due to subsidiaries	299	96,375
Trade payables	487	13,797
Social and tax liabilities	6,612	28,304
Borrowings	327,358	475,582
Lease liabilities	102	3,004
Other current liabilities due to subsidiaries	–	80,262
Derivative financial instruments	–	1,208
Provisions	–	600
Current liabilities	**334,858**	**699,132**
TOTAL EQUITY AND LIABILITIES	**1,405,252**	**2,301,980**

34. COMPANY-LEVEL INFORMATION *(CONTINUED)*

34.2. Company statement of changes in equity

In thousands of euros	Share capital	Additional paid-in capital	Retained earnings	Total
Balance as at 31 March 2021	**44,309**	**342,851**	**735,688**	**1,122,848**
Profit for the year	–	–	136,256	136,256
Dividend declared	–	–	(54,141)	(54,141)
Employee share option: value of employee services	–	–	3,092	3,092
Change in estimates in the valuation of the exercise price of the put options granted to non-controlling interests	–	–	3,064	3,064
New put options granted to non-controlling interests	–	–	(154,534)	(154,534)
Fair value gains/(losses) on cash flow hedges	–	–	56	56
Balance as at 31 March 2022	**44,309**	**342,851**	**669,481**	**1,056,641**
Profit for the year	–	–	(65,596)	(65,596)
Dividend declared	–	–	(97,248)	(97,248)
Employee share option: value of employee services	–	–	5,646	5,646
Change in estimates in the valuation of the exercise price of the put options granted to non-controlling interests	–	–	(133,349)	(133,349)
New put options granted to non-controlling interests	–	–	(33,436)	(33,436)
Transfer to L'Occitane International (Suisse) S.A. *	–	–	(2,694)	(2,694)
Balance as at 31 March 2023	**44,309**	**342,851**	**342,804**	**729,964**

* *On April 1st 2022, L'Occitane International S.A. transferred its commercial activity and part of its financing activity to L'Occitane International (Suisse) S.A.*

35. POST BALANCE SHEET EVENTS

On 11 May 2023, L'Occitane International S.A. purchased 35% of Group Fourteen Holdings Pty Ltd (holding company of Grown Alchemist activity) for a total consideration of € 10,061,000. The Company percentage of interests of the Company after this transaction is 67%.

On 31 May 2023, L'Occitane International S.A. took part to the last fund raising of Good Glamm Group (accounted for using equity method) for €9,427,000 and increased its percentage of interests to 15.93%.

Notes to the Consolidated Financial Statements

36. LIST OF SUBSIDIARIES AND ASSOCIATES

List of subsidiaries and associates

Subsidiaries and investments accounted for using the equity method		City — Region/Country of incorporation and operation	31 March % of interest 2023	31 March % of interest 2022	Method of consolidation 31 March 2023	Method of consolidation 31 March 2022
L'Occitane International S.A.		Luxembourg — Luxembourg	Parent	Parent	Full	Full
L'Occitane International (Suisse) S.A.	*	Plan les Ouates — Switzerland	100.0	–	Full	–
Laboratoires M&L	*	Manosque — France	100.0	100.0	Full	Full
M&L Distribution France S.a.r.l.	**	Manosque — France	100.0	100.0	Full	Full
Café & Retail 86	*	Paris — France	100.0	100.0	Full	Full
L'Occitane Inc.	*	New York — USA	100.0	100.0	Full	Full
L'Occitane (Far East) Limited	*	Hong Kong SAR — China	100.0	100.0	Full	Full
L'Occitane Singapore Pte. Limited	**	Singapore — Singapore	100.0	100.0	Full	Full
L'Occitane Japon K.K.	***	Tokyo — Japan	100.0	100.0	Full	Full
Melvita Japon K.K.	**	Tokyo — Japan	100.0	100.0	Full	Full
L'Occitane Do Brasil	*	Jundjai — Brazil	100.0	100.0	Full	Full
Espaço Do Banho	***	Sao Paulo — Brazil	100.0	100.0	Full	Full
L'Occitane Ltd.	*	London — UK	100.0	100.0	Full	Full
L'Occitane GmbH	*	Villach — Austria	70.0	70.0	Full	Full
L'Occitane GmbH	*	Dusseldorf — Germany	100.0	100.0	Full	Full
L'Occitane Italia S.r.l.	*	Milan — Italy	100.0	100.0	Full	Full
L'Occitane Australia Pty Ltd	**	Sydney — Australia	100.0	100.0	Full	Full
L'Occitane (Suisse) S.A.	*	Geneva — Switzerland	100.0	100.0	Full	Full
L'Occitane Espana S.L	*	Madrid — Spain	100.0	100.0	Full	Full
L'Occitane Central Europe s.r.o.	*	Prague — Czech Republic	100.0	100.0	Full	Full
L'Occitane (Taiwan) Limited	***	Taipei — Taiwan Region	100.0	100.0	Full	Full
L'Occitane Belgium Sprl	*	Antwerpen — Belgium	100.0	100.0	Full	Full
L'Occitane Trading (Shanghai) Co. Limited	**	Shanghai — China	100.0	100.0	Full	Full
L'Occitane (Korea) LLC	**	Seoul — Korea	100.0	100.0	Full	Full
L'Occitane Airport Venture LLC	**	Dallas — USA	65.0	65.0	Full	Full
L'Occitane Mexico S.A. de CV	*	Mexico City — Mexico	99.9	99.9	Full	Full
L'Occitane (China) Limited	**	Hong Kong SAR — China	100.0	100.0	Full	Full
L'Occitane Macau Limited	**	Macau SAR — China	100.0	100.0	Full	Full
L'Occitane Rus LLC (Russia)	*	Moscow — Russia	–	100.0	–	Full
Melvita (International) SAS (formerly Verveina SAS)	**	Manosque — France	100.0	100.0	Full	Full
L'Occitane Thailand Ltd.	**	Bangkok — Thailand	100.0	100.0	Full	Full
L'Occitane Ventures (Thailand) Ltd.	**	Bangkok — Thailand	100.0	100.0	Full	Full
L'Occitane Polska Sp.z.o.o	*	Warsaw — Poland	100.0	100.0	Full	Full
L'Occitane Canada Corp	*	Toronto — Canada	100.0	100.0	Full	Full
L'Occitane India Private Limited	**	New Delhi — India	51.0	51.0	Full	Full
L'Occitane Nederland B.V.	*	Amsterdam — The Netherlands	100.0	100.0	Full	Full
L'Occitane Malaysia SDN	**	Kuala Lumpur — Malaysia	100.0	100.0	Full	Full
L'Occitane Ireland Ltd	*	Dublin — Ireland	100.0	100.0	Full	Full
Symbiose Cosmetics France SAS	*	Paris — France	97.8	97.8	Full	Full
Symbiose Cosmetics Korea	**	Seoul — Korea	97.8	97.8	Full	Full
L'Occitane Nordic AB	*	Stockholm — Sweden	100.0	100.0	Full	Full

36. LIST OF SUBSIDIARIES AND ASSOCIATES *(CONTINUED)*

List of subsidiaries and associates *(continued)*

Subsidiaries and investments accounted for using the equity method		City — Region/Country of incorporation and operation	31 March % of interest 2023	2022	Method of consolidation 31 March 2023	2022
L'Occitane South Africa	*	Johannesburg — South Africa	100.0	100.0	Full	Full
L'Occitane International GMBH	*	Dusseldorf — Germany	–	100.0	–	Full
L'Occitane Portugal Unipessoal LDA	*	Lisbon — Portugal	100.0	100.0	Full	Full
L'Occitane Norge AS	*	Oslo — Norway	100.0	100.0	Full	Full
L'Occitane Distribution Asia Pte. Ltd.	**	Singapore — Singapore	100.0	100.0	Full	Full
L'Occitane Opera Industria e Comercio de Cosmeticos LTDA	***	Sao Paulo — Brazil	100.0	100.0	Full	Full
LimeLife Co-Invest Sarl	**	Luxembourg — Luxembourg	58.0	58.0	Full	Full
Limelife USA LLC	**	New York — USA	58.0	58.0	Full	Full
LimeLife Canada Ltd	**	Toronto — Canada	58.0	58.0	Full	Full
Comercio De Cosmeticos e Produtos De Perfumaria LTDA	**	Sao Paulo — Brazil	58.0	58.0	Full	Full
LimeLife Servicos de Cobranca Ltda	**	Sao Paulo — Brazil	–	58.0	–	Full
LimeLife Gesta de sistema de franquia Eireli	**	Sao Paulo — Brazil	–	58.0	–	Full
LimeLife France SAS	**	Paris — France	58.0	58.0	Full	Full
LimeLife by Alcone UK Ltd	**	London — UK	58.0	58.0	Full	Full
LimeLife Deutschland GMBH	**	Berlin — Germany	58.0	58.0	Full	Full
LimeLife Italia S.P.A.	**	Milan — Italy	58.0	58.0	Full	Full
LimeLife by Alcone Espana S.L.	**	Madrid — Spain	58.0	58.0	Full	Full
Limelife Australia Pty Ltd	**	Sydney — Australia	58.0	58.0	Full	Full
Limelife by Alcone Ireland Ltd (branch of UK)	**	Dublin — Ireland	58.0	58.0	Full	Full
Limelife Japan KK	**	Tokyo — Japan	58.0	58.0	Full	Full
LimeLife Fempire Fund LLC	**	New York — USA	58.0	58.0	Full	Full
LOI Participations SARL	*	Luxembourg — Luxembourg	100.0	100.0	Full	Full
L'Occitane Innovation Lab	*	Manosque — France	100.0	100.0	Full	Full
LOI ELEMIS SARL	*	Luxembourg — Luxembourg	98.6	98.6	Full	Full
ELEMIS Ltd USA	**	Coral Gables — USA	98.6	98.6	Full	Full
Elemis SPS LLC	**	Wilmington — USA	98.6	98.6	Full	Full
ELEMIS Ltd UK	**	Bristol — UK	98.6	98.6	Full	Full
Elemis Spa Ltd (UK)	**	Bristol — UK	–	98.6	–	Full
Elemis Asia Pacific Limited	**	Hong Kong SAR — China	98.6	98.6	Full	Full
Duolab International SARL	*	Plan les Ouates — Switzerland	100.0	100.0	Full	Full
Duolab UK Limited	**	London — UK	100.0	100.0	Full	Full
Capsum S.A.	*	Marseille — France	26.0	26.0	Equity	Equity
Caspum Inc.	*	Texas — US	26.0	26.0	Equity	Equity
Sanghvi Beauty & Technology Private Limited (Good Glam Group)	*	Pune — India	15.5	15.5	Equity	Equity

Notes to the Consolidated Financial Statements

36. LIST OF SUBSIDIARIES AND ASSOCIATES *(CONTINUED)*

List of subsidiaries and associates *(continued)*

Subsidiaries and investments accounted for using the equity method		City — Region/Country of incorporation and operation	31 March % of interest 2023	2022	Method of consolidation 31 March 2023	2022
LOC SOL Holding Inc.	*	Dover Kent County — USA	100.0	100.0	Full	Full
LOC SOL Owners Inc.	**	Dover Kent County — USA	83.0	83.0	Full	Full
LOC SOL Target Inc.	**	Dover Kent County — USA	83.0	83.0	Full	Full
Sol de Janeiro Holding Inc.	**	Dover Kent County — USA	83.0	83.0	Full	Full
Sol de Janeiro USA Inc.	**	Dover Kent County — USA	83.0	83.0	Full	Full
Sol de Janeiro SAS	**	Paris — France	83.0	83.0	Full	Full
Sol de Janeiro IP Inc.	**	Dover Kent County — USA	83.0	83.0	Full	Full
L'Occitane Middle East FZCO JV	*	Dubai — UAE	51.0	51.0	Equity	Equity
L'Occitane Arabia	**	Jeddah — KSA	51.0	51.0	Equity	Equity
L'Occitane Emirates LLC	**	Dubai — UAE	51.0	51.0	Equity	Equity
14 Group S.A.	*	Luxembourg — Luxembourg	32.0	–	Full	–
Group Fourteen Holdings Australia Pty Ltd	**	Melbourne — Australia	32.0	–	Full	–
Group Fourteen LLC	**	Wilmington — USA	32.0	–	Full	–
Group Fourteen Operations Pty Ltd	**	Melbourne — Australia	32.0	–	Full	–
Group Fourteen IP Pty Ltd	**	Melbourne — Australia	32.0	–	Full	–
Grown Alchemist Ltd	**	London — UK	32.0	–	Full	–
Grown Alchemist Europe BV	**	Amsterdam — The Netherlands	32.0	–	Full	–
Group Fourteen Europe Pty Ltd	**	Melbourne — Australia	32.0	–	Full	–
Grown Alchemist Pty Ltd	**	Melbourne — Australia	32.0	–	Full	–

* *Directly held by the Company*

** *Indirectly held by the Company*

*** *Both directly and indirectly held by the Company*

The percentage interests are representative of voting rights as no shares have multiple voting rights. These percentages are unchanged at the approval date of the financial statements.

The main changes in the list of subsidiaries and associates are disclosed in Note 6.

36. LIST OF SUBSIDIARIES AND ASSOCIATES *(CONTINUED)*

Information on subsidiaries and investments accounted for using equity method

The date of incorporation, share capital and the principal activities of the subsidiaries and investments accounted for using the equity method are as follows:

Subsidiaries and investments accounted for using equity method		City — Region/Country of operation and incorporation	Date of incorporation	Share capital	Principal activities
L'Occitane International S.A.		Luxembourg — Luxembourg	2000	EUR 44,308,950	Holding & Distribution
L'Occitane International (Suisse) S.A.		Plan les Ouates — Switzerland	2022	CHF 100,000	Distribution
Laboratoires M&L	*	Manosque — France	1976	EUR 8,126,409	Production
M&L Distribution France S.a.r.l.	**	Manosque — France	1994	EUR 4,790,949	Distribution
Café & Retail 86	*	Paris — France	2020	EUR 1 622 443,00	Distribution
L'Occitane Inc.	*	New York — USA	1995	USD 1	Distribution
L'Occitane (Far East) Limited	*	Hong Kong SAR — China	1992	HKD 8,000,000	Holding & Distribution
L'Occitane Singapore Pte. Limited	**	Singapore — Singapore	1997	SGD 500,000	Distribution
L'Occitane Japon K.K.	***	Tokyo — Japan	1998	JPY 100,000,000	Distribution
Melvita Japon K.K.	**	Tokyo — Japan	2010	JPY 50,000,000	Distribution
L'Occitane Do Brasil	*	Jundjai — Brazil	1999	BRL 8,700,000	Distribution
Espaço Do Banho	***	Sao Paulo — Brazil	1996	BRL 450,242,000	Distribution
L'Occitane Ltd.	*	London — UK	1996	GBP 1,398,510.75	Distribution
L'Occitane GmbH	*	Villach — Austria	2000	EUR 70,000	Distribution
L'Occitane GmbH	*	Dusseldorf — Germany	2004	EUR 25,000	Distribution
L'Occitane Italia S.r.l.	*	Milan — Italy	2001	EUR 80,000	Distribution
L'Occitane Australia Pty Ltd	**	Sydney — Australia	2000	AUD 5,000,000	Distribution
L'Occitane (Suisse) S.A.	*	Geneva — Switzerland	2002	CHF100,000	Distribution
L'Occitane Espana S.L	*	Madrid — Spain	2003	EUR 6,459,650.10	Distribution
L'Occitane Central Europe s.r.o.	*	Prague — Czech Republic	2004	CZK 9,361,000	Distribution
L'Occitane (Taiwan) Limited	***	Taipei — Taiwan Region	2005	TWD 28,500,000	Distribution
L'Occitane Belgium Sprl	*	Antwerpen — Belgium	2005	EUR 20,000	Distribution
L'Occitane Trading (Shanghai) Co. Limited	**	Shanghai — China	2005	USD 1,400,000	Distribution
L'Occitane (Korea) LLC	**	Seoul — Korea	2005	KRW 2,505,000,000	Distribution
L'Occitane Airport Venture LLC	**	Dallas — USA	2006	USD 10,000	Distribution
L'Occitane Mexico S.A. de CV	*	Mexico City — Mexico	2006	MXP 28,250,000	Distribution
L'Occitane (China) Limited	**	Hong Kong SAR — China	2006	HKD 10,000	Distribution
L'Occitane Macau Limited	**	Macau SAR — China	2007	MOP 25,000	Distribution
Melvita (International) SAS (formerly Verveina SAS)	**	Manosque — France	2008	EUR 60,390,831	Holding & Distribution
L'Occitane Thailand Ltd.	**	Bangkok — Thailand	2008	THB 100,232,000	Distribution
L'Occitane Ventures (Thailand) Ltd.	**	Bangkok — Thailand	2012	THB 451,700	Distribution
L'Occitane Polska Sp.z.o.o	*	Warsaw — Poland	2009	PLN 3,754,000	Distribution
L'Occitane Canada Corp	*	Toronto — Canada	2009	CAD 6,000,000	Distribution
L'Occitane India Private Limited	**	New Delhi — India	2009	INR 17,500,000	Distribution
L'Occitane Nederland B.V.	*	Amsterdam — the Netherlands	2010	EUR 200,000	Distribution
L'Occitane Malaysia SDN	**	Kuala Lumpur — Malaysia	2011	MYR 76,000	Distribution
L'Occitane Ireland Ltd	*	Dublin — Ireland	2012	EUR 1,103	Distribution
Symbiose Cosmetics France SAS	*	Paris — France	2012	EUR 140,000	Distribution
Symbiose Cosmetics Korea	**	Seoul — Korea	2012	KRW 200,000,000	Production
L'Occitane Nordic AB	*	Stockholm — Sweden	2012	SEK 50,000	Distribution
L'Occitane South Africa	*	Johannesburg — South Africa	2013	ZAR 750	Distribution
L'Occitane Portugal Unipessoal LDA	*	Lisbon — Portugal	2013	EUR 50,000	Distribution

Notes to the Consolidated Financial Statements

36. LIST OF SUBSIDIARIES AND ASSOCIATES *(CONTINUED)*

Information on subsidiaries and investments accounted for using equity method *(continued)*

Subsidiaries and investments accounted for using equity method		City — Region/Country of operation and incorporation	Date of incorporation	Share capital	Principal activities
L'Occitane Norge AS	*	Oslo — Norway	2014	NOK 129,000	Distribution
L'Occitane Distribution Asia Pte. Ltd.	**	Singapore	2016	SGD 10,000	General Warehousing
L'Occitane Opera Industria e Comercio de Cosmeticos LTDA	***	Sao Paulo — Brazil	2017	BRL 1,000,000	Production
LimeLife Co-Invest Sarl	**	Luxembourg — Luxembourg	2018	USD 42,229,729	Holding
Limelife USA LLC	**	New York — USA	2017	USD 5,830,313	Distribution
LimeLife Canada Ltd	**	Toronto — Canada	2017	CAD 529,310	Distribution
Comercio De Cosmeticos e Produtos De Perfumaria LTDA	**	Sao Paulo — Brazil	2017	BRL 11,279,388	Distribution
LimeLife France SAS	**	Paris — France	2018	EUR 333,400	Distribution
LimeLife by Alcone UK Ltd	**	London — UK	2017	GBP 300,880	Distribution
LimeLife Deutschland GMBH	**	Berlin — Germany	2018	EUR 30,000	Distribution
LimeLife Italia S.P.A.	**	Milan — Italy	2018	EUR 50,000	Distribution
LimeLife by Alcone Espana S.L.	**	Madrid — Spain	2019	EUR 30,000	Distribution
Limelife Australia	**	Sydney — Australia	2019	AUD 40,000	Distribution
Limelife by Alcone Ireland Ltd (branch of UK)	**	Dublin — Ireland	2018	EUR 0	Distribution
Limelife Japan KK	**	Tokyo — Japan	2019	JPY 5,000,000	Distribution
LimeLife Fempire Fund LLC	**	New York — USA	2021	USD 2,000,000	Investment
LOI Participations SARL	*	Luxembourg — Luxembourg	2017	EUR 113,919,000	Holding
L'Occitane Innovation Lab	*	Manosque — France	2017	EUR 5,000,000	Investment
LOI ELEMIS SARL	*	Luxembourg — Luxembourg	2019	EUR 12,000	Holding
ELEMIS Ltd USA	**	Coral Gables — USA	2019	USD 178,850,000	Distribution
ELEMIS SPS LLC	**	Wilmington — USA	2002	USD 100	Distribution
ELEMIS Ltd UK	**	Bristol — UK	1988	GBP 795,000	Distribution
Duolab International SARL	*	Plan les Ouates — Switzerland	2019	EUR 272,000	Development, Production, Distribution
Duolab UK Limited	**	London — UK	2019	GBP 50,000	Distribution
Elemis Asia Pacific Limited	**	Hong Kong SAR — China	2019	HKD 1	Distribution
Capsum S.A.	*	Marseille — France	2008	EUR 556,940	Production, Distribution
Caspum Inc.	*	Texas — USA	2015	USD 22,194,186	Production
Sanghvi Beauty & Technologies Private Limited (Good Glamm Group)	*	Pune — India	2015	INR 1,598,520,613	Holding, Investment, Distribution
LOC SOL Holding Inc.	*	Dover Kent County — USA	2021	USD 379,392	Holding, Distribution
LOC SOL Owners Inc.	**	Dover Kent County — USA	2021	USD 457,896	Distribution
LOC SOL Target Inc.	**	Dover Kent County — USA	2021	USD 457,896	Distribution
Sol de Janeiro Holding Inc.	**	Dover Kent County — USA	2019	USD 2,674	Holding, Distribution
Sol de Janeiro USA Inc.	**	Dover Kent County — USA	2019	USD 1	Distribution
Sol de Janeiro SAS	**	Paris — France	2020	EUR 0	Distribution
Sol de Janeiro IP Inc.	**	Dover Kent County — USA	2019	USD 1	Distribution
L'Occitane Middle East FZCO JV	*	Dubai — UAE	2020	USD 27,000	Distribution
L'Occitane Arabia	**	Jeddah — KSA	2021	SAR 30,000,000	Distribution
L'Occitane Emirates LLC	**	Dubai — UAE	2021	AED 300,000	Distribution
14 Group S.A.	*	Luxembourg — Luxembourg	2022	EUR 30,000	Holding
Group Fourteen Holdings Australia Pty Ltd	**	Melbourne — Australia	2016	AUD 10,723,000	Holding

36. LIST OF SUBSIDIARIES AND ASSOCIATES *(CONTINUED)*

Information on subsidiaries and investments accounted for using equity method *(continued)*

Subsidiaries and investments accounted for using equity method		City — Region/Country of operation and incorporation	Date of incorporation	Share capital	Principal activities
Group Fourteen LLC	**	Wilmington — USA	2017	USD 1,000	Distribution
Group Fourteen Operations Pty Ltd	**	Melbourne — Australia	2008	AUD 1,100,000	Distribution
Group Fourteen IP Pty Ltd	**	Melbourne — Australia	2016	AUD 1	Distribution
Grown Alchemist Ltd	**	London — UK	2020	GBP 2	Distribution
Grown Alchemist Europe BV	**	Amsterdam — The Netherlands	2015	EUR 100	Distribution
Group Fourteen Europe Pty Ltd	**	Melbourne — Australia	2016	AUD 0	Dormant
Grown Alchemist Pty Ltd	**	Melbourne — Australia	2015	AUD 100	Dormant

* *Directly held by the Company*

** *Indirectly held by the Company*

*** *Both directly and indirectly held by the Company*

**** *No longer directly or indirectly held by the Company*

The main changes in the list of subsidiaries and associates are disclosed in Note 6.

Disclaimer: some information presented in the tables has been rounded to the nearest whole number or the nearest decimal point. Consequently, the sum of the numbers in a column may not correspond exactly to the total figure given for that column. In addition, some percentages presented in the tables reflect calculations based upon the underlying information prior to rounding and, accordingly, may not correspond exactly to the percentages that would be presented if the relevant calculations were based upon the rounded numbers.

Financial Summary

A summary of the consolidated results and assets, liabilities, equity and minority interests of the Group for the last five financial years is set out below.

			Restated		
Year ended 31 March	**2023**	**2022**	**2021**	**2020**	**2019**
	€'000	*€'000*	*€'000*	*€'000*	*€'000*
Net sales	**2,134,689**	1,781,358	1,537,845	1,644,083	1,426,874
Gross profit	**1,718,141**	1,463,415	1,277,134	1,341,231	1,186,973
Gross profit margin	**80.5%**	82.2%	83.0%	81.6%	83.2%
Operating profit	**239,132**	310,714	216,836	187,263	150,747
Operating profit margin	**11.2%**	17.4%	14.1%	11.4%	10.6%
Profit for the year	**118,193**	241,909	153,637	115,240	117,569
attributable to:					
equity owners of the Company	**115,110**	242,034	151,180	116,288	118,186
non-controlling interests	**3,083**	(125)	2,457	(1,048)	(617)
Total assets	**2,816,428**	3,009,074	2,489,539	2,408,359	1,964,011
Total liabilities	**1,629,427**	1,694,468	1,218,002	1,233,024	879,779
Equity attributable to the equity owners					
of the Company	**1,138,964**	1,270,028	1,192,838	1,098,480	1,017,768
Non-controlling interests	**48,037**	44,578	78,699	76,855	66,464

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standard (IFRS), as issued by the International Accounting Standards Board which are similar, for operations conducted by the Group, to International Financial Reporting Standards as adopted by the European Union.

The above summary does not form a part of the consolidated financial statements.


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Groupe
L'OCCITANE



2023
財政年度報告

Groupe
L'OCCITANE

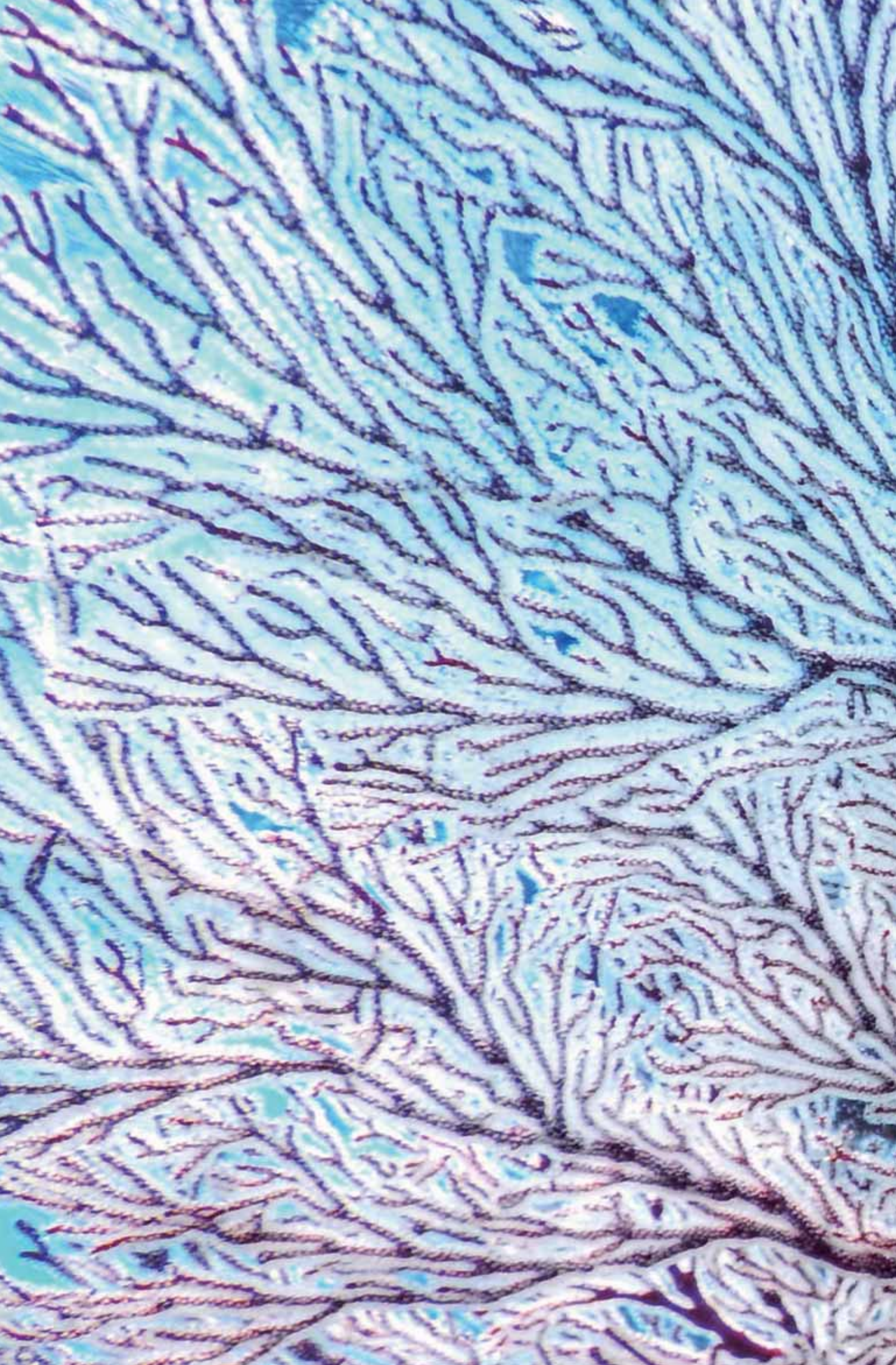
L'OCCITANE INTERNATIONAL S.A.

（一家根據盧森堡法律註冊成立的有限公司）

股份代號：973

Groupe
L'OCCITANE

L'OCCITANE EN PROVENCE | Melvita | erborian KOREAN SKIN THERAPY PARIS · SEOUL | L'OCCITANE AU BRÉSIL | LimeLife by Aloxxi | ELEMIS | SOL DE JANEIRO | GROWN ALCHEMIST BIOLOGICAL BEAUTY



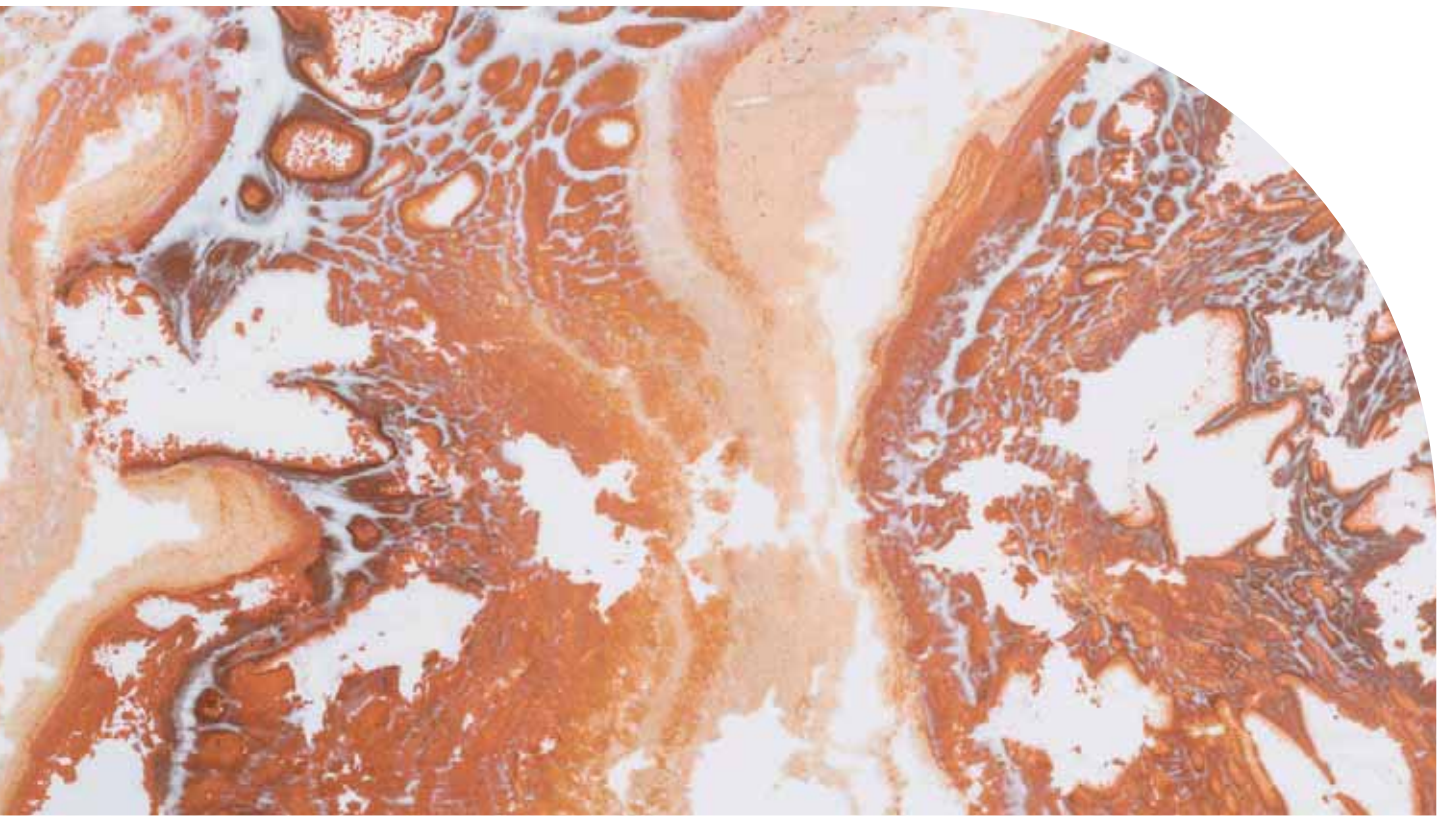




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公司資料



執行董事

Reinold Geiger
(主席)
André Hoffmann
(副主席兼行政總裁)
Karl Guénard
(公司秘書)
Séan Harrington
(ELEMIS行政總裁)

非執行董事

Thomas Levilion

獨立非執行董事

Charles Mark Broadley
Christèle Hiss Holliger
劉文思
吳植森

公司秘書

Karl Guénard

授權代表

André Hoffmann
吳植森

公司法定名稱

L'Occitane International S.A.

註冊成立日期

二零零零年十二月二十二日

在香港上市的日期

二零一零年五月七日

註冊辦事處

49, Boulevard Prince Henri
L-1724 Luxembourg

總辦事處

49, Boulevard Prince Henri
L-1724 Luxembourg

Chemin du Pré-Fleuri 5
CP 165
1228 Plan-les-Ouates
Geneva
Switzerland

香港主要營業地點

香港鰂魚涌
英皇道728號
K11 ATELIER King's Road二十樓

股份代號

973

公司網站

group.loccitane.com

審核委員會

Charles Mark Broadley *(主席)*
Thomas Levilion
吳植森

薪酬委員會

Christèle Hiss Holliger *(主席)*
André Hoffmann
劉文思

提名委員會

吳植森 *(主席)*
Christèle Hiss Holliger
劉文思

可持續發展委員會

Charles Mark Broadley *(主席)*
Thomas Levilion
Christèle Hiss Holliger
劉文思

主要往來銀行

Groupe Crédit Agricole
Crédit Agricole CIB
Le Crédit Lyonnais (LCL)
Caisse Régionale du Crédit Agricole Mutuel Provence Côte d'Azur
HSBC France
BNP Paribas
Groupe BPCE
Natixis
BRED
CEPAC
Palatine
Société Générale
CIC

核數師

PricewaterhouseCoopers, Société coopérative
註冊會計師
認可公眾利益實體核數師

主要股份過戶登記處

49, Boulevard Prince Henri
L-1724 Luxembourg

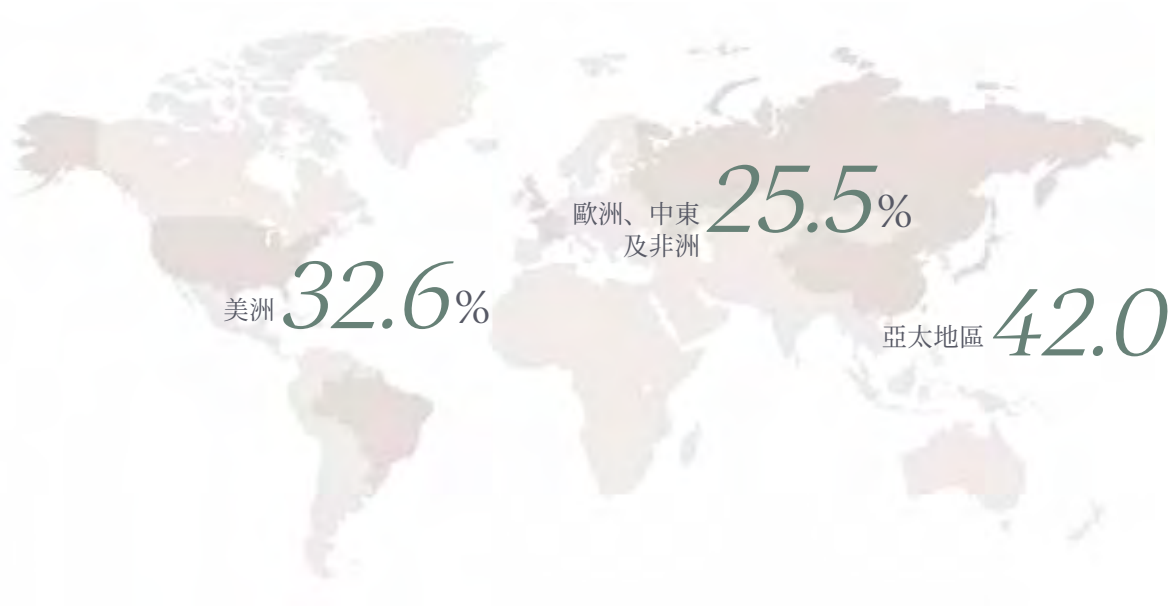
香港證券登記處

香港中央證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心17樓
1712–1716室



財務摘要

我們在全球範圍的活動



* *按地區劃分的銷售淨額(%)*

我們在全球範圍的自營店舖



* *2,774間零售點及1,362間本集團自營店*

主要財務摘要

截至三月三十一日止年度	*二零二三年*	*二零二二年*
銷售淨額*(百萬歐元)*	**2,134.7**	1,781.4
經營溢利*(百萬歐元)*	**239.1**	310.7
年內溢利*(百萬歐元)*	**118.2**	241.9
毛利率	**80.5%**	82.2%
經營溢利率	**11.2%**	17.4%
淨利潤率	**5.5%**	13.6%
除稅後淨經營溢利*(百萬歐元)* (1)	**153.4**	253.8
已運用資本*(百萬歐元)* (2)	**1,834.3**	1,975.4
已運用資本回報 (3)	**8.4%**	12.8%
股權回報 (4)	**10.1%**	19.1%
流動比率(倍) (5)	**1.2**	1.1
資產負債比率 (6)	**28.2%**	34.0%
平均存貨周轉天數 (7)	**255**	265
應收貿易賬款周轉天數 (8)	**40**	34
應付貿易賬款周轉天數 (9)	**182**	213
自營店總數 (10)	**1,362**	1,490
權益擁有人應佔溢利*(百萬歐元)*	**115.1**	242.0
每股基本盈利*(歐元)*	**0.078**	0.165

附註：

(1) (經營溢利＋外匯淨收益或虧損) × (1 − 實際稅率)。
(2) 非流動資產 − (遞延稅項負債＋其他財務負債＋其他非流動負債)＋營運資金。
(3) 除稅後經營溢利淨額／已動用資本。
(4) 本公司股權擁有人應佔純利／股東股權(不包括少數股東權益)。
(5) 流動資產／流動負債。
(6) 總負債／總資產。
(7) 平均存貨周轉天數等於平均存貨除以銷售成本，再乘以365。平均存貨等於某一期間期初及期終存貨淨額的平均值。
(8) 應收貿易賬款周轉天數等於平均應收貿易賬款除以銷售淨額，再乘以365。平均應收貿易賬款等於某一期間期初及期終應收貿易賬款淨額的平均值。
(9) 應付貿易賬款周轉天數等於平均應付貿易賬款除以銷售成本，再乘以365。平均應付貿易賬款等於某一期間期初及期終應付貿易賬款的平均值。
(10) 由本公司直接管理和經營的L'OCCITANE en Provence、ELEMIS、Melvita、L'OCCITANE au Bresil、Erborian及Grown Alchemist品牌精品店及百貨公司角落。

免責聲明

在多個表格內呈列的財務資料及若干其他資料已四捨五入至最接近的整數或最接近的小數。因此，欄內數字的總和未必與該欄所示的總數完全一致。此外，表格內呈列的若干百分比反映在四捨五入前根據相關資料計算所得結果，故未必與假使相關結果乃以經四捨五入的數字計算而得出的百分比完全一致。

主席報告書

主席致辭

Reinold Geiger

二零二三年六月二十六日

於二零二三財年，我們繼續轉型成為地域平衡的多品牌集團。與所有全球集團一樣，我們面臨著充滿挑戰的宏觀經濟形勢，而情況因中國（我們最大的增長市場之一）的獨特不利因素而加劇。然而，我們再次證明了我們能夠堅韌和敏捷地應對困難環境。



我們藉此再度實現穩健的銷售業績，本集團銷售淨額增長13%，首次突破二十億歐元大關。我們堅定不移地執行推動可持續盈利增長的長期戰略，保持80%以上的世界一流毛利率水平，如撇除特殊項目，經營溢利率維持穩健，達15.8%。

我們整個集團對三重收益（員工、地球及盈利）有著共同的重視，與我們對人類產生正面影響並重建自然的使命一致。我們健康的盈利能力確保我們能夠投資於員工和地球。在關心員工方面，我們為所有員工提供培訓及發展機會，並促進員工在工作場所的福祉。於二零二三財年，我們很自豪在全球推出具包容性的育嬰假政策，並在全球16個國家獲得最佳職場認證。我們亦在行政委員會中實現性別平等，同時致力在二零二五年成為全球真正生活工資僱主。

在保護地球方面，我們宣佈了雄心壯志的氣候策略，制定二零五零年實現基於科學淨零排放路線圖。到目前為止，在範圍1碳排放量方面取得良好進展，減少42%，遠遠快於預期邁向二零三一財年減少46%的目標。我們在可持續發展方面的努力近期獲得EcoVadis金獎認可，躋身受評公司頭5%之列。在二零二三年一月慶祝ELEMIS獲得B Corp共益企業認證後，本集團亦有望在二零二三年底獲得B Corp共益企業認證。

我們近年加快併購活動使我們成為真正的多品牌集團。我們目前的品牌組合更加多元化，我們的新品牌ELEMIS及Sol de Janeiro佔我們銷售總額近四分之一。

事實證明，我們讓新品牌自主經營並同時在本集團旗下尋求協同效應的策略湊效。此模式加強我們與主要合作夥伴就所有品牌爭取更好的位置及知名度進行磋商的商業實力。在我們的旅遊零售渠道中尤其明顯，我們近期為Sol de Janeiro及最新收購Grown Alchemist開設首個旅遊零售專櫃，預計該渠道將顯著增長。

本集團三大主要品牌正處於不同的增長軌跡階段，但我們仍致力於推動其長期增長。儘管二零二三財年L'OCCITANE en Provence的銷售額持平，但如撇除中國（年內大部分時間形勢仍充滿挑戰）及俄羅斯（我們在年內較早時間已撤出）則增長近7%。踏入新財政年度，我們已在中國看到正面跡象，並計劃大幅增加營銷投資。這將鞏固該品牌的能力，在中國市場反彈及國際旅遊逐漸恢復中受惠，並在我們知道理應領先的產品類別中把握新的高端化趨勢，包括面部護理、身體護理和頭髮護理。

二零二三財年ELEMIS增長9%，乃由於我們重新調整渠道促銷策略而導致英國銷售額下跌以及美國和亞太地區雙位數強勁增長的綜合結果。最重要的是，該品牌在本地市場保持牢固的立足點，情況可見於在英國及美國贏得媒體價值排名第一的護膚品牌地位。

同時，Sol de Janeiro銷售額增長一倍多，成為本集團第二大品牌。該品牌在推出暢銷產品方面明顯天賦，受歡迎程度因備受追捧的香水噴霧而達到新境界。我們相信，此等成就只是下個財政年度令人興奮的計劃的前奏，包括進軍亞洲市場。

儘管宏觀經濟環境的不確定性不太可能在短期內減退，但我們並無忽視所有品牌的長期巨大潛力。於二零二四財年，我們預期將實現雙位數的銷售增長及穩健的盈利能力，乃得益於核心品牌在主要市場及渠道的營銷投資大幅增加以及新品牌的全球擴張。我們將繼續實施一貫的策略，在未來幾年進一步推動我們發展成為銷售數十億歐元的多品牌集團。感謝　閣下的支持。

強勁的全球佈局







格拉斯哥布坎南街 5
英國蘇格蘭

莫倫比購物中心 6
巴西聖保羅

紐倫堡 7
德國













1 休斯頓
美國德克薩斯州

2 艾妥列上野
日本東京

3 達爾瑪購物中心
阿聯酋阿布扎比

4 無錫八佰伴
中國









8 歌劇院
法國巴黎
(Erborian)

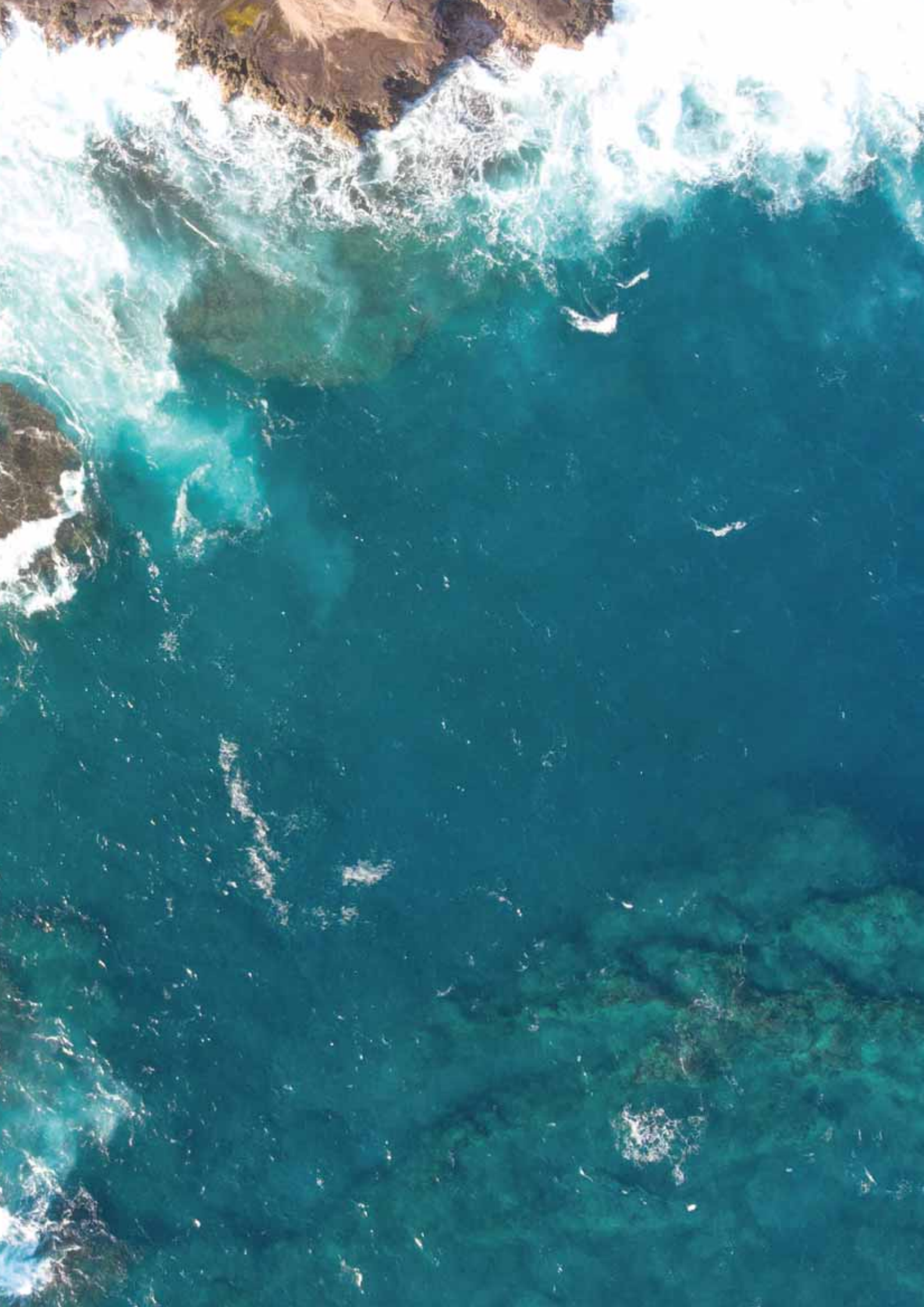
9 上海國際金融中心
中國
(ELEMIS)

10 Pátio Higienópolis
巴西聖保羅
(L'OCCITANE au Brésil)

11 卡爾頓
澳洲墨爾本
(Grown Alchemist)

管理層討論與分析





管理層討論與分析

概要：

	二零二三財年 管理層[1]	*二零二三財年 匯報*	*二零二二財年 管理層[2]*	*二零二二財年 匯報[3]*
	百萬歐元 或%	*百萬歐元 或%*	*百萬歐元 或%*	*百萬歐元 或%*
銷售淨額	2,134.7	2,134.7	1,810.0	1,781.4
經營溢利	336.8	239.1	308.2	310.7
年內溢利	不適用	118.2	不適用	241.9
毛利率	80.5%	80.5%	82.8%	82.2%
經營溢利率	15.8%	11.2%	17.0%	17.4%
淨利潤率	不適用	5.5%	不適用	13.6%

(1) 管理層二零二三財年 — 將匯報業績剔除特殊項目，包括本集團在俄羅斯的業務撤資的影響，即二零二二年六月撤資時的資本虧損產生的其他經營虧損14,400,000歐元。其他一次性項目，即Melvita及LimeLife品牌減值以及分佔合營企業及聯營公司(Good Glamm Group及CAPSUM)虧損，亦已撇除以進行合適比較。管理層認為該等成本屬於會計調整及重大一次性項目，與去年同期的管理層業績相比應予以剔除。

(2) 管理層二零二二財年 — 假設L'Occitane, Inc.仍為本集團一部分，其於二零二一年四月至八月的業績於本集團的業績綜合入賬，其後消除不再綜合入賬及重新綜合入賬的淨影響。一次性項目 — 86 Champs café的減值、Good Glamm Group及CAPSUM估值變動及分佔虧損亦已撇除以進行合適比較。管理層認為，此管理層版本能更真實地反映二零二二財年的營運表現。

(3) 匯報二零二二財年 — 由於第11章法律訴訟，L'Occitane, Inc.於二零二一年四月至八月的銷售及經營開支並無綜合入賬，而是根據權益法被視為聯營公司。



釋義：

*可比較店舖*指於上一財政年度開始前已開設的現有零售店(包括本公司所擁有的電子商務網站)。

*同店銷售增長*指兩個財政期間內可比較店舖銷售的比較。除另有指明者外，有關同店銷售增長的討論均撇除外匯換算的影響。

*整體增長*指所示財政期間內全球總銷售淨額增長(撇除外匯換算影響)。



收益分析

本集團銷售淨額於二零二三財年突破二十億歐元的里程碑，達到2,134,700,000歐元。與二零二二財年的匯報銷售淨額1,781,400,000歐元相比，按匯報匯率計算銷售增長為19.8%。為提供適當比較，此收益分析不包括二零二二財年第11章法律訴訟的美國附屬公司不再綜合入賬的影響。撇除此影響，二零二二財年的銷售淨額為1,810,000,000歐元。因此，本集團於二零二三財年的銷售淨額增長按匯報匯率計算為17.9%或按固定匯率計算為13.4%。

儘管年內大部分時間中國市場形勢充滿挑戰以及俄羅斯業務撤資，本集團實現強勁的雙位數銷售增長。增長得益於本集團較新的品牌ELEMIS及Sol de Janeiro以及核心L'OCCITANE en Provence品牌於二零二三財年第四季有所改善，原因是旅遊零售渠道活躍以及中國在取消COVID-19限制措施後的早期銷售勢頭改善跡象。在可比的基礎上，即撇除本集團於二零二二年六月撤資的俄羅斯、新綜合入賬的品牌Sol de Janeiro及Grown Alchemist、去年美國附屬公司不再綜合入賬，按固定匯率計算，二零二三財年銷售額增長為3.7%，低於二零二三財年上半年的5.9%。然而，二零二三財年第四季顯著改善，增長達8.4%，二零二三財年第三季則為-1.7%。

本公司的零售地點總數由二零二二年三月三十一日的3,068個減至二零二三年三月三十一日的2,774個，減少294個或9.6%。自營零售店數量由二零二二年三月三十一日的1,490間減至二零二三年三月三十一日的1,362間，淨減少128間或8.6%。減少主要與俄羅斯撤資有關。於二零二三年三月底，1,362間自營店按品牌劃分的明細及與去年相比的變動如下：L'OCCITANE en Provence(1,236間；-118)、L'OCCITANE au Brésil(65間；無)、Melvita(35間；-4)、Erborian(2間；-12)及ELEMIS(24間；+6)。

管理層討論與分析

按品牌劃分之表現

下表呈列於所示期間按品牌劃分之銷售淨額及銷售淨額增長，包括L'Occitane, Inc.於二零二二財年於二零二一年四月至八月的銷售額：

	二零二三財年 *百萬歐元*	二零二二財年 *百萬歐元*	按匯報匯率計算的增長 *%*	按固定匯率計算的增長 *%*
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[1]	267.0	26.1	不適用	不適用
其他[2]	190.5	168.4	13.1	7.3
總計	**2,134.7**	**1,810.0**	**17.9**	**13.4**

(1) *Sol de Janeiro於二零二三財年的季度銷售修改如下：第一季42,600,000歐元(+1,800,000歐元)，第二季56,000,000歐元(+2,100,000歐元)，第三季68,300,000歐元(+4,100,000歐元)，乃由於重新分類網上商城渠道中的銷售以適當記錄直銷銷售價值。*

(2) *其他包括LimeLife、Melvita、Erborian、L'OCCITANE au Brésil及Grown Alchemist品牌。*



在艱難的二零二三財年第三季後，所有主要品牌在二零二三財年最後一季以強勁表現為年度作結。於二零二三財年，L'OCCITANE en Provence按固定匯率計算錄得銷售額輕微下跌0.5%，乃主要由於中國市場形勢於大部分年內時間艱難以及撤出俄羅斯所致。然而，憑藉旅遊零售渠道穩健增長以及中國在取消COVID-19限制措施後的早期恢復跡象，該品牌在二零二三財年第四季恢復增長0.8%。撇除中國及俄羅斯市場，該品牌於二零二三財年及二零二三財年第四季錄得穩健銷售增長分別6.8%及9.9%。

在二零二三財年上半年增長13.1%後，ELEMIS的全年增長放緩至8.9%。此乃主要由於二零二三財年下半年在其最大市場英國作出一項戰略決定，減少向若干促銷驅動的網絡合作夥伴的銷售，以優先考慮適應疫情後消費趨勢並增強品牌資產的全渠道模式。此導致二零二三財年第三季該品牌銷售下跌。儘管此舉措延續至二零二三財年第四季，該品牌在二零二三財年第四季恢復強勁增長18.1%。此乃主要受二零二三財年美國強勁增長34.0%所帶動，乃歸功於出色的電商及郵輪業務以及在亞太地區因該品牌於區內發展而錄得29.2%增長。

Sol de Janeiro超出管理層預期，二零二三財年銷售額增長一倍多，以當地貨幣計算增長135.2%，成為本集團第二大品牌，銷售額達到267,000,000歐元。該品牌繼續憑標誌性暢銷產品及獲熱切期待的新品（例如*Bum Bum Body Firmeza Oil*及*Rio Radiance*香水噴霧）擴大知名度。

其他品牌亦有所改善，於二零二三財年按固定匯率計算增長7.3%。Erborian及L'OCCITANE au Brésil表現尤其出色，於二零二三財年按固定匯率計算分別增長33.4%及41.2%。

按地區劃分之表現

下表呈列於所示期間按地區劃分的銷售淨額、銷售淨額增長及同店銷售增長：

	二零二三財年 *百萬歐元*	二零二二財年 *百萬歐元*	按匯報匯率計算的增長 *%*	按固定匯率計算的增長 *%*	同店銷售增長 *%*
亞太地區	896.2	875.4	2.4	0.5	-4.3
美洲[1]	695.0	385.3	80.4	62.8	8.1
歐洲、中東及非洲	543.4	549.3	-1.1	-0.7	1.0
總計	**2,134.7**	**1,810.0**	**17.9**	**13.4**	**-0.5**

[1] *包括二零二二財年美國附屬公司於第11章法律訴訟期間的銷售額。*

本集團的地區銷售組合保持相當平衡，亞太地區繼續成為最大的地區，佔銷售淨額的42.0%。美洲是第二大地區，佔銷售淨額的32.6%，而歐洲、中東及非洲佔餘下的25.5%銷售額。就單一市場而言，美國是最大市場，佔本集團銷售淨額的27.2%，主要是由於Sol de Janeiro的強勁貢獻以及本集團八個品牌中有六個在美國有業務。第二大市場是中國，佔本集團銷售淨額的14.0%，其次是日本，佔8.5%。



美洲是增長最快的地區，於二零二三財年按固定匯率計算增長62.8%。該增長主要受Sol de Janeiro的加速增長及ELEMIS於美國的穩健表現所帶動。L'OCCITANE en Provence於美洲錄得低單位數百分比增長。亞太地區於二零二三財年第三季銷售下跌後，於二零二三財年按固定匯率計算恢復輕微增長0.5%，乃由於該地區旅遊零售銷售及中國的狀況改善，其於二零二三財年第四季的銷售額跌幅收窄至高單位數百分比。撇除中國，亞太地區於二零二三財年按固定匯率計算增長8.0%，而同店銷售增長1.4%。歐洲、中東及非洲於二零二三財年按固定匯率計算輕微下跌0.7%，主要由於撤出俄羅斯所致。撇除俄羅斯，歐洲、中東及非洲，按固定匯率計算增長10.2%。

管理層討論與分析

按渠道劃分之表現

下表呈列於所示期間按渠道劃分的銷售淨額及銷售淨額增長：

	二零二三財年 *百萬歐元*	二零二二財年 *百萬歐元*	按匯報匯率計算的增長 *%*	按固定匯率計算的增長 *%*
零售	761.5	760.2	0.2	-2.0
線上渠道	657.6	601.5	9.3	4.8
批發及其他	715.6	448.3	59.6	50.9
總計	**2,134.7**	**1,810.0**	**17.9**	**13.4**



批發及其他於二零二三財年帶領增長，按固定匯率計算增長50.9%，批發鏈、國際分銷及旅遊零售均有強勁增長。此渠道佔本集團銷售淨額的33.5%，較二零二二財年的24.8%大幅增加，主要由於增加ELEMIS及Sol de Janeiro等新品牌，相比L'OCCITANE en Provence批發銷售組合較高。

線上渠道於二零二三財年按固定匯率計算增長4.8%，主要由Sol de Janeiro的強勁表現所帶動。撇除Sol de Janeiro，由於客流量回流至實體渠道及LimeLife的表現欠佳，線上渠道跌幅達高單位數百分比，符合預期。零售銷售減少2.0%，主要受撤出俄羅斯及中國店舖因COVID-19爆發而關閉所影響。撇除俄羅斯及中國市場，零售銷售於二零二三財年按固定匯率計算增長7.2%。

盈利能力分析

銷售成本及毛利

匯報銷售成本增加31.0%或98,600,000歐元至二零二三財年的416,600,000歐元。毛利率較二零二二財年減少1.7個百分點至80.5%。減少乃歸因於以下因素：

- 主要來自納入批發銷售佔比較高的Sol de Janeiro品牌的不利品牌組合，佔1.3個百分點；
- 生產成本增加，特別是原材料及包裝，佔0.8個百分點；
- 轉售比例較高的不利渠道組合，佔0.7個百分點；及
- 過時產品成本增加、不利的產品組合及其他，佔0.4個百分點。

毛利率減少被以下各項部分抵銷：

- 去年第11章法律訴訟期間美國不再綜合入賬的正面影響，佔0.6個百分點；
- 正面的匯兌(「**匯兌**」)影響，佔0.3個百分點；
- 提升價格，佔0.3個百分點；及
- 一次性項目，主要是去年一條生產線進行加速折舊，佔0.3個百分點。

分銷開支

匯報分銷開支增加12.4%或86,300,000歐元至二零二三財年的784,700,000歐元。按佔銷售淨額百分比計算，分銷開支減少2.4個百分點至36.8%。此改善乃由於以下各項的綜合影響：

- 有利的品牌組合，主要來自納入Sol de Janeiro及增加Erborian的份額，原因是兩個品牌的分銷開支比率低，佔3.3個百分點；
- 去年86 Champs café一次性減值，佔0.9個百分點；
- 理順店舖網絡帶來更高效的零售網絡、減少裝修及銷售額上升的固定成本槓桿，佔0.7個百分點；及
- 有利的渠道組合及匯兌影響，佔0.6個百分點。

此改善被以下各項部分抵銷：

- 薪金增加、倉儲及貨運成本上漲、在兩年出行禁令後差旅及應酬(「**差旅及應酬**」)費用增加以及轉售合作夥伴的佣金率上升，主要是由於直播活動增加，佔1.7個百分點；
- 去年美國不再綜合入賬的負面影響，佔0.7個百分點；
- 去年來自政府的一次性COVID-19補貼及租金優惠，佔0.5個百分點；及
- 撤出俄羅斯的不利影響及其他，佔0.2個百分點。



管理層討論與分析



營銷開支

匯報營銷開支增加30.9%或86,900,000歐元至二零二三財年的367,700,000歐元。按佔銷售淨額百分比計算，營銷開支增加1.4個百分點至17.2%。增加乃歸因於以下因素：

- 品牌組合，佔1.0個百分點，主要由營銷率較高的Sol de Janeiro及Erborian帶動；
- 主要L'OCCITANE en Provence透過網絡紅人及數碼媒體在美國及韓國進行戰略投資、Erborian在法國以電視宣傳的加速計劃、Melvita在法國推出*Source de Roses*及*Nectar de Lumière*的投資以及為ELEMIS大幅增加美國網絡紅人，佔0.4個百分點；
- 俄羅斯不再綜合入賬、去年美國不再綜合入賬及其他，佔0.4個百分點；及
- L'OCCITANE en Provence及ELEMIS的營銷組織人員配備，佔0.2個百分點。

此增加部分被有利的渠道組合及促銷工具庫存減少(佔0.6個百分點)所抵銷。

研發開支

匯報研發(「**研發**」)開支增加18.9%或3,600,000歐元至二零二三財年的22,500,000歐元。按佔銷售淨額百分比計算，研發開支維持於1.1%。

一般及行政開支

匯報一般及行政開支增加16.5%或28,500,000歐元至二零二三財年的201,500,000歐元。按佔銷售淨額百分比計算，一般及行政開支減少0.3個百分點至9.4%。減少乃歸因於以下因素：

- 有利的品牌組合及銷售上升的槓桿效應，佔0.7個百分點；
- 長期激勵減少，原因是部分重大計劃於本年度結束並為去年累計，佔0.5個百分點；及
- 去年的一次性項目，主要是Sol de Janeiro的收購成本，佔0.2個百分點。

此改善被以下各項部分抵銷：

- 撤出俄羅斯、美國不再綜合入賬、費用上漲、差旅及應酬成本增加以及其他，佔0.6個百分點；及
- 對數碼及客戶項目進行資訊科技投資、加強資訊科技基建及安全以及加強資訊科技組織，佔0.5個百分點。

使用權益法入賬的分佔聯營公司及合營企業(虧損)

於二零二三財年使用權益法入賬的分佔聯營公司及合營企業虧損淨額16,600,000歐元詳情如下：

- Good Glamm Group(前稱MyGlamm)的虧損9,400,000歐元；
- L'Occitane Middle East的虧損7,000,000歐元；及
- CAPSUM的虧損200,000歐元。

其他經營收入

於二零二三財年其他經營收入4,100,000歐元詳情如下：

- 於Good Glamm Group的權益百分比變動導致資本收益1,700,000歐元，其以權益法入賬列為聯營公司；
- 政府研發補助1,500,000歐元；及
- 其他900,000歐元。

其他經營開支

於二零二三財年其他經營開支90,100,000歐元詳情如下：

- LimeLife商譽減值虧損52,500,000歐元；
- Melvita商譽減值虧損22,800,000歐元；
- L'Occitane Russia不再綜合入賬產生的影響14,400,000歐元 — 包括資本虧損3,600,000歐元及重分類先前於權益確認的貨幣換算差額10,800,000歐元；及
- 資產銷售虧損300,000歐元。



管理層討論與分析

經營溢利

匯報經營溢利減少23.0%或71,600,000歐元至239,100,000歐元。銷售淨額的匯報經營溢利率下跌6.2個百分點至11.2%。

經營溢利率減少是由於以下因素所致：

- LimeLife及Melvita減值虧損，部分被去年86 Champs café減值所彌補，佔2.6個百分點；
- 成本上漲，即薪金、原材料及包裝、貨運、費用及差旅及應酬，佔2.5個百分點；
- 本集團在俄羅斯的業務撤資，佔1.2個百分點；
- 大部分品牌的營銷投資及多個資訊科技項目增加，佔1.2個百分點；
- 去年於Good Glamm Group的投資估值增加，佔1.0個百分點；
- 分佔聯營公司及合營企業虧損擴大，主要來自L'Occitane Middle East及Good Glamm Group，佔0.6個百分點；
- 不利的渠道組合、過時產品成本增加、產品組合及其他，佔0.5個百分點；及
- 去年美國附屬公司不再綜合入賬，佔0.4個百分點。





此減少被以下各項部分抵銷：

- 品牌組合，佔1.5個百分點，主要受新品牌帶動；
- 零售網絡效益、激勵減少及提升價格，佔1.1個百分點；
- 銷售額上升的固定成本槓桿，佔0.6個百分點；及
- 有利的匯兌影響，佔0.6個百分點。

下表呈列本集團二零二三財年及二零二二財年管理層經營溢利及匯報經營溢利之對賬。

	二零二三財年		二零二二財年	
匯報銷售淨額	**2,134.7**		**1,781.4**	
銷售淨額	**2,134.7**		**1,810.0**	
銷售成本	(416.5)	-19.5%	(311.6)	-17.2%
毛利	**1,718.1**	**80.5%**	**1,498.4**	**82.8%**
分銷開支	(784.7)	-36.8%	(702.9)	-38.8%
營銷開支	(367.7)	-17.2%	(286.1)	-15.8%
研發開支	(22.5)	-1.1%	(18.9)	-1.0%
一般及行政開支	(201.5)	-9.4%	(182.9)	-10.1%
使用權益法入賬的分佔合營企業（虧損）／溢利	(7.0)	-0.3%	0.7	0.0%
其他經營收入／(開支)	2.1	0.1%	(0.0)	0.0%
管理層經營溢利[1]	**336.8**	**15.8%**	**308.2**	**17.0%**
第11章：不再綜合入賬／重新綜合入賬的淨影響	–		3.3	
俄羅斯撤資	(14.4)		–	
LimeLife及Melvita品牌減值虧損	(75.4)		–	
Good Glamm Group及CAPSUM的估值及分佔(虧損)／溢利	(7.9)		14.7	
86 Champs café的減值	–		(15.5)	
匯報經營溢利	**239.1**	**11.2%**	**310.7**	**17.4%**

(1) *管理層二零二三財年 – 將匯報業績剔除特殊項目，包括本集團在俄羅斯的業務撤資的影響，即二零二二年六月撤資時的資本虧損產生的其他經營虧損14,400,000歐元。其他一次性項目，即Melvita及LimeLife品牌減值以及分佔合營企業及聯營公司(Good Glamm Group及CAPSUM)虧損，亦已撇除以進行合適比較。管理層認為該等成本屬於會計調整及重大一次性項目，與去年同期的管理層業績相比應予以剔除。*

管理層二零二二財年 – 假設L'Occitane, Inc.仍為本集團一部分，其於二零二一年四月至八月的業績於本集團的業績綜合入賬，其後消除不再綜合入賬及重新綜合入賬的淨影響。一次性項目 – 86 Champs café的減值、Good Glamm Group及CAPSUM估值變動及分佔虧損亦已撇除以進行合適比較。管理層認為，此管理層版本能更真實地反映二零二二財年的營運表現。

財務成本淨額

於二零二三財年，財務成本淨額為53,500,000歐元，包括現金及現金等價物的利息收入2,800,000歐元及以下開支項目：

- 出售L'Occitane Russia的應收款項公平值變動35,900,000歐元；
- 國際財務報告準則第16號租賃負債相關利息及財務開支7,600,000歐元；及
- 與銀行借貸、循環貸款及外部融資有關的利息開支12,800,000歐元。

與二零二二財年相比，財務成本淨額增加39,000,000歐元，乃由於出售L'Occitane Russia的應收款項公平值變動、淨利息開支增加，部分被國際財務報告準則第16號相關利息開支減少所抵銷。

管理層討論與分析

外幣收益／虧損

於二零二三財年，外幣虧損淨額為6,000,000歐元（二零二二財年：虧損淨額300,000歐元），包括已變現收益2,400,000歐元、未變現虧損7,800,000歐元及與國際財務報告準則第16號有關的虧損500,000歐元。

所得稅開支

實際稅率由二零二二財年的18.2%增加16個百分點至二零二三財年的34.2%。此增加主要由於以下不利因素：

- LimeLife及Melvita商譽的不可扣減減值虧損，佔10.3個百分點；
- 與本集團俄羅斯業務不再綜合入賬有關的不可扣減影響，佔5.8個百分點；及
- 部分國家存貨減少導致對遞延稅項資產的影響，佔3.5個百分點。

部分被以下有利影響抵銷：

- 有利的國家組合影響，佔1.3個百分點；及
- 稅率的有利變化（主要在美國），佔1.6個百分點。



年內溢利

由於前述原因，二零二三財年的純利為118,200,000歐元，較二零二二財年（241,900,000歐元）減少51.1%或123,700,000歐元。二零二三財年的每股基本及攤薄盈利分別為0.078歐元及0.078歐元（二零二二財年：基本0.165歐元及攤薄0.164歐元），減少52.5%。用於計算二零二三財年每股盈利的基本及攤薄股份數目分別為1,471,609,250股及1,473,649,115股（二零二二財年：基本1,470,135,821股及攤薄1,473,153,053股）。



資產負債表及現金流量回顧

流動資金及資本資源

於二零二三年三月三十一日，本集團的現金及現金等價物為147,300,000歐元，而二零二二年三月三十一日則為360,900,000歐元。減少乃主要由於償還借貸融資151,000,000歐元。於二零二三年三月三十一日，借貸總額（包括定期貸款、循環貸款、銀行借貸）達518,900,000歐元。於二零二三年三月三十一日，未提取借貸融資總額為461,500,000歐元。



現金流量表概要

截至三月三十一日止年度	二零二三年 *千歐元*	二零二二年 *千歐元*
除稅前溢利（經調整非現金項目）	491,008	475,361
營運資金變動	(121,190)	(98,815)
已付所得稅	(69,610)	(50,523)
經營活動產生的現金流入淨額	300,208	326,023
資本開支產生的現金流出淨額	(46,335)	(37,998)
自由現金流量[1]	**253,873**	**288,025**
投資於新業務及金融資產產生的現金（流出）淨額	(35,725)	(327,801)
融資活動產生的現金（流出）淨額	(436,795)	(17,339)
匯率變動的影響	5,003	(3,202)
現金、現金等價物及銀行結餘（減少）淨額	**(213,644)**	**(60,317)**

[1] *二零二三財年產生的自由現金流量為253,900,000歐元，而二零二二財年則為288,000,000歐元。減少乃由於加速銷售增長所需的營運資金增加、部分國家稅率提高導致已付稅款增加、若干品牌利潤強勁及對門店網絡的投資。*

管理層討論與分析



資本開支

於二零二三財年，資本開支所用現金淨額為46,300,000歐元，較二零二二財年的38,000,000歐元增加8,300,000歐元。增加主要為零售店相關資本開支。二零二三財年的資本開支主要與以下各項有關：

- 租賃物業裝修及其他有形資產（與L'OCCITANE en Provence新店舖及翻新店舖有關）19,300,000歐元；
- 投資各種資訊科技設備及軟件14,800,000歐元；及
- 工廠、辦公室及倉庫設施的機械及設備替換總額12,200,000歐元。

投資附屬公司、聯營公司及金融資產

於二零二三財年，投資附屬公司、聯營公司及金融資產的現金流出淨額為35,700,000歐元，而去年為327,800,000歐元。本年度的流出主要用於收購新品牌Grown Alchemist 3,500,000歐元及增加於L'Occitane Middle East的權益13,400,000歐元。於二零二二財年，主要流出與收購Sol de Janeiro 322,300,000歐元有關。

融資活動

於二零二三財年，融資活動的現金流出淨額為436,800,000歐元（二零二二財年：流出17,300,000歐元）。年內現金流出淨額主要反映以下各項：

- 銀行借貸還款淨額151,900,000歐元；
- 根據國際財務報告準則第16號，租賃付款的主要組成部分為113,700,000歐元；
- 派付股息97,200,000歐元；及
- 與ELEMIS非控股權益的交易76,600,000歐元；

此部分被以下現金流入抵銷：

- 償付購股權淨額2,700,000歐元。

存貨

下表概述於所示期間的平均存貨天數：

	二零二三財年	*二零二二財年*
平均存貨周轉天數[1]	255	265

[1] *平均存貨周轉天數等於平均存貨除以銷售成本，再乘以365。平均存貨等於某一期間期初及期終存貨淨額的平均值。*

於二零二三年三月三十一日，存貨淨值為317,200,000歐元，較二零二二年三月三十一日增加20.5%或54,000,000歐元。存貨淨值增加主要源於L'OCCITANE en Provence及Sol de Janeiro顯著擴張。

然而，二零二三財年平均存貨周轉天數減少10天，乃由於與去年相比銷售增長及銷售成本因而增加。存貨周轉天數減少10天乃歸因於以下各項：

- 製成品以及可比較品牌的迷你產品及包裝袋減少，佔-24天；

被以下因素部分抵銷：

- 不利匯兌影響，佔+7天；
- 原材料及在製品增加，佔+3天；及
- 存貨撥備增加，佔+4天。

應收貿易賬款

下表概述於所示期間的應收貿易賬款周轉天數：

	二零二三財年	*二零二二財年*
應收貿易賬款周轉天數[1]	40	34

[1] *應收貿易賬款周轉天數等於平均應收貿易賬款除以銷售淨額，再乘以365。平均應收貿易賬款等於某一期間期初及期終應收貿易賬款淨額的平均值。*

二零二三財年的應收貿易賬款周轉天數較二零二二財年增加6天至40天。增加乃ELEMIS及Sol de Janeiro的轉售銷售增加的淨結果，部分被直銷渠道周轉天數減少所抵銷。

應付貿易賬款

下表概述於所示期間的平均應付貿易賬款天數：

	二零二三財年	*二零二二財年*
應付貿易賬款周轉天數[1]	182	213

[1] *應付貿易賬款周轉天數等於平均應付貿易賬款除以銷售成本，再乘以365。平均應付貿易賬款等於某一期間期初及期終應付貿易賬款的平均值。*

減少31天主要是由於銷售成本增加31%。撇除Sol de Janeiro，減少乃應付貿易賬款減少19天及應計開支減少21天。匯兌減少周轉天數3天。另一方面，Sol de Janeiro迅速擴張帶動周轉天數增加12天。

管理層討論與分析

資產負債表比率

二零二三財年已動用資本回報為8.4%，較二零二二財年減少4.4個百分點，乃由於除稅後經營溢利淨額減少40.0%，而已動用資本減少8.0%。除稅後經營溢利淨額減少乃主要由於一次性減值及L'Occitane Russia不再綜合入賬。

於二零二三財年，權益擁有人應佔資本及儲備減少131,100,000歐元，即年內綜合收益、股息分派、認沽期權重新定價及L'Occitane Russia不再綜合入賬而其他儲備減少的淨結果。

本集團資產負債比率由二零二二財年的34.0%減少至二零二三財年的28.2%。倘撇除國際財務報告準則第16號的影響，二零二三財年資產負債比率將為20.4%。

	匯報	
	二零二三財年	*二零二二財年*
盈利能力		
未計利息、稅項、折舊及攤銷之盈利[1]	465,973	488,269
除稅後經營溢利淨額[2]	153,406	253,782
已動用資本[3]	1,834,307	1,975,448
已動用資本回報[4]	8.4%	12.8%
股權回報[5]	10.1%	19.1%
流動資金		
流動比率(倍)[6]	1.2	1.1
速動比率(倍)[7]	0.8	0.8
資本充足		
資產負債比率[8]	28.2%	34.0%
債權比率[9]	54.5%	50.3%

(1) 未計利息、稅項、折舊、攤銷及減值之盈利
(2) (經營溢利+外匯淨收益或虧損)×(1 – 實際稅率)
(3) 非流動資產－(遞延稅項負債+其他財務負債+其他非流動負債)+營運資金
(4) 除稅後經營溢利淨額／已動用資本
(5) 年末本公司權益擁有人應佔純利／股東股權(不包括少數股東權益)
(6) 流動資產／流動負債
(7) (流動資產 – 存貨)／流動負債
(8) 總負債／總資產
(9) 債項淨額／(總資產 – 總負債)



外匯風險管理

本公司訂立遠期外匯合約及貨幣期權，目的是就與已識別風險一致的各期間為預期交易以及並非以呈列貨幣(即歐元)列值的應收款項及應付款項進行對沖。於二零二三年三月三十一日，根據國際財務報告準則的公平市場估值規定，本公司有遠期外匯合約的外匯衍生資產淨額為2,100,000歐元。於二零二三年三月三十一日，未結算的遠期外匯衍生工具的名義本金額主要為出售63,100,000歐元等值人民幣元、26,400,000歐元等值港元、18,000,000歐元等值美元、11,100,000歐元等值日圓、6,800,000歐元等值墨西哥披索、4,900,000歐元等值韓元、3,500,000歐元等值英鎊及2,600,000歐元等值泰銖。

股息

於二零二二年六月二十七日舉行的董事會會議上，董事會建議分派總股息每股0.06585歐元，總金額達96,800,000歐元，或本公司權益擁有人應佔純利的40.0%。末期股息金額按於二零二二年六月二十七日已發行的1,470,135,821股股份(不包括6,829,070股庫存股份)計算。本公司股東(「**股東**」)已於二零二二年九月二十八日舉行的會議上批准該股息。股息已於二零二二年十月二十二日派付。

儘管純利大幅下降，董事會建議維持二零二二財年的派息率40%，並建議末期股息每股0.03129歐元(「**末期股息**」)。



財政年度結束後事項

於二零二三年五月十一日，本公司收購Group Fourteen Holdings Pty. Ltd.(Grown Alchemist活動的控股公司)的35%，總代價為10,061,000歐元。此交易後本公司的權益百分比為67.0%。

於二零二三年五月三十一日，本公司以9,427,000歐元參與Good Glamm Group(以權益法入賬)最近一次集資，並增加權益百分比至15.93%。

管理層討論與分析

策略回顧

於二零二三財年，本集團維持強勁的增長勢頭，按固定匯率計算銷售增長13.4%並超過二十億歐元大關，乃在獨特的嚴峻宏觀經濟背景下的強勁業績，包括全球通脹飆升、普遍的衰退憂慮以及最大市場之一中國的COVID-19相關消費大幅回落。本集團在全球高端美容行業的韌性亦反映於其15.8%的健康經營溢利率上，不包括與表現欠佳品牌Melvita及LimeLife一次性減值有關的會計調整、俄羅斯撤資以及分佔聯營公司虧損。

本集團在面對強大外部阻力時繼續為股東帶來回報的能力歸功於成功推行精準投資及長期增長策略，亦使其能夠轉型為具有競爭力的多品牌、具有代際吸引力及地理平衡的組織。

隨著其經營環境逐漸正常化以及旅遊零售等渠道及中國反彈，本集團已充分準備釋放新的可持續增長及盈利機會。

全球靈活性及精準投資保護核心品牌的盈利能力

本集團核心品牌L'OCCITANE en Provence致力於建立信任並專注於面部護理、身體護理和頭髮護理等關鍵類別，把握新的高端化趨勢，鞏固其作為高端身體護理類別領先品牌之一的地位。

在整個二零二三財年，儘管最後一季出現部分恢復勢頭跡象，中國經濟有所放緩，而核心品牌歷久不衰的信譽、持續為客戶帶來驚喜及招攬客戶的能力以及廣泛的地理足跡使其營業額表現在年內大部分時間免受最重要的增長市場中國放緩影響。活躍的旅遊零售渠道及大多數主要市場的實體渠道蓬勃復甦，進一步帶動其銷售業績。撇除中國與COVID-19有關的經濟低迷及俄羅斯撤資的負面影響，二零二三財年銷售增長6.8%。

核心品牌繼續實現良好的盈利能力，於二零二三財年錄得經營溢利率14.6%，乃得益於全球靈敏度及快速重新定向資源的能力，使其能夠巧妙地調整營銷投資的時機和力度，並發掘新的增長機會。





全渠道策略帶來更平衡的渠道組合

隨著世界各地的市場重新開放，客戶尋求親自重新發現產品以及天然及有機成分的感官樂趣，本集團在主要市場的零售渠道得以復甦。儘管近年更選擇性地開店，撇除俄羅斯及中國市場，零售銷售額按固定匯率計算增長7.2%。

同時，本集團有效的全渠道策略有助更平衡的渠道組合。於二零二三財年，旅遊零售以及批發銷售組合較高的新品牌強勁增長，為批發及其他渠道帶來顯著的50.9%銷售增長。儘管回歸線下渠道，但以數碼為中心及數碼原生品牌ELEMIS及Sol de Janeiro加入本集團的產品組合亦為整體線上增長4.8%帶來貢獻。

本集團已為其所有品牌及所有地區安裝便捷的線上和線下接觸點，調整實體店網絡規模，並投資加強零售店的體驗及發現功能，本集團正繼續完善客戶征程、提升其客戶關係管理能力並激勵員工，盡量將客戶終身價值提升至最高。

多品牌模式為具企業家精神品牌提供歸宿

近年，加快併購活動使本集團擴大其領先的高端美容品牌組合，在地域上更加平衡，對千禧一代和Z世代消費者更具吸引力。因此，本集團的品牌組合更加多元化，ELEMIS及Sol de Janeiro已發展至佔本集團銷售總額近四分之一。

作為其多品牌策略一部分，本集團長期以來讓新品牌創始人保留股權的同時自主經營品牌，為具創意的創業型美容企業提供一個歸宿，事實證明此方法非常成功。在本集團的支持下，其新品牌真正蓬勃發展，滲透現有市場並尋求新的增長機會，同時保持強勁的增長和盈利能力。

透過利用本集團的多品牌主張，例如組建全球旅遊零售部門，亦正在創造新的協同效應。於二零二二年十月在康城舉行的世界免稅協會世界展覽與會議及於二零二三年五月在新加坡舉行的世界免稅協會亞太展覽與會議上，本集團向重要的全球旅遊零售合作夥伴展示其完整的旅遊零售品牌組合。本集團的品牌ELEMIS、Grown Alchemist、Erborian及Sol de Janeiro與L'OCCITANE en Provence及Melvita一同亮相。本集團將顯著擴大其旅遊零售業務，Sol de Janeiro及Grown Alchemist於近月開設第一個旅遊零售專櫃，重點放在國內成功互補的地點。

其他品牌在二零二三財年按固定匯率計算顯示出7.3%的可觀增長。Erborian及L'OCCITANE au Brésil表現尤為出色，分別增長33.4%及41.2%。另一方面，本集團決定對表現欠佳品牌LimeLife及Melvita的商譽作出減值。該兩個品牌近期委任新管理層來領導品牌及分銷模式改革，以推動可持續增長並實現收支平衡。本集團仍然堅信Melvita利基定位的長期潛力，並將繼續與LimeLife的創始人務實合作，尋求最佳的前進方向。

管理層討論與分析

ELEMIS重設主要市場的渠道策略以提升長期品牌資產

ELEMIS繼續奉行全球數碼優先擴張策略以及知名批發網絡，同時在戰略市場經營由24間自營店舖組成的高度選擇性網絡。於二零二三財年，ELEMIS按固定匯率計算增長8.9%，低於上半年的13.1%增長。此乃主要由於在英國作出一項戰略決定，減少向若干促銷驅動的網絡合作夥伴的銷售，以適應疫情後消費趨勢並增強品牌資產。儘管渠道策略的有意識調整導致英國的銷售額有所下降，但ELEMIS繼續顯示出強勁勢頭及客戶參與度，情況可見於在其最大市場英國及美國贏得媒體價值排名第一的護膚品牌地位。

ELEMIS在英國的銷售額下降被美國的強勁增長34.0%抵銷，乃得益於其出色的電商及郵輪業務以及國際擴展。此等擴展大部分是在亞太地區，而品牌源自英國加上優秀的配方帶來按年增長29.2%。



儘管二零二三財年中國經營環境充滿挑戰，但仍然是ELEMIS最具潛力的增長市場之一。隨著與零售合作夥伴的獨家銷售期結束，ELEMIS已透過其天貓旗艦店開展直營電商。ELEMIS的皇牌*骨膠原海洋面霜*在此高峰活動期內在天貓面霜類別中排名第二。隨著中國市場重新開放，該品牌正計劃利用其全球暢銷產品在社交和數碼渠道上進行有力的營銷推廣。

儘管ELEMIS受到英國銷售額下降及中國宏觀經濟環境的影響，精簡靈敏的架構使其能夠獲得20.2%的穩健經營溢利率。

Sol de Janeiro崛起成本集團第二大品牌

在傳統巴西自愛及歡樂思想推動下，Sol de Janeiro在二零二三財年取得令人難以置信的成功。收購後不到兩年已成為本集團第二大品牌，銷售額增長135.2%，經營溢利率高達24.6%。

該品牌取得多項顯著成就。在皇牌產品*Brazilian Bum Bum Cream*在全球取得成功的基礎上，該品牌推出第二款皇牌身體護理產品*Beija Flor Elasti-Cream*，推動所有渠道的穩健增長，尤其是連鎖批發、分銷及網上商城。在廣受追隨者歡迎的*Brazilian Crush Cheirosa 62*香水噴霧及新推出的*Rio Radiance*香氛噴霧等引領下，其追隨者藉其香水噴霧類別開創出新高度。

每一項成就都進一步推動Sol de Janeiro的知名度，鞏固其在絲芙蘭北美的領先地位。該品牌計劃利用此地位支持在新財年透過絲芙蘭進駐中國及東南亞。

可持續發展表現獲得EcoVadis金獎認可

於二零二三財年，本集團公佈新的公司使命：*透過賦權，我們對人類產生正面影響並重建自然*。使命作為指導整個組織行動的明燈，配合集體關注的三重收益 — 員工、地球及盈利能力。

本集團優先為僱員提供持續的培訓及發展機會，並促進工作場所的福祉。於二零二二年，本集團在16個國家獲得最佳工作場所認證。其推出具包容性的全球育嬰假政策，並成為英國的真正生活工資僱主，乃二零二五年成為全球真正生活工資僱主目標的第一步。本集團亦在其行政委員會中實現性別平等。在保護地球方面，本集團在二零二三年四月宣佈其雄心壯志的氣候策略，制定二零五零年實現基於科學淨零排放路線圖。其在範圍1碳排放量方面取得實質進展，減少42%，快於預期邁向二零三一財年減少46%的目標。

本集團的整體可持續發展表現獲得EcoVadis金獎認可，躋身受評公司頭5%之列。在二零二三年一月慶祝ELEMIS獲得B Corp共益企業認證後，本集團亦有望在二零二三年獲得B Corp共益企業認證。





前景

本集團對其二零二四財年的表現持謹慎樂觀態度。儘管宏觀經濟環境仍不明朗，但在國際旅遊(尤其是亞太地區)逐漸恢復、中國市場反彈以及新品牌持續擴張的支持下，本集團預期實現雙位數銷售增長及健康的盈利能力。其將充分利用此復甦機會，大幅提高對中國、美國及日本等主要市場的營銷投資，預期將於此等市場以及旅遊零售渠道產生積極的光環效應。

本集團亦準備在亞太地區推出其兩個最新品牌Sol de Janeiro及Grown Alchemist，作為其向多品牌和地域平衡集團不斷發展的一部分。其將繼續利用及提升各品牌的內在優勢，為其股東及持份者帶來可持續的增長及盈利能力。



企業管治報告



企業管治報告



企業管治常規

董事會定期檢討其企業管治常規，以達致股東對企業管治水平不斷提高的期望及符合日趨嚴謹的法規要求，以及實踐董事會對堅守優越企業管治的承諾。董事會承諾致力維持高企業管治常規及商業道德標準，並堅信此舉對於維持股東回報至關重要。

根據香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載的「企業管治守則」(「企業管治守則」)，該守則訂明兩個層次的企業管治常規，即上市公司必須遵守或對其不合規情況作出解釋的守則條文，以及鼓勵上市公司加以遵守但毋需披露不合規情況的建議最佳常規。

於二零一四年六月十七日，董事會採納基於企業管治守則所載的原則、條文及慣例編製的企業管治手冊，該手冊於二零二一年三月更新，並已於本公司網站group.loccitane.com登載。請於「Investors」之下選取「Governance」。

與企業管治守則偏離

於整個二零二三財年，除下文所披露者外，本公司已遵守上市規則附錄十四所載企業管治守則的所有適用守則條文：

企業管治守則的守則條文第C.6.3條規定公司秘書應向主席及／或行政總裁匯報。

本公司之公司秘書Karl Guénard先生(「Guénard先生」)常駐於盧森堡。Guénard先生過往向本集團的前財務總監兼執行董事Thomas Levilion先生(「Levilion先生」)匯報。Levilion先生自二零二二年七月一日由執行董事調任為非執行董事後，Guénard先生目前向本集團主席Reinold Geiger先生匯報，本公司已遵守企業管治守則的守則條文第C.6.3條。

董事的證券交易

本公司已採納上市規則附錄十所載的上市發行人董事進行證券交易的標準守則(「標準守則」)作為董事買賣證券的行為守則。經向全體董事作出具體查詢後，彼等確認已於截至二零二三年三月三十一日止年度(「回顧期間」)遵守標準守則。

董事會

董事會負責長遠發展及策略以及控制及評估本公司的日常運作。此外，董事會已委任一名主席負責確保董事會收到有關本集團業務發展、其業績、財務狀況及流動性以及本集團重要事件的定期報告。董事的任期為三年，但可不限次數重選連任。

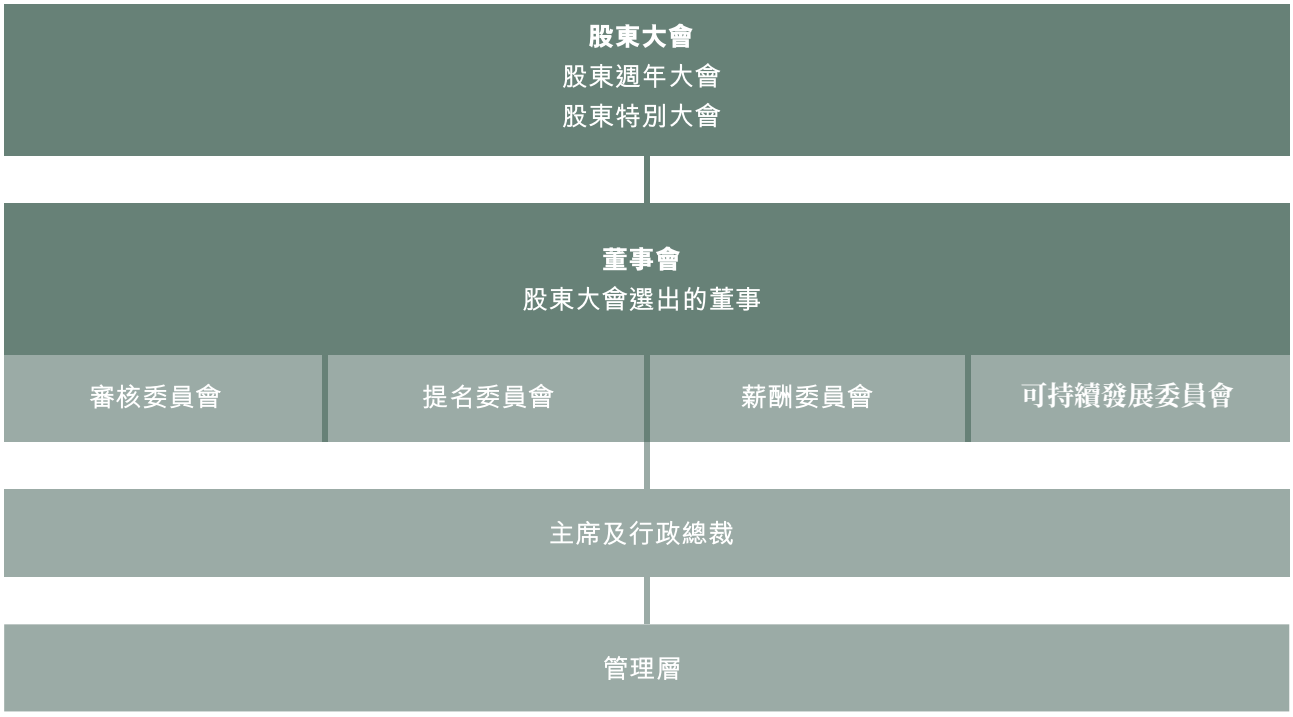
董事會職責部分通過其四個委員會行使：

- 審核委員會
- 提名委員會
- 薪酬委員會
- 可持續發展委員會



董事會在董事會成員之間委任各委員會成員。如認為適當，董事會及每個委員會均有權聘請外部專家處理一般或特別事項。

企業管治架構



企業管治報告

董事會的組成

董事會現時由九名董事組成，包括四名執行董事(「執行董事」)、一名非執行董事(「非執行董事」)及四名獨立非執行董事(「獨立非執行董事」)。所有董事在各自專業知識領域均有傑出成就，並表現高標準的個人及職業道德與誠信。各董事的履歷詳情載於本年報第50至53頁。

董事會多元化政策

1. ***目標***

   提名委員會(「該委員會」)乃L'OCCITANE INTERNATIONAL S.A.(「本公司」)董事會(「董事會」)下設委員會。該委員會獲董事會授權履行該等職權範圍所載的職能及權力。根據其職權範圍，該委員會應識別有資格或適合成為董事會成員的候選人，並就甄選獲提名擔任董事職位的候選人向董事會作出推薦建議。

   本政策(「本政策」)載列為達致董事會多元化而採取的方針。

2. ***願景及政策聲明***

   本公司深知董事會多元化之裨益，並在原則上支持多元化可增強董事會表現、促進有效決策及改善公司管治及監察。

   本公司認為，多元化董事會將包容並充分利用董事會成員在技能、經驗及背景、地域及行業經驗、種族、性別、知識及服務年限以及其他特質方面的差異。該等差異將在釐定董事會之最佳組成時予以考慮，且所有董事會任命均在充分考慮董事會整體有效運作前提下以用人唯才為原則。本政策旨在達至董事會多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年期。



該委員會檢討及評估董事會之組成並就新董事之任命向董事會作出推薦建議。該委員會亦每年檢討董事會架構、人數及多元化並就任何為配合本公司策略而擬對董事會作出的變動提出建議。於識別合適候選人以委任為董事會成員時，該委員會將考慮本公司的業務模式及特別需求。候選人的甄選將基於一系列多元化標準及層面作出。該委員會將考慮董事會技能、經驗、獨立性及知識與董事會成員多元化之間的平衡、董事會如何協同工作以及與其效率有關的其他因素。

董事會及該委員會將繼續根據本政策(包括有關性別多元化方面)考慮合資格候選人，確保為董事會選擇合適的潛在繼任者。

本公司重視性別多元化，並將繼續採取措施促進本公司所有層面(尤其是董事會層面)的性別多元化。

本公司員工性別比例如下：

	於二零二二年三月三十一日		於二零二三年三月三十一日	
	男性(%)	*女性(%)*	*男性(%)*	*女性(%)*
整體男女比例	13	87	14	86
按職級劃分：				
董事	90	10	78	22
高級管理層	62	38	45	55
主要人員及其他	13	87	14	86

3. 可計量目標

該委員會將每年商討及協定達致董事會成員多元化的相關可計量目標，並就採納有關目標向董事會作出推薦建議。最終決定將以用人唯才為原則，並顧及董事會多元化的益處。

4. 檢討及監察本政策

該委員會將監察本政策之落實並向董事會匯報可計量目標於達至本政策項下多元化方面取得的成果。

該委員會將檢討本政策(如合適)，並就任何必要變動向董事會作出推薦建議以供考慮及批准。

董事出席董事會、董事會委員會及股東大會的情況

以下為二零二三財年董事出席董事會、董事會委員會及股東大會的出席情況：

			出席：				
姓名	類別	董事會會議	審核委員會會議	提名委員會會議	薪酬委員會會議	可持續發展委員會會議	股東大會
		已出席／合資格出席會議	已出席／合資格出席會議	已出席／合資格出席會議	已出席／合資格出席會議	已出席／合資格出席會議	已出席／合資格出席會議
Reinold Geiger	執行董事	10/10					2/2
André Hoffmann	執行董事	10/10		2/2	4/4		2/2
Yves Blouin [1]	執行董事	2/3			0/0		0/0
Thomas Levilion [2]	非執行董事	10/10	0/0			4/4	2/2
Karl Guénard	執行董事	10/10					2/2
Séan Harrington	執行董事	10/10					2/2
Valérie Bernis [3]	獨立非執行董事	8/8	4/4	2/2		0/2	0/2
Mark Broadley	獨立非執行董事	8/10	4/4		3/4	4/4	2/2
吳植森	獨立非執行董事	9/10	4/4	2/2	4/4		2/2
劉文思	獨立非執行董事	10/10		0/0	1/1	1/2	0/2
Christèle Hiss Holliger [4]	獨立非執行董事	1/1		0/0	1/1	1/2	0/0

附註：

(1) Yves Blouin先生於二零二二年五月二十五日辭任執行董事。

(2) Thomas Levilion先生於二零二二年七月一日由執行董事調任為非執行董事。

(3) Valérie Bernis女士於二零二三年一月一日辭任獨立非執行董事。

(4) Christèle Hiss Holliger女士於二零二三年一月一日獲委任為獨立非執行董事。

董事會會議記錄由公司秘書存置；所有董事均有權查閱董事會文件及相關材料，並及時獲提供足夠資料；這有助董事會就所提呈事項作出知情決定。

企業管治報告

董事會的職責

董事會的責任為：

- 檢討及批准執行董事與管理層共同制定的本集團策略方向；
- 檢討及批准目標、策略及業務發展計劃；
- 監察行政總裁及高級管理層的表現；
- 承擔企業管治責任；及
- 檢討本集團內部監控制度的成效。

高級管理層的職責

在行政總裁領導下，高級管理層的責任為：

- 制定策略及業務發展計劃、提交予董事會批核，以及在其後實施有關策略及業務發展計劃；
- 定期向董事會提交年度預算；
- 檢討加薪建議及薪酬政策並提交予董事會批核；及
- 協助董事會檢討本集團內部監控制度的成效。

公司秘書

Karl Guénard先生於二零一三年九月一日獲委聘為公司秘書。於二零二三財年，Karl Guénard先生已遵照上市規則第3.29條的規定進行公司秘書培訓。

非執行董事及獨立非執行董事

非執行董事任期於其獲委任加入董事會後三年屆滿，惟於其三年任期完結後可重選連任。

四名獨立非執行董事均經驗豐富，在會計、金融或營銷各範疇擁有學術及專業資格。憑藉彼等於各行業所累積經驗，彼等對董事會有效履行其職責方面提供強力支持。彼等的任期於其獲委任加入董事會後三年屆滿，惟於其三年



任期完結後可重選連任。每名獨立非執行董事已就其獨立性向本公司作出年度確認，而本公司認為彼等各自確屬獨立人士。彼等均符合上市規則第3.13條所載獨立性標準。

入職及持續發展

新獲委任董事接受入職課程，以確保彼等對本公司業務的了解及彼等對董事職責及義務的認識。董事會各成員於二零二三財年內已參加有關企業管治、監管發展及其他有關題目的培訓，並經常就法定及監管制度以及業務環境的發展獲提供最新資料，以協助彼等履行職責。

董事會已採取有效機制，確保董事會獲得獨立觀點及意見。董事擁有充足的資源，可在履行職責時尋求獨立的專業意見，費用由本公司承擔。董事會亦鼓勵董事獨立接觸及諮詢本公司高級管理層。董事會每年檢討該等機制的實施及成效。董事會認為上述機制於二零二三財年有效確保董事會獲得獨立觀點及意見。

委員會

作為良好企業管治的組成部分，董事會已成立審核委員會、提名委員會、薪酬委員會及可持續發展委員會，且各委員會訂有職權範圍。

於二零二三財年，各委員會根據其職權範圍舉行會議及履行其職務。各委員會的授權、職能、組成及職責載列如下：

審核委員會

審核委員會有三名成員，即Mark Broadley先生(主席)、吳植森先生及Thomas Levilion先生。 Thomas Levilion先生為非執行董事，其他兩名成員為獨立非執行董事。

為遵照上市規則第3.21條，審核委員會至少有一名成員擁有適當的會計專業資格或具備相關財務管理專長，以履行審核委員會的職責。

全部成員皆在審閱經審核財務報表方面有足夠經驗，並在需要時由本集團的核數師協助。

審核委員會的主要職責為對本集團的財務報告過程的有效性、內部監控及風險管理體系提供獨立意見，以協助董事會監察審核過程並履行董事會委派的其他職責及責任。

審核委員會於二零二三財年進行的工作概述如下：

i. 審閱核數師審核本集團於二零二二財年末期業績的報告；

ii. 審閱本集團於二零二二財年的財務報表草擬本；

iii. 審閱本集團於二零二二財年的業績公告及年報草擬本；

iv. 審閱應付外聘核數師於二零二二財年的核數費用；



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v. 審閱外聘核數師的獨立性，並於應屆股東週年大會(「股東週年大會」)就重新委任外聘核數師向董事會傳達建議；

vi. 審閱本集團截至二零二二年九月三十日止期間的業績公告及中期報告草擬本；

vii. 審閱內部監控制度(包括內部審核業績分析及二零二二至二零二三年度內部審核計劃)，並向董事會匯報；

viii. 審閱影響本集團的上市規則修訂，以便監控適當的企業管治及監督本公司企業管治手冊的執行情況。根據其職權範圍，審核委員會監督本公司的企業管治。

審核委員會於回顧期間已舉行四次會議：其中兩次於財務報告(年報及中期報告)公佈前舉行，其餘兩次特別就本公司內部監控及企業管治而舉行。



提名委員會

提名委員會的職權範圍於二零一九年二月八日修訂以符合企業管治守則所載的規定及經修訂上市規則。提名委員會有三名成員，即吳植森先生(主席)、劉文思女士及Christèle Hiss Holliger女士。全體成員為獨立非執行董事。提名委員會的主要職能乃就以下提名政策向董事會就委任及罷免董事提供建議：

目標

提名委員會(「該委員會」)乃L'OCCITANE INTERNATIONAL S.A.(「本公司」)董事會(「董事會」)下設委員會。該委員會獲董事會授權履行該等職權範圍所載職能及權力。根據其職權範圍，該委員會應識別有資格或適合成為董事會成員的候選人，並就甄選獲提名擔任董事職位的候選人向董事會作出推薦建議。

提名選擇標準

(a) 該委員會獲董事會授權以釐定董事的提名及所採用的程序、過程及標準，以選擇及推薦董事候選人，並須就董事的委任及重新委任，以及董事的連任計劃(尤其是主席及行政總裁)向董事會作出推薦建議。

(b) 於就委任任何董事會擬任候選人或重新委任董事會任何現有成員作出推薦建議時，該委員會須計及多種因素以評估擬任候選人之合適性，包括但不限於：

- 董事會於特定時間所需各項技能；
- 根據其多元化政策(「多元化政策」)作出相關多元性考慮，包括但不限於性別、年齡、文化教育及專業背景、技能、知識及經驗；
- 候選人之個人誠信及職業操守、職業素養、各項能力、經驗、技能及業界聲譽、董事會關聯性；



- 現有職位及關係的性質，包括可能影響潛在候選人作出獨立判斷的能力或引發任何潛在利益衝突的董事會職位；
- 潛在候選人現任董事職位（尤其是於上市公司董事會）的數量，以及或會要求潛在候選人投入精力的其他任職；
- 倘為獨立非執行董事，須符合上市規則第3.13條規定的獨立性標準；及
- 該委員會或董事會不時釐定之任何其他有關因素。

(c) 非執行董事將收到其獲董事會委任之正式委任函。

提名程序

(a) 該委員會秘書應邀請董事會成員提名候選人（如有）以供其考慮。該委員會亦可提名並非由董事會成員提名之候選人。

(b) 擬任候選人須提供必要的個人資料及其書面同意書，同意獲委任為董事，並同意就其膺選董事或與此有關的事宜於任何文件或相關網站公開披露其個人資料。

(c) 獲選候選人通常由該委員會進行面試，以識別合適的候選人推薦予董事會。該委員會須要求候選人明確披露可能造成利益衝突之其他活動或委任的性質及範圍。其亦須考慮董事之任何實際或潛在利益衝突，向董事會呈報任何衝突決定，並參與董事利益衝突之年度檢討。

(d) 面試後，該委員會須在計及其職權範圍情況下向董事會（必要時最終向股東）作出推薦建議。該委員會亦須考慮有關董事會委任的所有適用司法權區及監管部門的法律法規。其獲董事會授權委任獨立專業諮詢人士並於其認為適當時利用該等資源。

(e) 董事會須就有關推薦候選人於任何股東大會上膺選之所有事宜作出最終決策。



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(f) 任何獲董事會委任以填補職位空缺之董事應任職至其獲委任後的第一次股東大會，並可於該大會上膺選連任，而任何獲董事會委任以增加現有董事會人數的董事應僅任職至本公司下屆股東週年大會為止，且屆時符合資格膺選連任。

(g) 本公司股東可於遞交期限內向本公司發出通知，表明有意提呈推選特定人士擔任董事的決議案。程序詳情載列於本公司不時刊發之「股東提名人士膺選本公司董事的程序」。

(h) 新任董事將盡快且盡量於彼等第一次董事會會議前進行董事會入職(符合經董事會批准的入職程序)。

檢討及監察本政策

(a) 該委員會須定期(至少每年一次)檢討董事會之架構、人數及組成(包括技能、知識及經驗)，以及董事會的多元性，以確保其專業知識、技能及經驗保持均衡，視角多元化，滿足本公司業務的要求。

(b) 該委員會須持續檢討本公司領導層(包括執行及非執行)的需求，以確保本公司有能力於市場中持續進行高效競爭。

(c) 該委員會須時刻了解及充分掌握影響本公司及其經營所在市場的戰略問題及商業變動。

於二零二三財年已舉行兩次提名委員會會議：

第一次是有關建議於二零二二財年股東週年大會上重選Valérie Bernis女士為獨立非執行董事的議案。

第二次是有關提名Christèle Hiss Holliger女士為新任獨立非執行董事並提請董事會批准的議案。

薪酬委員會

薪酬委員會的職權範圍於二零一二年三月二十九日修訂以符合企業管治守則所載的規定。薪酬委員會有三名成員，即Christèle Hiss Holliger女士(主席)、劉文思女士及André Hoffmann先生。André Hoffmann先生為執行董事，其他兩名成員為獨立非執行董事。

薪酬委員會的主要職責為評估董事及高級管理層的表現及就彼等的薪酬待遇向董事會提供建議，以及評核僱員福利安排並就此向董事會提供建議。

薪酬委員會於二零二三財年所進行的工作概述如下：

i. 分析市場做法並考慮二零二三年長遠獎勵計劃。

ii. 檢討董事及高級管理層的薪酬，並向董事會提供建議，以作審批。

iii. 考慮為招聘及挽留人才方面有困難的國家或品牌制定特定長遠獎勵計劃。

iv. 審議及批准根據上市規則第17章有關股份計劃的事宜。

薪酬委員會於回顧期間已舉行五次會議。

以下為本集團的薪酬政策及長遠獎勵計劃以及應付董事薪酬的釐定基準的一般說明：

i. 董事的薪酬由董事會釐定，董事會聽取薪酬委員會的建議。根據本公司現時的薪酬安排，執行董事以薪金、按業績目標釐定的花紅及基於股份的付款獲取薪酬。其中一名執行董事收取服務費。非執行董事及全體獨立非執行董事收取董事袍金。

ii. 於二零二三財年，董事收取的薪酬(包括袍金、薪金、酌情花紅、退休金計劃津貼、基於股份的付款、住房及其他津貼、服務費以及其他實物利益)約為4,050,000歐元。於二零二三財年，向本集團五名最高薪人士(包括若干董事)支付的袍金、薪金、酌情花紅、退休金計劃津貼、基於股份的付款、住房及其他津貼，以及其他實物利益總額約為5,840,000歐元。該金額包括於二零二三財年授予五名最高薪人士的118,700份購股權的股份付款。



於二零二三財年，我們並無向董事或五名最高薪人士支付任何作為誘使加入本公司或於加入本公司時的獎勵或離職補償。此外，同期內概無董事放棄任何薪酬。

可持續發展委員會

可持續發展委員會於二零二一年七月二十七日按自願基礎以董事會決議案成立，可持續發展委員會獲授權按照職權範圍行事，且在適用範圍內以本公司組織章程細則(「組織章程細則」)及適用法律、法規及上市規則為準。

可持續發展委員會主要負責協助董事會對本公司的可持續發展戰略、政策及表現進行監督、檢討並向董事會提出建議。可持續發展委員會檢討本公司的可持續發展路線圖以及與環境、社會及企業管治(以下稱為「環境、社會及管治」)相關的所有議題的進展並作出質詢，特別是包括氣候、生物多樣性、包裝、多樣性及包容性以及社會事宜。可持續發展委員會的職責將由董事會定期更新、修改或修訂。

可持續發展委員會有四名成員，即Mark Broadley先生(主席)、Christèle Hiss Holliger女士、劉文思女士及Thomas Levilion先生。Thomas Levilion先生為非執行董事，其他三名成員為獨立非執行董事。

可持續發展委員會於回顧期間已舉行四次會議。

核數師酬金

二零二三財年審核服務的相關費用約為2,465,000歐元，其中2,171,000歐元與外聘核數師PricewaterhouseCoopers有關。

二零二三財年非審核服務的相關費用約為212,000歐元，乃年內支付予外聘核數師PricewaterhouseCoopers。

	千歐元
年度審核及中期審閱服務	2,465
非審核服務	212
總計	2,677

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董事對合併財務報表的責任

董事會確認彼等的責任為：

- 監督本集團財務報表的編製以確保財務報表真實公平地反映本集團的財務狀況；及
- 選取適合的會計政策並貫徹採用該等會計政策，以作出審慎合理的判斷及估計。

董事會已確保及時公佈本集團的財務報表。

管理層向董事會提供解釋及資料，以便董事會可就將予批准的財務及其他資料作出知情的評估。

董事會致力確保對本集團的狀況及前景作出平衡、清晰及可理解的評估，以提供本集團的財務報告(包括年報及中期報告)、其他股價敏感公佈及根據上市規則的其他財務披露、提呈監管機構報告及根據法定規定及適用的會計準則須予披露的資料。

本公司核數師有關其就本集團財務報表的申報責任的聲明載於本年報第72至78頁的獨立核數師報告。

董事會負責存置適當的會計記錄、維護本公司及本集團的資產、並採取合理措施以防止欺詐及其他違規行為。

董事會並不知悉有涉及可能對本公司的持續經營能力構成重大疑問的事件或情況的任何重大不明朗因素。

風險管理及內部監控

董事會十分重視內部監控，並負責就本集團的財務申報建立及維持適當的內部監控，以及評估該等內部監控的整體有效性。

內部審核部對風險管理及內部監控制度的適當性及有效性提供獨立審查，並每年就審核計劃與審核委員會進行討論及協議。除協定的年度工作日程外，內部審核部在有需要情況下進行其他特別審查。內部審計報告會送到相關董事、外聘核數師及審核實體的管理層。此外，各審核的摘要報告會寄發予審核委員會全體成員。

風險管理及內部監控制度旨在合理地保證能夠避免出現人為錯誤、重大誤報、損失、損害、賠償或欺詐的情況，以及管理(而非消除)運作系統失靈或無法達成本集團目標的風險。於二零二三財年期間，在任何功能或程序中並無發現任何異常或重大內部控制缺陷。審核委員會信納風險管理及內部監控制度已按計劃有效運作。

董事會定期審閱及評估內幕消息，與本公司管理層或授權人士討論內幕消息的披露情況，並要求彼等在發現任何需要傳遞的內幕消息後向董事會報告。本集團已制定內幕消息披露政策，為僱員提供報告及傳遞內幕消息、保密及遵守交易限制的指引。



董事會已對本集團的風險管理及內部監控制度的成效進行檢討，認為其就本集團整體而言屬有效及適當。董事會亦認為，概無任何有關本集團的重大監控問題及風險管理功能。

股息政策

本公司已採納股息政策(「股息政策」)。根據股息政策，董事會於審議提案及宣派股息時，須考慮本集團的以下因素：

- 財務業績；
- 現金流狀況；
- 業務狀況及策略；
- 未來營運及盈利；
- 資本需求及開支計劃；
- 股東權益；
- 派付股息的任何限制；及
- 董事會認為相關的任何其他因素；

為免生疑問，誠如上文所列，概無保證於任何特定期間內以任何特定金額派付股息。

此外，財政年度之任何末期股息須經股東批准方可作實。

投資者關係及與股東的溝通

本公司極重視與股東之溝通，並為此透過多種渠道，促進與投資界之了解及交流。本公司會就其年度及中期業績與分析員舉行小組會議。此外，本公司之指定高級行政人員亦會定期與機構投資者及分析員會面，在遵守適用法律及法規的情況下，向彼等提供與本公司發展有關之趨時訊息(包括兩次業績公佈)。於二零二三財年，董事亦於香港及海外投資者論壇上作出簡報，以及與投資者進行小組會議。

此外，本公司之網站(group.loccitane.com)會適時提供本公司之新聞發佈稿、其他業務資訊及本公司企業管治架構及實務資訊。為有效地與股東溝通及支持環保，本公司鼓勵各股東透過本公司網站，瀏覽本公司之公司通訊文件。

董事會已檢討本公司於二零二三財年進行的股東及投資者溝通活動，並滿意股東溝通政策的實施及成效。

憲章文件變動

於二零二二年九月二十八日，本公司於二零二二財年股東週年大會通過特別決議案以修訂組織章程細則。有關修訂詳情，請參閱本公司於二零二二年八月三十一日及二零二二年九月二十八日分別於香港聯交所及本公司網站上載的通函及經修訂組織章程細則。

除上文所披露者外，本公司憲章文件於回顧期間內並無重大變動。

股東的權利

股東召開股東大會的程序

任何一名或以上股東如合共持有不少於百分之五繳足股本(附有在股東大會上投票權)，可透過向本公司於盧森堡的註冊辦事處或本公司在香港的主要營業地點送達由該等股東簽署的書面要求的方式召開股東大會，收件人為本公司的公司秘書，地址載列於下文。

有關要求須訂明會議的目的。倘董事會未有於收到提出要求當日起計兩個曆日內正式召開須於其後另28個曆日內舉行的會議，則簽署有關要求的股東(或簽署有關要求的

企業管治報告

人士持有該總投票權過半數的任何股東）可按盡量接近董事會召開會議的相同方式召開股東大會。股東要求召開的股東大會須於送達要求當日起計的三個月內召開。

股東向董事會作出查詢的程序

股東可透過向本公司於盧森堡的註冊辦事處或本公司在香港的主要營業地點（地址載列於下文）向本公司公司秘書以書面形式提出向董事會的查詢。公司秘書將向主席轉達有關查詢以作考慮。



此外，股東於出席本公司任何股東大會時，可於會上向董事會主席、各董事委員會的主席或其他出席大會的董事作出查詢。

股東在股東大會上提呈建議的程序

在代表於提交請求書當日本公司股本或全體股東按每股一票的投票權不少於10%有權在該請求書有關的會議上表決的股東，或不少於50名持有本公司股份的股東，而每名股東就其所持股份已繳足的平均股款不少於2,000港元的股東提出書面請求時，本公司須（費用由請求人承擔）：(a)向有權接收該股東週年大會通告的股東發出通告，當中載有任何正式動議並擬於該大會上動議的決議案；(b)向有權獲送交任何股東大會通告的股東傳閱一份字數不多於1,000字的陳述書，內容有關該所動議決議案內提述的事宜，或有關將在該大會上處理的事務。

該請求書必須經全體請求人簽署（或2份或以上的載有全體請求人簽署的請求書）並於下列時間交到本公司在盧森堡的註冊辦事處或本公司在香港的辦事處：(i)如屬要求發出決議案通告的請求書，在大會舉行前不少於6個星期；而(ii)如屬任何其他請求書，在大會舉行前不少於1個星期。一筆足以應付本公司付諸執行該請求書所產生開支的款項須隨同該請求書交來。

除根據上文所述程序外，股東不可於股東大會提呈動議。

股東提名選舉董事職務的程序

任何未經董事推薦的人士均不符合資格於任何股東大會獲選為董事，除非於寄發該選舉的指定大會通告後至不遲於該大會舉行日期前七個曆日的最少七個曆日期間內，由有



權出席大會並於會上投票的本公司股東(非該獲提名人士)向本公司於盧森堡的註冊辦事處或本公司在香港的主要營業地點的公司秘書寄發通知書，表示擬於會上提名該名人士參加選舉，且提交該名獲提名人士簽署的通知書以證明其願意參與選舉。



根據組織章程細則第10.1條，董事的委任將透過本公司股東大會進行，其將決定人數及任期。

環境、社會及管治報告

本集團致力透過賦權對人類產生正面影響並重建自然。為實現其宏圖，本集團已制定一系列與三個主要優先事項一致的中期宏圖及貢獻目標。所有品牌、國家及部門目前正合作建立各自的路線圖並為實現此等目標作出貢獻。有關更多詳細資料，請參閱公司網站：group.loccitane.com於「investors/financial information/reports」部分項下的環境、社會及管治報告。自二零一一財年起制定環境、社會及管治報告，每年更新一次。

環境、社會及管治報告符合歐盟指令2013/34/EU有關非財務資料刊發的規定以及香港聯交所環境、社會及管治報告指引附錄二十七的規定。

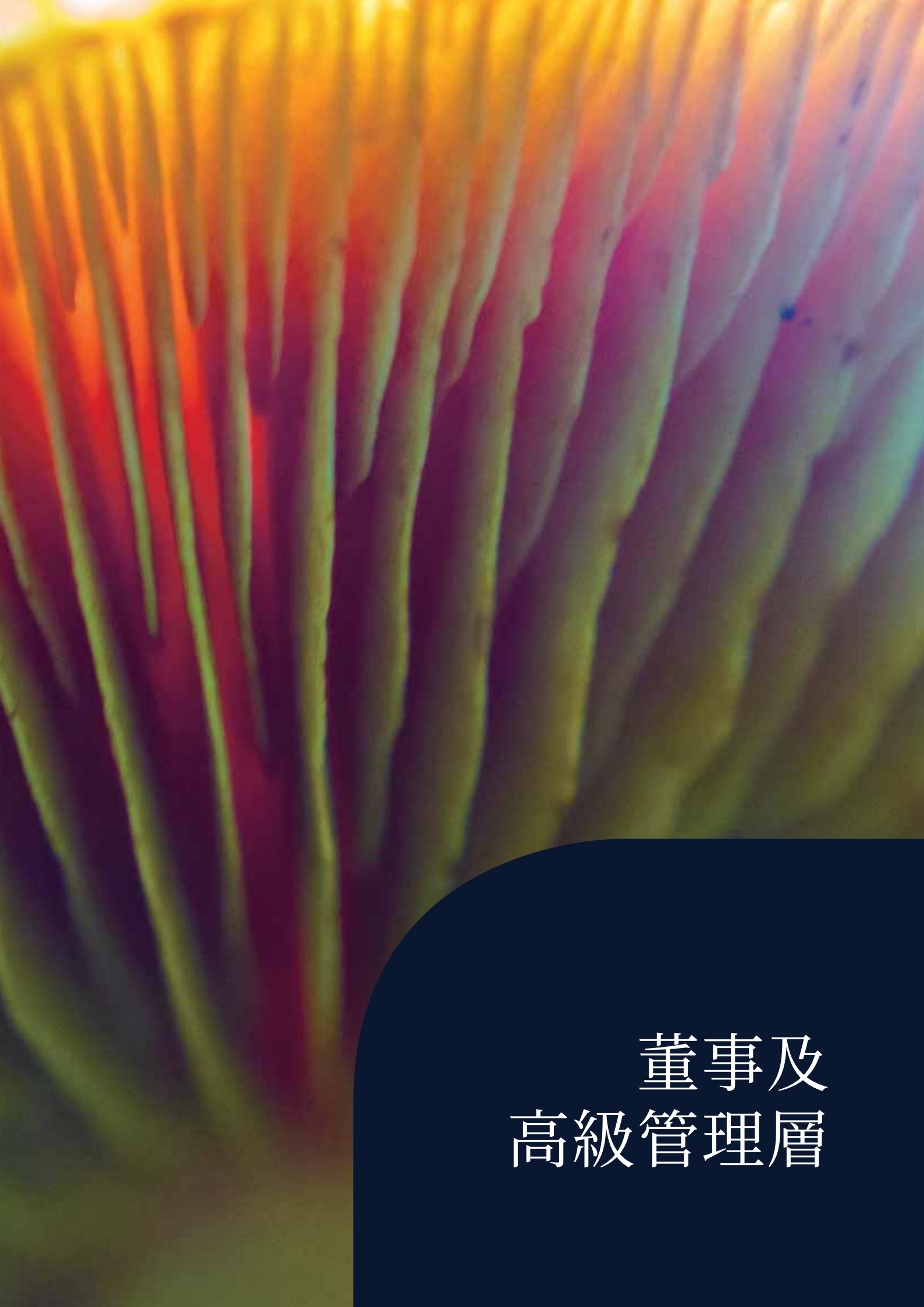
註冊辦事處

49, Boulevard Prince Henri
L-1724 Luxembourg

香港主要營業地點

香港鰂魚涌
英皇道728號
K11 ATELIER King's Road二十樓





董事及高級管理層

董事及高級管理層

董事

董事會負責並有一般權力管理及經營本公司的業務。下表載列有關董事會的若干資料：

姓名	*年齡*	*職位*
Reinold Geiger	75	執行董事及主席
André Hoffmann	67	執行董事、副主席及行政總裁
Karl Guénard	56	執行董事及公司秘書
Séan Harrington	57	執行董事及ELEMIS行政總裁
Thomas Levilion	63	非執行董事
Charles Mark Broadley	59	獨立非執行董事
Christèle Hiss Holliger	51	獨立非執行董事
劉文思	50	獨立非執行董事
吳植森	62	獨立非執行董事



Reinold Geiger
執行董事及
主席

Reinold Geiger先生獲委任為執行董事，自二零零零年十二月二十二日起生效，現為本公司的主席。Geiger先生於一九九六年以主席及控股股東身份加入本集團。Geiger先生為本公司、L'Occitane Groupe S.A.(「LOG」)及LOG Investment S.A.(「LOGI」)的董事及常務董事(「administrateur délégué」)；L'Occitane Innovation LAB SAS的主席；LimeLife Co-Invest Sarl、L'Occitane (Suisse) S.A.、L'Occitane Australia Pty. Ltd.及L'Occitane Japon K.K.的董事會成員或經理。彼亦為L'Occitane LLC的主席，以及Fondation d'entreprise L'Occitane的總裁。自加入L'Occitane後，Geiger先生將本集團由一間以法國為基地並主要從事國內業務的公司發展為一間國際企業。彼到訪本集團在全球各地的場地以實施上述增長策略。彼在該等地點成立本集團的附屬公司，並與當地管理層建立緊密關係。於二零零八年六月，Geiger先生因其於本集團的國際發展策略獲授「INSEAD(英思雅德)年度企業家獎」的殊榮。Geiger先生於一九七零年在美國機器及鑄造公司展開事業生涯。於一九七二年，彼離開該公司，並創立自己的業務，涉及分銷用於橡膠及塑膠加工之機器，彼於一九七八年出售此業務。Geiger先生繼而成立及發展AMS Packaging SA，專門為高端香水及化妝品市場提供包裝服務。該公司於一九八七年在巴黎證券交易所上市，而Geiger先生於一九九零年完全脫離該公司。於一九九一年至一九九五年，彼任職於一間包裝公司(業務主要位於法國)，並將其發展為一間國際企業。Geiger先生於一九六九年從瑞士蘇黎世瑞士聯邦技術學院畢業，取得工程學位，並於一九七六年在法國楓丹白露INSEAD(英思雅德)取得工商管理碩士學位。



André Hoffmann
執行董事、副主席及行政總裁

André Hoffmann先生獲委任為執行董事，自二零零一年五月二日起生效，獲委任為副主席，自二零一六年四月十九日生效，並進一步獲委任為行政總裁，自二零二一年九月十六日生效。彼亦為LOG及LOGI的董事。Hoffmann先生主要負責本集團的策略規劃。此前，彼於一九九五年六月至二零一七年十二月為亞太區常務董事，負責管理本集團於亞太區的業務。Hoffmann先生為L'Occitane Trading (Shanghai) Limited、L'Occitane (Far East) Limited、L'Occitane (Korea) Limited及L'Occitane Taiwan Limited的主席。彼亦為L'Occitane Singapore Pte. Limited、L'Occitane Australia Pty. Limited、L'Occitane Japon K.K.、L'Occitane (China) Limited及L'Occitane (Macau) Limited的董事。彼於亞太區零售及分銷化妝品、高級消費品及時裝擁有逾30年經驗。彼為Pacifique Agencies (Far East) Limited的董事，Pacifique Agencies (Far East) Limited為本公司於一九九五年至二零零四年在亞太區分銷L'Occitane產品的合營夥伴。於一九七九年至一九八六年，Hoffmann先生擔任GA Pacific Group的多個銷售管理職務，GA Pacific Group的主要業務為投資及管理亞太區的零售、批發、貿易、製造及分銷，以及酒店及旅遊貿易。Hoffmann先生於一九七八年在美國加利福尼亞大學柏克萊分校畢業，取得經濟學文學士學位。



Karl Guénard
執行董事及公司秘書

Karl Guénard先生自二零零三年六月三十日起獲委任為本集團非執行董事。Guénard先生於二零一三年九月加入本集團。自二零一三年九月一日，彼為本集團執行董事兼公司秘書。彼亦為LOG, LOGI, LOI Participations及LimeLife Co-Invest Sàrl的董事會成員或經理。於二零零零年至二零一三年，Guénard先生於Edmond de Rothschild Group工作，為Banque Privée Edmond de Rothschild Europe的高級副總裁，負責財務機能部門。於一九九八年至二零零零年，彼為Banque de Gestion Privée Luxembourg（Crédit Agricole Indosuez Luxembourg的一間附屬公司）財務機能部門的經理。在此以前，於一九九三年至一九九八年，Guénard先生為一名基金及企業核數師。Guénard先生為一名特許會計師，持有法國斯特拉斯堡大學頒授的經濟與管理理學碩士學位。



Séan Harrington
執行董事及ELEMIS行政總裁

Séan Harrington先生獲委任為執行董事，自二零二零年九月三十日起生效，並擔任ELEMIS的行政總裁。彼為三名聯合創始人之一，三人至今仍領導30年公司的日常營運。Harrington先生的職業生涯始於歐洲美容品牌的分銷。24歲時，彼與聯合創始人合作推出了ELEMIS。隨著品牌的發展，Harrington先生領導了公司的所有職能部門，對業務有了深入的理解。於一九九六年，彼成功引導企業被Steiner Leisure Limited收購並隨後在納斯達克上市，於二零一五年，彼將ELEMIS轉變為私募股權。於二零一九年三月，ELEMIS被本集團收購，作為合作夥伴，支持ELEMIS在全球範圍內拓展業務，成為全球領先的護膚品牌。Harrington先生以其企業家的領導風格著稱，彼鼓勵ELEMIS各級員工接受顛覆性的策略，以吸引及激發消費者的興趣。在其領導下，品牌已從本土企業發展成全球性品牌。

董事及高級管理層

Thomas Levilion
非執行董事

Thomas Levilion先生於二零二二年七月一日調任非執行董事。此前，彼為執行董事並為本集團財務及行政管理部副總經理。彼主要負責本集團於全球的財務。Levilion先生於二零零八年三月加入本集團，現為本公司的董事總經理(「administrateur délégué」)。此外，彼為M&L Distribution S.à.r.l.的經理(「gérant」)，以及Verveina SAS的總裁。於一九八八年至二零零七年，Levilion先生任職於Salomon S.A.，Salomon S.A.為Adidas AG的附屬公司，Amer Sports Corporation其後收購該公司，彼於Amer Sports Corporation擔任總監及副總監，其後擔任財務總監。於該期間，彼累積了全球供應鏈、轉型、機構重新設置及併購方面的經驗。彼於法國巴黎高等商業研修學院主修財經，取得工商管理碩士學位。彼亦持有法國巴黎第九大學頒授的科學決策法研究生學位。

Charles Mark Broadley
獨立非執行董事

Charles Mark Broadley先生獲委任為獨立非執行董事，自二零零八年九月三十日起生效。彼加入歐洲及亞洲的投資銀行開展其職業生涯，接著轉職香港上海大酒店有限公司財務董事。Broadley先生其後創辦專注投資酒店行業的私募基金業務，目前為多項業務的活躍投資者。Broadley先生於英國劍橋大學法律系畢業。

Christèle Hiss Holliger
獨立非執行董事

Christèle Hiss Holliger女士自二零二三年一月一日起獲委任為獨立非執行董事。彼在資產管理及客戶關係以及人員管理及人力資源方面擁有豐富經驗。彼目前為瑞士百達集團基金會的獨立董事，最後執行職位是歐洲財富及資產管理領導者百達的全球人力資源主管，在瑞士、亞洲、倫敦、盧森堡及拿騷設有團隊。彼為瑞士百達集團股權合夥人、執行委員會成員及Bank Pictet SA董事會董事。在從事資產管理及客戶關係工作達20年後，彼於二零一七年轉至人力資源部任職，旨在將人力資源部定位為企業的策略合作夥伴。此前，彼為Pictet Asset Management (Singapore) Pte Ltd的行政總裁，負責監督其在新加坡的活動並負責東南亞的機構客戶。在遷往新加坡之前，彼為日內瓦機構客戶主管，負責管理客戶關係經理團隊並負責策略機構客戶。Hiss Holliger女士於二零一六年成為瑞士百達集團首位女性股權合夥人，積極推動有關多元化及包容性方面的舉措。Hiss Holliger女士於一九九二年畢業於EDHEC Business School (France)，獲得商業管理碩士學位，並於一九九七年獲得瑞士聯邦金融分析師和投資組合經理文憑(CIIA/CFPI，瑞士)。

劉文思
獨立非執行董事

劉文思女士自二零二二年三月一日起獲委任為獨立非執行董事。彼為D and Z Media Acquisition Corp.的主席、總裁及行政總裁，該公司為於紐約證券交易所上市的特殊目的收購公司(紐約證券交易所：DNZ)。劉女士亦擔任Black Spade Acquisition Co.的顧問委員會成員，該公司為於紐約證券交易所上市的特殊目的收購公司(紐約證券交易所：BSAQ)。二零一八年至二零二零年，劉女士曾任紐約證券交易所執行副主席及洲際交易所(紐約證券交易所：ICE)的首席體驗官。透過彼於紐約證券交易所的工作，劉女士積極參與多次首次公開招股項目，包括優步、Pinterest及騰訊音樂娛樂等媒體及科技界領先企業。於紐約證券交易所任職前，劉女士於二零一六年至二零一八年曾擔任Radiate的創辦人及行政總裁，該公司為千禧世代經理及行政人員提供網上訂閱式教育科技內容。在不到兩年的時間內，彼成功將Radiate從概念發展成為一個擁有每月超過20,000名活躍專業訂閱者的教育科技平台。二零零七年至二零一八年，劉女士曾於紐約市擔任彭博電視及彭博電台的新聞主播及特約編輯。加入彭博前，劉女士於二零零五年至二零零七年為CNBC亞洲台駐香港的主播，彼作為領導小組的一員，協助將CNBC亞洲台打造成為區內領先的新聞網絡。於二零零四年前，劉女士為《金融時報》亞特蘭大分社社長，並曾任道瓊斯通訊社台灣分社社長。於一九九七年，彼因對亞洲金融危機的報道獲得道瓊斯通訊社獎。劉女士於一九九五年獲得賓夕凡尼亞大學文學士學位。

吳植森
獨立非執行董事

吳植森先生獲委任為獨立非執行董事，自二零一零年一月二十五日起生效。吳先生於會計及財務管理方面擁有豐富經驗。彼曾為現代貨箱碼頭有限公司的財務總監。吳先生曾任職於永道會計師事務所，亦曾擔任南順集團的集團財務總監及一間美國製藥公司East Asia of Allergan Inc.的財務董事。吳先生為英國特許公認會計師公會及香港會計師公會資深會員。吳先生曾擔任貿易通電子貿易有限公司的非執行董事及駿科網絡訊息有限公司的獨立非執行董事。彼持有香港中文大學頒授的財務學理學碩士學位，以及香港科技大學頒授的工商管理碩士學位。

董事及高級管理層

高級管理層

Ingo Dauer

Ingo Dauer先生，52歲，為本集團法律總監。Dauer先生於二零零九年七月加入本集團，監督所有與本集團相關的法律事宜並提供意見，包括併購、商法、知識產權、數據保護及保險以及財務及合規事宜。彼擁有逾25年豐富經驗，從法律角度在本集團的首次公開發售及所有品牌收購方面發揮關鍵作用。彼共同管理位於馬賽的企業風險投資基金L'Occitane Innovation Lab SAS，並為本集團部分附屬公司的聯席董事總經理及／或董事會成員，包括L'Occitane International (Suisse) S.A.及Laboratoires M&L S.A.。以Dachser集團的內部律師開始職業生涯後，彼曾於Panalpina（ASB Oil & Gas）及ESCADA擔任高級職位。Ingo Dauer先生畢業於奧格斯堡（德國）法學院，通過律師資格考試為合資格律師。

Nathaëlle Davoust

Nathaëlle Davoust女士，41歲，為Melvita的全球總經理。自二零零七年加入本集團以來，Davoust女士在本集團部分最具戰略意義的市場擔任高級管理職位，在組建創業團隊及推動國際發展方面累積豐富經驗。在二零二一年十月擔任現職前，彼於二零一三年至二零一五年於紐約擔任零售營運總監，於二零一八年成為日本營銷及電商高級總監，並於二零一九年成為L'OCCITANE en Provence及Melvita香港總經理。彼持有HEC Paris的商業碩士學位及都柏林大學學院的管理學碩士學位。

Adrien Geiger

Adrien Geiger先生，38歲，為本集團可持續發展總監及L'OCCITANE en Provence的全球品牌總監。Adrien Geiger先生於二零一四年加入本集團，擔任產品經理，不久後晉升為數碼總監。彼其後為全球品牌總監，負責營銷策略、客戶體驗及完善L'OCCITANE en Provence的電子商務網站。於加入本集團之前，Adrien Geiger先生任職於法國能源集團Électricité de France，為期三年。Adrien Geiger先生畢業於英國牛津大學，獲得工程學學位，亦於美國賓夕法尼亞沃頓商學院畢業，獲得數碼營銷工商管理碩士學位。Adrien Geiger先生為本集團主席Reinold Geiger先生的兒子及南美洲總裁兼業務發展主管（美洲）Nicolas Geiger先生的胞弟。

Nicolas Geiger

Nicolas Geiger先生，42歲，為南美洲總裁兼業務發展主管（美洲）。Nicolas Geiger先生於二零一一年加入本集團，擔任巴西的營銷及零售總監，於二零一四年晉升為巴西的常務董事，並隨後成為L'Occitane Japan總裁。Nicolas Geiger先生目前繼續負責L'OCCITANE au Brésil品牌的發展。Nicolas Geiger先生持有英國牛津大學的工程學、經濟學及管理學碩士學位，亦持有INSEAD的工商管理碩士學位。Nicolas Geiger先生為本集團主席Reinold Geiger先生的兒子及L'OCCITANE en Provence全球品牌總監Adrien Geiger先生的胞兄。

Marie Grasset

Marie Grasset女士，39歲，為L'OCCITANE en Provence、L'OCCITANE au Brésil、Melvita及Erborian的人力資源總監。Grasset女士於二零一八年三月加入本集團，擔任總部和STREAM業務部門的人力資源總監，並於二零二一年六月擔任現職。Grasset女士的職業生涯始於二零零八年在巴黎任職LVMH集團企業人力資源部門。Grasset女士隨後獲邀在LVMH集團新收購的瑞士鐘錶品牌Hublot管理人力資源職能。Grasset女士隨後加入獨立高級珠寶品牌de Grisogono，擔任全球人力資源總監。Grasset女士持有法國里爾政治學院的碩士學位。

Madison Mallardi

Madison Mallardi女士，31歲，為LimeLife by Alcone的聯合創始人及行政總裁。Madison在佩斯大學攻讀傳播與營銷專業時，與姨母Michele Mallardi-Gay共同創立LimeLife by Alcone。於二零一四年畢業後，彼致力發展該美容品牌，於二零一七年五月，該公司成為本集團一部分，並在全球擴展至10個新市場。

Laurent Marteau

Laurent Marteau先生，46歲，於二零二二年九月獲委任為本集團常務董事。彼於全球美容行業擁有逾20年經驗，曾於LVMH集團工作15年，其後於二零一四年加入La Prairie集團，擔任全球旅遊零售及特殊渠道副總裁，並於同年成為董事會成員。於二零二零年，Marteau先生擴大職責，獲委任為歐洲、美洲、中東及非洲副總裁。彼畢業於IEP Lyon及EM Lyon商學院。

Dorothée Massoulier

Dorothée Massoulier女士，41歲，為Erborian的總經理。彼於二零一二年加入本集團，擔任L'OCCITANE en Provence的營銷經理，兩年後晉升為營銷副總裁。彼在美容行業打造品牌並推動其批發及電商增長方面擁有逾15年豐富經驗。Massoulier女士的職業生涯始於Johnson and Johnson，為其美容品牌擔任不同營銷職位。彼持有Dauphine Université Paris國際事務與發展碩士學位。

Heela Yang

Heela Yang女士，53歲，為Sol de Janeiro的聯合創始人兼行政總裁。Yang女士於二零一五年夏季推出僅有三款產品的Sol de Janeiro，並在短短六年內帶領品牌成為全球生活身體護理潮流。在Sol de Janeiro之前，Yang女士在Lancôme(L'Oréal)及Clinique (Estée Lauder Companies)等全球領先品牌建立廣泛的成功往績。作為Clinique的營銷總監及全球護膚品策略負責人，彼管理超過3億美元的護膚品產品線，並領導Clinique護膚品類別的全球策略，產品在135個國家銷售，收益逾10億美元。在Clinique之後，Yang女士領導創業項目，包括在美國、亞洲及巴西的化妝品行業專有品牌投資、諮詢及開發。Heela的職業生涯始於任職高盛投資銀行的分析師，專注於零售行業。彼畢業於哈佛學院、耶魯研究院及哈佛商學院。

董事會報告



董事會謹此提呈其報告連同本集團於二零二三財年的經審核財務報表。

主要業務

本公司為製造及零售含豐富天然及有機成份美容及保健產品的跨國集團。本公司作為高端美容市場的全球領導者，在超過90個國家設有超過2,770間零售店，包括約1,360間自營店。本公司通過八個品牌 — L'OCCITANE en Provence、Melvita、Erborian、L'OCCITANE au Brésil、LimeLife by Alcone 、ELEMIS 、Sol de Janeiro及Grown Alchemist，利用尊重大自然、環境和用者的優質產品，提供全新及非凡的美容體驗。

本集團按經營分部劃分於二零二三財年的表現分析載於合併財務報表附註5。

業務回顧

本集團年內的業務回顧及對本集團未來業務發展的討論載列於本年報第12至31頁管理層討論與分析。本集團可能面對的風險及不明朗因素請見本年報第6至7頁的主席報告書。此外，本集團的財務風險管理目標及政策請見合併財務報表附註3。自截至二零二三年三月三十一日止財政年度末起已發生且對本集團造成影響的重要事件(如有)載列於合併財務報表附註35。使用主要財務表現指標的本集團年內表現分析載列於本年報第23至26頁資產負債表及現金流量回顧。此外，就本集團的環境保護政策、與主要股東的關係及遵守對集團造成重大影響的相關法律及規則的討論載於第6頁主席報告書及第34頁企業管治報告及第56頁本董事會報告以及於本集團公司網頁刊載以供查閱的環境、社會及管治報告。

業績及股息

本集團於二零二三財年的業績載於本年報第79頁的合併收益表。

董事會建議派付每股0.03129歐元的末期股息。除名列香港股東名冊的股東股息須以港元支付外，股息須以歐元支付。有關匯率將為香港銀行公會(www.hkab.org.hk)於批准股息當日所公佈之港元兌歐元開市買入電匯率。

末期股息將待股東於二零二三年九月二十七日舉行之應屆股東週年大會上批准，方可作實。為釐定股東合資格出席應屆股東週年大會並於會上投票的記錄日期為二零二三年九月二十七日。本公司將於二零二三年九月二十二日(星期五)至二零二三年九月二十七日(星期三)(包括首尾兩天)暫停辦理股份過戶登記手續，期間將不會辦理股份過戶登記。所有過戶文件連同有關股票必須於二零二三年九月二十一日(星期四)下午四時三十分或之前遞交予本公司的香港證券登記處香港中央證券登記有限公司(「中央證券」)(地址為香港灣仔皇后大道東183號合和中心17樓1712–1716室)。

待股東於應屆股東週年大會上批准建議末期股息後，該股息將於二零二三年十月二十日(星期五)支付予於二零二三年十月十日(星期二)名列股東名冊之股東。為確定收取末期股息的資格，本公司將於二零二三年十月五日(星期四)至二零二三年十月十日(星期二)(包括首尾兩天)暫停辦理股份過戶登記手續，期間不會辦理股份過戶登記。為符合資格收取末期股息，所有過戶文件連同有關股票必須於二零二三年十月四日(星期三)下午四時三十分或之前遞交予中央證券。

末期股息將根據盧森堡法律於保留適當的預扣稅後支付。於載有召開股東週年大會通告之通函中，股東將獲提供有關根據盧森堡與香港訂立的雙重課稅條約條文索回所有或部分預扣稅之程序的詳盡資料。

五年財務概要

本集團的五年財務概要載於本年度報告第208頁。



可供分派儲備

於二零二三年三月三十一日，本公司根據組織章程細則(於二零一零年四月十五日採納及於二零二二年九月二十八日最後修訂)的可供分派予股東的儲備約為672,542,590歐元。

捐款

本集團於二零二三財年作出的慈善及其他捐款約1,825,000歐元。

優先購買權

組織章程細則或盧森堡大公國法律並無優先購買權條文。

購買、出售或贖回證券

於二零二三財年，本公司根據本公司的僱員無償股份及購股權計劃轉出於庫存持有的合共1,473,429股股份。於二零二三年三月三十一日，本公司持有5,355,641股庫存股份。除上文所披露者外，於二零二三財年，本公司或其附屬公司概無購買、贖回或出售本公司任何上市證券。

董事會報告

於二零一三年十月四日，香港聯交所就上市規則第10.06(5)條向本公司授出有條件豁免(「豁免」)，以容許本公司在購回其任何股份後，可選擇以庫存方式持有本身股份而非自動註銷該等股份。由於該豁免，香港聯交所已同意對適用於本公司的其他上市規則作出若干相應修訂。

以庫存方式持有的股份其後可出售以換取現金、根據僱員股份計劃轉讓或予以註銷。

有關豁免及其附有條件的詳情載於本公司於二零一三年十一月四日刊發的公告，可於本公司網站group.loccitane.com及香港聯交所網站www.hkexnews.hk查閱。

附屬公司

本公司截至二零二三年三月三十一日的主要附屬公司詳情載於合併財務報表附註36。



董事

於二零二三財年及截至本年度報告日期止，董事為：

執行董事

Reinold Geiger先生
(於二零零零年十二月二十二日委任為主席兼行政總裁及於二零二一年九月十六日辭任行政總裁)
André Hoffmann先生
(於二零零一年五月二日委任，於二零一六年四月十九日獲進一步委任為副主席及於二零二一年九月十六日委任為行政總裁)
Yves Blouin先生
(於二零二一年一月十四日委任及於二零二二年五月二十五日辭任)
Karl Guénard先生
(於二零零三年六月三十日委任為非執行董事及於二零一三年九月一日調任為執行董事)
Séan Harrington先生
(於二零二零年九月三十日委任)

非執行董事

Thomas Levilion先生
(於二零零八年九月三十日委任為執行董事及於二零二二年七月一日調任為非執行董事)

獨立非執行董事

Christèle Hiss Holliger女士
(於二零二三年一月一日委任)
Valérie Bernis女士
(於二零一二年十一月二十八日委任及於二零二三年一月一日辭任)
Charles Mark Broadley先生
(於二零零八年九月三十日委任)
劉文思女士
(於二零二二年三月一日委任)
吳植森先生
(於二零一零年一月二十五日委任)

根據上市規則附錄十四所載守則條文第B.2.2條，每名董事(包括以指定任期委任的董事)應至少每三年一次輪值告退。此外，委任以填補臨時空缺的所有董事應於其獲委任後首個股東大會上接受股東選舉。根據組織章程細則第10.1條，董事應於股東大會上由股東選出，並由股東確定其數目及任期。董事任期不得超過三年，任期屆滿後合資格連選連任。

董事履歷

董事的簡歷載於本年度報告第50至55頁的「董事及高級管理層」一節。

董事的服務合約

概無董事與本集團任何成員公司訂立或建議訂立任何服務合約，惟於一年內屆滿或僱主可於一年內終止而毋須給予賠償(法定賠償除外)的合約除外。

董事於競爭業務的權益

於年內，概無董事於與本公司或本集團的業務直接或間接構成競爭的業務中擁有權益。

董事及主要行政人員於股份及相關股份的權益

於二零二三年三月三十一日，以下董事或本公司主要行政人員於本公司及其相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份或債權證中，擁有或被視為擁有權益或淡倉，而(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及香港聯交所(包括根據證券及期貨條例的該等條款被視為或被當作擁有的權益或淡倉)；(ii)須登記於本公司根據證券及期貨條例第352條備存的登記冊；或(iii)須根據標準守則知會本公司及香港聯交所：

(a) 於本公司股份的權益

董事姓名	身份及權益性質	所持或控制股份／相關股份數目	佔股權概約百分比[附註2]
Reinold Geiger[附註1]	於受控制法團的權益、實益權益及視作權益	1,074,091,782(長倉)	72.72%
André Hoffmann	實益權益	2,495,250(長倉)	0.17%
Thomas Levilion	實益權益	413,000(長倉)	0.03%
Karl Guénard	實益權益	324,900(長倉)	0.02%
吳植森	實益權益	30,000(長倉)	0.00%

附註：

(1) Reinold Geiger先生為CIME S.C.A.全部已發行股本的最終實益擁有人，而CIME S.C.A.持有Société d'Investissements CIME S.A.(「CIME」)的100%權益，而CIME於LOG全部已發行股本約74.78%中擁有實益權益及視作權益(為9,877,596股股份的實益擁有人、於LOG持有的846,926股庫存股份中擁有視作權益，以及直接擁有253股股份的權益)。因此，根據證券及期貨條例，Geiger先生被視為於登記在LOG名下的所有股份中擁有權益，LOG持有1,067,587,391股股份並控制由本公司持有的5,355,641股庫存股份。Geiger先生亦為1,148,750股股份的實益擁有人。

(2) 根據從證券及期貨事務監察委員會(「證監會」)獲得的指引，上表所示的權益計算披露乃以本公司已發行股本總額，包括庫存持有但於庫存持有時不具投票權的5,355,641股股份為基準計算。

董事會報告

(b) 於相聯法團股份的權益

於LOG股份的長倉

董事姓名	身份及權益性質	所持或控制股份／相關股份數目	佔股權概約百分比(附註2)
Reinold Geiger	實益權益及視作權益	10,724,775(附註1)	74.78%
André Hoffmann	實益權益及視作權益	2,578,286	17.98%
Karl Guénard	實益權益	5,800	0.04%
Séan Harrington	實益權益	4,200	0.03%
Charles Mark Broadley	實益權益	400	0.00%
吳植森	實益權益	400	0.00%

附註：

(1) 包括Reinold Geiger先生持有的253股股份、CIME持有的9,877,596股股份及LOG持有的846,926股庫存股份。Geiger先生為CIME全部已發行股本的最終實益擁有人，因此，根據證券及期貨條例，Geiger先生被視為於CIME所持有的所有LOG之股份中擁有權益。作為LOG的控股股東，Geiger先生亦被視為於LOG所持庫存股份中擁有權益。

(2) 所持LOG股本的概約百分比是按已發行LOG股份總數為14,341,954股計算，包括LOG持有的846,926股庫存股份。

於LOI ELEMIS S.A.R.L.股份的長倉

董事姓名	身份及權益性質	所持或控制股份／相關股份數目	佔股權概約百分比
Séan Harrington	於受控制法團的權益	132	1.10%

於14 Groupe S.A. 股份的長倉

A類股份(具有投票權)

董事姓名	身份及權益性質	所持或控制股份／相關股份數目	佔股權概約百分比
André Hoffmann	於受控制法團的權益	95,000	4.90%
Séan Harrington	於受控制法團的權益	95,000	4.90%

B類股份(並無投票權)

董事姓名	身份及權益性質	所持或控制股份／相關股份數目	佔股權概約百分比
André Hoffmann	於受控制法團的權益	530,500	50%
Séan Harrington	於受控制法團的權益	530,500	50%

除本報告所披露者外，於二零二三年三月三十一日，董事及本公司主要行政人員或其任何配偶或未滿18歲子女，概無於本公司或其相聯法團的股份、相關股份及債權證中擁有須載入本公司根據證券及期貨條例第352條須存置的登記冊或根據標準守則規定須通知本公司及香港聯交所的任何權益或淡倉。



主要股東於股份及相關股份的權益

於二零二三年三月三十一日，依據證券及期貨條例第336條規定而設置的主要股東登記冊所顯示，本公司已獲通知下列主要股東（董事或本公司最高行政人員除外）於本公司股份或相關股份持有的權益或淡倉：

股東姓名	身份及權益性質	所持或控制股份／相關股份數目	佔股權概約百分比(附註3)
Cime Management Sarl	於受控制法團的權益及視作權益	1,072,943,032（長倉）(附註1)	72.65%
Cime S.C.A.	於受控制法團的權益及視作權益	1,072,943,032（長倉）(附註1)	72.65%
Société d'Investissements CIME S.A.	於受控制法團的權益及視作權益	1,072,943,032（長倉）(附註1)	72.65%
LOG	於受控制法團的權益及視作權益	1,072,943,032（長倉）(附註1)	72.65%
ACATIS Investment Kapitalverwaltungsgesellschaft mbH	遺囑執行人或遺產管理人	103,115,250（長倉）(附註2)	6.98%

附註：

(1) Cime Management Sarl（間接）及Cime S.C.A.（直接）各自於CIME擁有100%權益及CIME於LOG全部已發行股本約74.78%中擁有權益（為9,877,596股股份的實益擁有人及於LOG直接或間接持有的846,926股庫存股份中擁有視作權益）。Cime S.C.A.為CIME的控股法團及CIME為LOG的控股法團，因此，根據證券及期貨條例，Cime S.C.A.及CIME均被視為於LOG持有的所有1,067,587,391股股份中擁有權益。按證監會建議，作為本公司的控股法團，Cime Management Sarl、Cime S.C.A.、CIME及LOG於本公司持有的5,355,641股庫存股份中擁有視作權益。

(2) 股份最初乃由Universal-Investment-Gesellschaft mbH收購，其後被轉讓予一間新投資管理公司Acatis KVG。

(3) 根據證監會的指引，上表所示的權益計算披露乃以本公司已發行股本總額，包括庫存持有但於庫存持有時不具投票權的5,355,641股股份為基準計算。

除本報告所披露外，於二零二三年三月三十一日，本公司並無獲通知有任何主要股東（董事或本公司最高行政人員除外）於本公司股份或相關股份擁有權益或淡倉而根據證券及期貨條例第336條須記錄於本公司登記冊內。

董事會報告

本年度已發行股份

截至二零二三年三月三十一日止年度已發行股份的詳情載於合併財務報表附註19。

購股權計劃

於二零一零年九月三十日，股東大會授權採納一項購股權計劃(「二零一零年購股權計劃」)，而其已於二零一三年九月二十九日屆滿及終止並已由另一項於二零一三年九月二十五日採納的購股權計劃(「二零一三年購股權計劃」)取代。該二零一三年購股權計劃已於二零一六年九月二十四日屆滿並已由另一項於二零一六年九月二十八日採納的購股權計劃(「二零一六年購股權計劃」)取代。該二零一六年購股權計劃已於二零一九年九月二十七日屆滿並已由另一項於二零二零年九月三十日採納的購股權計劃(「二零二零年購股權計劃」)取代。

二零二零年購股權計劃旨在透過授出二零二零年購股權計劃條款項下的購股權(「購股權」)而為本集團僱員、其全體董事(包括非執行董事)及股東(統稱為「合資格人士」)提供機會於本公司持有個人權益，從而激勵合資格人士提高表現、效率及效益以為本集團帶來利益；及招攬及挽留對本集團長期增長作出貢獻或會帶來效益的該等合資格人士或以其他方式維繫與該等合資格人士的現有業務關係。根據二零二零年購股權計劃可予授出的購股權最高數目不得超過21,925,987股股份，即本公司於二零二零年九月三十日已發行股本(不包括庫存股份)的1.5%。

於二零二三財年，根據二零二零年購股權計劃於二零二二年十月二十七日授出8,186,000股股份(佔本年度報告日期的已發行股份0.6%，不包括庫存股份)，尚餘13,739,987份購股權結餘(佔本年度報告日期的已發行股份0.9%，不包括庫存股份)可於未來授出。二零二零年購股權計劃將於二零二三年九月二十九日屆滿，其餘下年期約為三個月。

根據二零二零年購股權計劃，向各參與者授出的購股權於任何十二個月期間獲行使後將予發行股份總數不可超逾已發行股份的1%。行使價須為董事會全權酌情釐定的價格以及必須不少於列較高者：

(i) 發售日期當日由香港聯交所發出的日報表所載的股份收市價；

(ii) 緊接發售日期前五個營業日由香港聯交所發出的日報表所載的股份平均收市價；及

(iii) 授出日期的股份面值。

董事會認為列出根據二零二零年購股權計劃可予授出的所有購股權的價值屬不適當，此乃由於就計算購股權價值用途而言屬關鍵的若干變數尚未被釐清。該等變數包括但不限於行使價、歸屬期、行使期間及購股權受限條件。董事會認為根據若干推測假設而進行的任何購股權價值計算並無意義且會誤導股東。



截至二零二三年三月三十一日止年度內根據二零一零年、二零一三年及二零一六年購股權計劃授出的購股權(「二零一零年、二零一三年及二零一六年購股權」)的詳情及變動如下。該期間根據二零二零年購股權計劃授出8,186,000份購股權。

		購股權數目							
參與者姓名／類別	截至二零二二年四月一日	期內授出	期內取消或沒收	期內行使	截至二零二三年三月三十一日	授出日期	行使期[附註1]	每股行使價(港元)	緊接授出日期前的價格[附註2](港元)
董事									
Thomas Levilion	413,000	–	–	–	413,000	一八年三月二十九日	二零二二年三月二十九日至二零二六年三月二十九日	14.50	14.50
Karl Guénard	97,600	–	–	–	97,600	一六年三月二十三日	二零二零年三月二十三日至二零二四年三月二十二日	14.36	14.00
	83,700	–	–	–	83,700	一七年二月十日	二零二一年二月十日至二零二五年二月十日	15.16	15.03
	82,600	–	–	–	82,600	一八年三月二十九日	二零二二年三月二十九日至二零二六年三月二十九日	14.50	14.50
	–	61,000	–	–	61,000	二二年十月二十七日	二零二五年十月二十七日至二零二九年十月二十六日	20.67	20.15
小計[附註3]	676,900	–	–	–	737,900				
其他僱員	422,900	–	–	–	422,900	一六年三月二十三日	二零二零年三月二十三日至二零二四年三月二十二日	14.36	14.00
	1,389,650	–	–	(125,550)	1,264,100	一七年二月十日	二零二一年二月十日至二零二五年二月十日	15.16	15.03
	4,207,750	–	(220,200)	(1,347,879)	2,639,071	一八年三月二十九日	二零二二年三月二十九日至二零二六年三月二十九日	14.50	14.50
	–	8,125,000	(237,800)	–	7,887,200	二二年十月二十七日	二零二五年十月二十七日至二零二九年十月二十六日	20.67	20.15
小計[附註3]	6,019,700	8,125,000	(458,000)	(1,473,429)	12,213,271				
總計[附註4]	6,696,600	8,186,000	(458,000)	(1,473,429)	12,951,171				

附註：

(1) *一般而言，二零一零年、二零一三年、二零一六年及二零二零年購股權的歸屬期限定為四年，而行使期限則定為歸屬日期後之四年。二零一零年購股權計劃於二零一三年九月二十九日終止，二零一三年購股權計劃於二零一六年九月二十四日終止，而二零一六年購股權計劃於二零一九年九月二十七日終止。然而，董事會有權根據二零二零年購股權計劃向合資格人士授出購股權，惟須待董事會可能認為合適的條件(包括有關二零二零年購股權歸屬及行使的條件)達成後，方可作實。*

(2) *為以下二者中的較高者：於緊接授出二零一零年、二零一三年、二零一六年或二零二零年購股權當日前交易日，股份在香港聯交所所報收市價，及緊接授出購股權當日前五個營業日股份平均收市價。*

(3) *根據二零一零年購股權計劃於二零一一年四月四日、二零一二年十月二十六日、二零一二年十一月二十八日，根據二零一三年購股權計劃於二零一三年十二月四日、二零一五年二月二十四日及二零一六年三月二十三日，根據二零一六年購股權計劃於二零一七年二月十日及二零一八年三月二十九日以及根據二零二零年購股權計劃於二零二二年十月二十七日分別授出的購股權的加權平均公平值分別約為0.44歐元、0.45歐元、0.47歐元、0.31歐元、0.40歐元、0.31歐元、0.36歐元、0.36歐元及0.83歐元。公平值乃採用畢蘇期權定價模式使用以下重大假設得出：*

授出日期	*預期波幅(%)*	*預期有效期*	*無風險利率(%)*	*預期股息收益率(%)*
二零一一年四月四日	*25%*	*5年*	*1.92%*	*權益持有人應佔預算溢利的20%*
二零一二年十月二十六日	*25%*	*5年*	*0.50%*	*權益持有人應佔預算溢利的30%*
二零一二年十一月二十八日	*25%*	*5年*	*0.50%*	*權益持有人應佔預算溢利的30%*
二零一三年十二月四日	*25%*	*5年*	*1.00%*	*權益持有人應佔預算溢利的35%*
二零一五年二月二十四日	*25%*	*5年*	*1.00%*	*權益持有人應佔預算溢利的35%*
二零一六年三月二十三日	*25%*	*5年*	*1.00%*	*權益持有人應佔預算溢利的35%*
二零一七年二月十日	*22%*	*5年*	*1.92%*	*權益持有人應佔預算溢利的35%*
二零一八年三月二十九日	*22%*	*5年*	*2.50%*	*權益持有人應佔預算溢利的35%*
二零二二年十月二十七日	*38.7%*	*4年*	*1.75%*	*權益持有人應佔預算溢利的40%*

合共814,000歐元的以股份為基準支付的補償開支已計入截至二零二三年三月三十一日止年度的合併綜合收益表內(截至二零二二年三月三十一日止年度：772,000歐元)。該等開支包括以根據二零二零年購股權計劃於二零二二年十月二十七日授予董事及僱員的購股權形式的以股份為基準支付的獎勵的公平值攤銷。

(4) *有關於二零二三財年授出的8,186,000份購股權，118,700份乃授予五名最高薪人士。*

董事會報告

無償股份計劃

於二零一零年九月三十日，股東大會授權採納一項無償股份計劃(「二零一零年無償股份計劃」)，而其已於二零一三年九月二十九日屆滿及終止並已由另一項於二零一三年九月二十五日採納的無償股份計劃(「二零一三年無償股份計劃」)取代。該二零一三年無償股份計劃已於二零一六年九月二十四日屆滿並已由另一項於二零一六年九月二十八日採納的無償股份計劃(「二零一六年無償股份計劃」)取代。二零一六年無償股份計劃已由另一項於二零一八年九月二十六日採納的無償股份計劃(「二零一八年無償股份計劃」)取代。此外，股東於本公司於二零二一年九月二十九日舉行之股東週年大會上批准採納新無償股份計劃(「二零二一年無償股份計劃」)。二零二一年無償股份計劃於二零二一年九月獲批准後，概無根據二零一八年無償股份計劃另行授出無償股份。二零二一年無償股份計劃旨在透過授出二零二一年無償股份計劃條款項下的無償股份(「無償股份」)而為本集團僱員(「僱員」)提供機會於本公司持有個人權益，從而激勵有關僱員提高表現、效率及效益以為本集團帶來利益；及招攬及挽留對本集團長期增長作出貢獻或會帶來效益的該等僱員或以其他方式維繫與該等有關僱員的現有業務關係。

根據二零二一年無償股份計劃可予授出的無償股份最高數目不得超過7,343,852股股份，即本公司於二零二一年九月二十九日已發行股本(不包括庫存股份)的0.5%。

於二零一三年十二月四日，本公司根據二零一三年無償股份計劃向若干合資格僱員(定義見二零一三年無償股份計劃條款)授予887,500股無償股份。無償股份已於二零一七年十二月四日歸屬。

於二零一五年二月二十四日，本公司根據二零一三年無償股份計劃向若干合資格僱員(定義見二零一三年無償股份計劃條款)授予840,900股無償股份。無償股份已於二零一九年二月二十四日歸屬。

於二零一六年三月二十三日，本公司根據二零一三年無償股份計劃向若干合資格僱員(定義見二零一三年無償股份計劃條款)授出921,400股無償股份。無償股份已於二零二零年三月二十四日歸屬。

於二零一八年三月二十九日，本公司根據二零一六年無償股份計劃向若干合資格僱員(定義見二零一六年無償股份計劃規則)授出5,559,500股無償股份。無償股份已於二零二二年三月二十九日歸屬。

概無根據二零一八年無償股份計劃授出無償股份。

於二零二三財年，概無根據二零二一年無償股份計劃授出無償股份，尚餘7,343,852股無償股份(佔本年度報告日期的已發行股份0.5%，不包括庫存股份)可於未來授出。二零二一年無償股份計劃將於二零二四年九月二十九日屆滿，其餘下年期約為15個月。



兩個有效計劃的關鍵條款

計劃的進一步詳情

下表概述回顧期間生效的兩個股份獎勵計劃二零二零年購股權計劃及二零二一年無償股份計劃的重要條款。該兩個股份獎勵計劃均為本公司於二零二三年一月一日生效的上市規則經修訂第17章(「經修訂第17章」)前採納，因此本公司依賴經修訂第17章的過渡安排來營運該等股份獎勵計劃(包括根據其授出)。二零二零年購股權計劃符合原上市規則第17章(「原第17章」)的規定，其有效期至二零二二年十二月三十一日。

	二零二零年購股權計劃	二零二一年無償股份計劃
計劃授權限額	於二零二零年九月三十日，21,925,987股股份，佔本公司已發行股份1.50%(不包括庫存股份)	於二零二一年九月二十九日，7,343,852股股份，佔本公司已發行股份0.50%(不包括庫存股份)
服務提供商分項限額	不適用	不適用
合資格參與者	獲選參與本計劃的本集團僱員、董事及股東	僅限本集團僱員，不會向本公司關連人士(定義見上市規則)授予獎勵
每名參與者的最大權利	無，除原第17章所規定外	無
購股權行使期	授出日期起不超過10年	不適用
歸屬期	由本公司釐定，一般為授出日期後四年	由本公司釐定，一般為授出日期後四年
接納授予應付的代價	無，除非計劃管理者另有規定	無，除非計劃管理者另有規定
購股權行使價釐定基準	(a)於要約日期聯交所發出的每日報價表所載股份收市價；(b)緊接要約日期前五個營業日聯交所發出的每日報價表所載股份平均收市價；及(c)授出日期的股份面值(以較高者為準)	不適用
獎勵購買價釐定基準(如有)	除非本公司就各授出另有決定，否則購買價為零	除非本公司就各授出另有決定，否則購買價為零
計劃期限 (除非董事會提前終止)	自採納起3年，計劃預計將於本年度結束	自採納起3年，計劃預計將於二零二四年結束

有關兩個計劃的進一步資料，請參閱本公司日期於二零二零年八月三十日(有關二零二零年購股權計劃)及二零二一年七月三十日(有關二零二一年無償股份計劃)的通函，可於聯交所網站(www.hkexnews.hk)查閱。

董事會報告

回顧期間二零二零年購股權計劃及二零二一年無償股份計劃的授出資料

		二零二零年購股權計劃	二零二一年無償股份計劃
1.	於二零二二年四月一日餘下獎勵數目	21,925,987	7,343,852
2.	於報告年度授出獎勵數目	8,186,000	0
3.	於二零二三年三月三十一日餘下獎勵數目	13,739,987	7,343,852
4.	根據計劃可能發行的股份數目：期內授出獎勵數目減註銷獎勵	7,948,200	0
5.	就本公司授出購股權及獎勵的可能發行的股份數目除以加權平均股份數目	0.54%	不適用

已屆滿二零一三年購股權計劃及已屆滿二零一六年購股權計劃的資料

		二零一三年購股權計劃	二零一六年購股權計劃
1.	於二零二二年四月一日餘下獎勵數目	0	0
2.	於報告年度授出獎勵數目	0	0
3.	於二零二三年三月三十一日餘下獎勵數目	0	0
4.	根據計劃可能發行的股份數目：期內授出獎勵數目減註銷獎勵	520,500	4,482,471
5.	就本公司授出購股權及獎勵的可能發行的股份數目除以加權平均股份數目	0.04%	0.30%



庫存股份

於二零一三年十月四日，香港聯交所就上市規則第10.06(5)條向本公司授出有條件豁免(「豁免」)，以容許本公司在購回其任何股份後，可選擇以庫存方式持有本身股份而非自動註銷該等股份。由於該豁免，香港聯交所已同意對適用於本公司的其他上市規則作出若干相應修訂。

以庫存方式持有的股份其後可出售以換取現金、根據僱員股份計劃轉讓或予以註銷。

有關豁免及其附有條件的詳情載於本公司於二零一三年十一月四日刊發的公告，可於本公司網站group.loccitane.com及香港聯交所網站www.hkexnews.hk查閱。

本公司確認於截至二零二三年三月三十一日止年度內一直遵守豁免條件。

本公司於二零二三年三月三十一日持有5,355,641股普通股作為庫存股份，而已發行普通股總數(不包括持作庫存股份的股份)為1,471,609,250股。



董事收購股份或債務證券的權利

除本年度報告「董事及主要行政人員於股份及相關股份的權益」及「購股權計劃」段落所披露者外，於年內任何時間，本公司或其任何附屬公司概無訂立可使董事或本公司最高行政人員(包括其配偶或18歲以下子女)擁有任何權利認購本公司或其任何相聯法團(定義見證券及期貨條例)證券或以收購本公司或任何其他法人團體股份或債權證的方式獲得利益的任何安排。

董事於重大交易、安排或合約的權益

於年底或於二零二三財年內任何時間，概無存續本公司或其任何附屬公司所訂立有關本公司業務而當中董事擁有(不論直接或間接)重大權益的重大交易、安排或合約。

管理合約

於截至二零二三年三月三十一日止年度及直至本年度報告日期期間，本公司概無訂立涉及其全部或任何重大部分業務的管理及行政的合約，亦不存在該等合約。



董事會報告



許可彌償條文

組織章程細則規定，本公司全體董事及主要人員均可從本公司的資產及溢利獲得彌償，就執行其職責時因所作出、發生的作為或不作為而招致或蒙受的所有訴訟、費用、收費、損失、損害及開支，可獲確保免就此受任何損害。本公司及其附屬公司的董事及主要人員已獲安排購買責任險以保障彼等免受因被索償而產生的任何潛在費用及責任。

股本掛鈎協議

除董事會報告中有關於截至二零二三年三月三十一日止年度內授出購股權及無償股份所披露者外，本公司並無訂立任何其他股本掛鈎協議。

關連交易

於二零二二年四月一日，本公司以現金代價收購Grown Alchemist的65%股權(「GA股權」)，該品牌為澳洲護膚品牌，提供基於清潔和科學創新配方的優質美容產品，理念及聲譽與本集團一致。收購完成後，Grown Alchemist成為本集團的附屬公司，其財務數據於本財政年度本公司的賬目中綜合入賬。由於GA股權的賣方是本公司控股股東L'Occitane Group S.A.的聯營公司，適用規模測試比率(根據上市規則計算)的最高值高於0.1%但低於5%，根據上市規則第14A.76(2)條，該收購構成本公司一項關連交易，須遵守申報及公告規定，但獲豁免遵守股東批准規定。

就該收購而言，本公司與14 Groupe S.A.(本公司透過其收購GA股權的控股實體)餘下股東訂立股東協議。根據股東協議，本公司向各餘下股東授出一份認沽期權及一份認購期權，其中兩名股東為本公司的關連人士。該兩名關連人士為執行董事，透過其全資實體持有14 Groupe S.A.權益。由於認沽期權及認購期權的所有適用百分比率(根據上市規則計算)(假設各自悉數行使並與上述收購合併計算)均低於5%，認沽期權及認購期權均不構成上市規則第14章項下的本公司須予公佈交易，但各自構成本公司關連交易，根據上市規則第14A.24(2)(a)及14A.76(2)條，須遵守申報及公告規定，但獲豁免遵守股東批准規定。

有關更多詳情，請參閱本公司於二零二二年三月二十四日及二零二二年四月一日刊發之相關公告。

此關連交易僅為一次性的交易，不構成本公司持續關連交易。

合併財務報表附註33所載本集團於二零二三財年訂立的其他關聯方交易並不構成本公司關連交易或持續關連交易（定義見上市規則第14A章）。

除本年度報告所披露者外，於回顧期間，本公司並無根據上市規則第14A章有關披露關連交易的規定須披露的關連交易或持續關連交易。

銀行貸款及其他借貸

本集團於二零二三年三月三十一日的銀行貸款及其他借貸之詳情載於合併財務報表附註20。

主要客戶及供應商

本集團五大客戶或供應商所佔買賣百分比大幅低於整體業務的30%為本集團之業務性質，而董事並不認為任何一家客戶或供應商足以影響本集團。

退休福利計劃

本集團的退休福利計劃詳情載於合併財務報表附註21.1。

董事證券交易

本公司已採納上市規則附錄十所載的標準守則作為董事買賣本公司證券的行為準則。經向全體董事作出特定查詢後，彼等已確認彼等已於回顧期內已遵守標準守則。

企業管治報告

企業管治報告載於本年度報告第34至47頁。

或然負債

有關或然負債的詳情載於合併財務報表附註31.2。

結算日後事項

有關於結算日後發生的重大事項詳情，載於合併財務報表附註35。

足夠的公眾持股量

根據本公司公開可得的資料及據董事於本年度報告日期所知，於回顧期內，本公司已發行股本維持上市規則項下超過25%足夠公眾持股量之規定。

核數師

財務報表已由PricewaterhouseCoopers審核，其將於應屆股東週年大會結束時退任本公司的核數師並符合資格膺選連任。於應屆股東週年大會上將提呈有關PricewaterhouseCoopers連任本公司核數師的決議案。

人力資源

於二零二三年三月三十一日，本集團有8,701名僱員（二零二二年三月三十一日：9,042名僱員）。

本集團確保各級別僱員的薪酬均具競爭力，且按本集團的薪酬、激勵及花紅計劃獲得獎勵。本公司亦可向合資格僱員提供購股權及無償股份。在適當時，本集團亦可能提供培訓計劃。

承董事會命

主席
Reinold Geiger
二零二三年六月二十六日

合併
財務報表



獨立核數師報告

致**L'Occitane International S.A.**
列位股東

合併財務報表審計報告

我們的意見

我們認為，該等合併財務表已根據國際會計準則理事會頒佈及歐盟採納的國際財務報告準則真實而中肯地反映了L'Occitane International S.A.(「貴公司」)及其附屬公司(「貴集團」)於二零二三年三月三十一日的合併財務狀況及截至該日止年度的合併財務表現及合併現金流量。

我們已審計的內容
貴集團的合併財務報表包括：

- 於二零二三年三月三十一日的合併資產負債表；
- 截至該日止年度的合併收益表；
- 截至該日止年度的合併綜合收益表；
- 截至該日止年度的合併股東權益變動表；
- 截至該日止年度的合併現金流量表；及
- 合併財務報表附註，包括主要會計政策概要。

意見的基礎

我們根據二零一六年七月二十三日有關審計專業的法律(二零一六年七月二十三日法律)及盧森堡金融規管當局(Commission de Surveillance du Secteur Financier, CSSF)就盧森堡採納的國際審計準則進行審計工作。我們在二零一六年七月二十三日法律及盧森堡金融規管當局就盧森堡採納的國際審計準則下的責任在報告內「認可法定核數師(Réviseur d' entreprises agréé)就審計合併財務報表承擔的責任」一節進一步詳述。

我們相信，我們所獲得的審計憑證可充足和適當地為我們的審計意見提供基礎。

根據CSSF就盧森堡採納的國際會計師職業道德準則理事會頒布的《國際會計師職業道德守則(包括國際獨立性標準)》(守則)，以及與我們審計合併財務報表有關的職業道德要求，我們獨立於　貴集團，並已履行道德守則中的其他職業道德責任。

合併財務報表審計報告(續)

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期合併財務報表的審計最為重要的事項。

這些事項是在我們審計整體合併財務報表及出具意見時進行所處理的。我們不會對這些事項提供單獨的意見。

關鍵審計事項

收益確認

截至二零二三年三月三十一日止年度， 貴集團錄得淨銷售2,135,000,000歐元。

誠如附註2.22所述，當產品控制權轉移時，確認向客戶銷售貨品。

收益確認如下：

(a) 貨品銷售 — 零售(直銷渠道)：包括直接向終端客戶銷售產品，而銷售主要透過全球的店舖網絡及 貴集團的網站進行。直銷佔收益總額約69.2%。當 貴集團於店舖向顧客出售產品時，則確認收益。

鑒於向多個不同地區的眾多客戶銷售不同產品涉及大量交易以致產生風險，因此，我們集中於這方面。這方面在審核時須尤其注意測試此類交易的發生及準確性。

(b) 貨品銷售 — 批發及分銷商(轉售渠道)：包括向中介機構(主要是分銷商、批發商、電視節目頻道及旅遊零售商)銷售產品。

此渠道亦包括向企業客戶銷售產品，以及向中介機構銷售 貴集團的產品，而該等中介機構會將有關產品提供予其終端客戶作為免費用品。當產品的控制權轉移至批發商(即交付產品予批發商時)，而批發商對產品的渠道及銷售價格擁有絕對酌情權，且並無可能影響批發商接納產品的未履約義務時，則確認收益。

鑒於接近年末不當地確認收益的風險，因此，我們集中於這方面。

我們在審計時如何處理關鍵審計事項

我們已了解管理層對 貴集團銷售交易的監控。此外，我們已測試全面的IT監控環境及 貴集團系統的相關自動化監控。

我們已評估 貴集團遵守國際財務報告準則的收益確認政策的情況，並已對該等政策的應用進行測試。

我們已測試下列不同的收益來源：

就零售方面而言，我們的程序包括：

(a) 銷售點系統與一般分類賬所記錄收益之間的對賬；

(b) 入賬收益與所收現金之間的對賬；

(c) 測試於遞延收益確認的積分數目及公平值。

就批發商及分銷商銷售而言，我們的程序包括：

(a) 對涉及不同客戶的收益交易樣本之相關支持文件(銷售訂單、提貨單、發票及／或付款)進行測試；

(b) 確認客戶於結算日的逾期未付發票樣本；

(c) 進行測試以評估收益是否在正確的報告期內確認。我們已依據向中介機構轉移控制權，以及交付產品的會計期間，透過將收益項目樣本與合約及船務文件進行對賬，進行收益確認測試；

(d) 測試收益賬戶內所列的日記賬，以查找任何異常項目，以及測試收益系統與其財務分類賬的對賬。

獨立核數師報告

合併財務報表審計報告*(續)*

關鍵審計事項*(續)*

關鍵審計事項	我們在審計時如何處理關鍵審計事項
收益確認(續) 客戶長期支持計劃乃　貴集團為鼓勵客戶購買　貴集團產品而設。　貴集團之積分列賬為銷售交易之獨立可識別部分，以作遞延收益。　貴集團其後於換領積分之期內確認有關積分之收益。 鑒於因不同地區所產生之積分數目所引致的風險，以及因管理層對預期換領積分總數所作估計存在的風險，因此，我們集中於這方面。	
評估非流動資產及商譽減值 於二零二三年三月三十一日，　貴集團的商譽為893,500,000歐元、無形資產為490,200,000歐元(包括商標443,700,000歐元)、使用權資產271,700,000歐元以及物業、廠房及設備有租賃物業裝修46,600,000歐元。 管理層每年檢討獲分配商譽及其他非流動資產的現金產生單位(現金產生單位)，以評估其賬面值並無超出其可收回金額。可收回金額根據預期未來現金流預測釐定。	(a)　我們已就商譽及商標是否正確分配至相關現金產生單位進行評估； (b)　我們已就　貴集團採納的減值測試方法是否遵守現行會計準則進行評估； (c)　我們已了解　貴集團得出預測的程序及監控情況並將相關輸入數據與管理層批准的最新計劃進行比較； (d)　我們已就資產是否正確計入商譽及商標所分配的現金產生單位的賬面值進行測試； (e)　我們已評估現金流量預測是否與管理層假設及　貴集團經營所在經濟環境保持一致；

合併財務報表審計報告*(續)*

關鍵審計事項*(續)*

關鍵審計事項	我們在審計時如何處理關鍵審計事項
評估非流動資產及商譽減值(續) 我們視該等特定資產估值為關鍵審計事項，因為其規模需要重大審計注意力，且 貴集團評估可收回金額乃通常基於業務的未來表現(如基於店舖位置的預測銷售及市場發展預期)及應用至未來現金流預測的貼現率，當中涉及重大管理層假設、判斷及估計(見合併財務報表附註4詳述)。	(f) 我們已就預測現金流量所用增長率與現有外部分析及／或淨銷售歷史增長率的合理性進行評估； (g) 我們在估值專家的協助下評估： • 長期增長率的一致性；及 • 預測現金流量適用的稅後貼現率的合理性。 (h) 我們已就先前業務計劃的預測現金流量與實際結果進行比較，以評估假設是否合理； (i) 我們已評估管理層就所採納主要假設變動的敏感度分析，以評估在合理可行範圍內的可能變動(個別及合計)可能對減值評估結果所造成的影響； (j) 我們已就合併財務報表的披露是否合適進行評估。
出售L'Occitane Russia及相關應收款項公平值評估 於二零二二年五月十九日， 貴集團決定出售於L'Occitane Russia持有的100%股份，並於二零二二年六月三日簽署股份購買協議。 L'Occitane Russia不再綜合入賬導致確認分類為於合併收益表內「其他經營開支」的資本虧損14,400,000歐元(虧損明細載於附註6.1.1)。 誠如附註6.1.1所述，股份付款將於二零二五年六月至二零二八年六月期間分四期支付；相關應收款項符合無追索權貸款的資格，按公平值計入損益計量。截至二零二二年六月三日應收款項公平值為44,500,000歐元，截至二零二三年三月三十一日為8,600,000歐元。	(1) 我們已查閱與出售L'Occitane Russia相關的股份購買協議，以了解交易情況，確認出售日期及轉讓代價； (2) 關於L'Occitane Russia不再綜合入賬，我們的程序包括： (a) 我們已評估失去獨家控制權後不再綜合入賬的會計處理； (b) 我們已檢查俄羅斯實體於二零二二年四月一日至二零二二年六月三日兩個月期間的財務資料； (c) 我們已評估於不再綜合入賬日期記錄的主要帳目的適當性； (d) 我們已評估合併財務表的披露的適當性及完整性。

獨立核數師報告

合併財務報表審計報告*(續)*

關鍵審計事項*(續)*

關鍵審計事項

出售L'Occitane Russia及相關應收款項公平值評估(續)

鑑於所涉及金額的重要性，以及管理層用於確定應收款項公平值的重大假設、判斷及估計(於附註3.3詳述)，我們視出售L'Occitane Russia及相關應收款項公平值評估為關鍵審計事項。

我們在審計時如何處理關鍵審計事項

(3) 關於釐定應收款項公平值，我們的程序包括：

(a) 我們在專家的協助下已評估應收款項的會計處理；

(b) 我們在估值專家的協助下已評估：

- 管理層使用的估值模型的適當性；
- 模型的數學準確性；
- 長期增長率的一致性；
- 適用於預測現金流量的稅後貼現率的合理性；
- 外匯波動及市場指數的歷史波動。

(c) 我們已評估現金流量預測與管理層假設以及L'Occitane Russia經營所在經濟環境的一致性；

(d) 我們已評估用於預測現金流量的增長率與淨銷售額歷史增長率的合理性。計劃期間考慮的平均EBITDA比率亦根據歷史數據進行評估；

(e) 我們已將過往業務計劃的預測現金流量與截至二零二二年九月三十日的結果進行比較，以評估假設的合理性；

(f) 我們已評估管理層對應收款項公平值採用的非流動性貼現的合理性；

(g) 我們已評估管理層就所用關鍵假設變化的敏感度分析，以評價合理可能的變化(不論單獨及匯總)對公平值行使結果的影響程度；

(h) 我們已評估合併財務報表披露資料的適當性。

合併財務報表審計報告(續)

其他信息

董事會需對其他信息負責。其他信息包括合併年報內的所有信息，包括管理層討論與分析及合併董事會報告，但不包括合併財務報表及我們的核數師報告。

我們對合併財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對合併財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與合併財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎有重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他資料有重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事會及治理層就合併財務報表須承擔的責任

董事會須負責根據國際財務報告準則編製及公平地列報該等合併財務報表，以及負責董事會決定為必要的內部控制，能夠使編製合併財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

在擬備合併財務報表時，董事會負責評估　貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事會有意將　貴集團清盤或停止經營，或別無其他實際的替代方案。

治理層須負責監督　貴集團的財務報告過程。

認可法定核數師(Réviseur d'entreprises agréé)就審計合併財務報表承擔的責任

我們審計工作的目標，是對合併財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。合理保證是高水平的保證，但不能保證按二零一六年七月二十三日法律及CSSF就盧森堡採納的國際審計標準進行的審計，在某一重大錯誤陳述存在時總能發現。

錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響合併財務報表使用者依賴合併財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據二零一六年七月二十三日法律及CSSF就盧森堡採納的國際審計標準進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致合併財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及取得充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險；

獨立核數師報告

合併財務報表審計報告*(續)*

認可法定核數師(Réviseur d'entreprises agréé)就審計合併財務報表承擔的責任*(續)*

- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對　貴集團內部控制的有效性發表意見；
- 評價董事會所採用會計政策的恰當性及作出會計估計和相關披露資料的合理性；
- 對董事會採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能對　貴集團持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意合併財務報表中的相關披露。假若有關的披露資料不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致　貴集團不能持續經營；
- 評價合併財務報表的整體列報方式、結構和內容，包括披露資料，以及合併財務報表是否中肯反映交易和事項；
- 就　貴集團內實體或業務活動的財務信息獲取充足、適當的審計證據，以使對　貴集團合併財務報表發表意見。我們負責　貴集團審計的方向、監督和執行。我們對審計意見承擔全部責任。

除其他事項外，我們與治理層溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向治理層提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，為消除威脅採取的行動或應用的防範措施。

從與治理層溝通的事項中，我們決定哪些事項對本期合併財務報表的審計最為重要，因而構成關鍵審計事項。我們會在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項而造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

有關其他法律及法規要求的報告

管理層討論與分析及合併董事會報告與合併財務報表一致，並根據適用法律要求編製。

PricewaterhouseCoopers, Société coopérative　　盧森堡，二零二三年六月二十九日

由

Magalie Cormier編製

合併收益表

截至三月三十一日止年度 *以千歐元計，除每股數據外*	*附註*	二零二三年	二零二二年
銷售淨額	(5.2)	**2,134,689**	**1,781,358**
銷售成本		(416,548)	(317,943)
毛利		**1,718,141**	**1,463,415**
佔銷售淨額百分比		*80.5%*	*82.2%*
分銷開支	(24)	(784,702)	(698,367)
營銷開支	(24)	(367,709)	(280,831)
研發開支	(24)	(22,481)	(18,907)
一般及行政開支	(24)	(201,498)	(173,001)
其他經營收入	(25)	4,060	39,124
其他經營開支	(25)	(90,089)	(7,079)
使用權益法入賬的分佔聯營公司及合營企業溢利／(虧損)	(11)	(16,590)	(13,640)
經營溢利		**239,132**	**310,714**
財務收入	(26)	2,799	1,908
財務成本	(26)	(56,312)	(16,430)
匯兌收益／(虧損)	(27)	(6,002)	(308)
除所得稅前溢利		**179,617**	**295,884**
所得稅開支	(28)	(61,424)	(53,975)
年內溢利		**118,193**	**241,909**
下列人士應佔：			
本公司權益擁有人		115,110	242,034
非控股權益	(12)	3,083	(125)
總計		**118,193**	**241,909**
年度本公司權益擁有人應佔溢利的每股盈利*(以每股歐元列示)*			
基本	(29)	0.078	0.165
攤薄	(29)	0.078	0.164
計算每股盈利所用股份數目			
基本	(29)	1,471,609,250	1,470,135,821
攤薄	(29)	1,473,649,115	1,473,153,053

隨附附註為此等合併財務報表的組成部分。

合併綜合收益表

截至三月三十一日止年度 *千歐元*	*附註*	二零二三年	二零二二年
年內溢利		**118,193**	**241,909**
不會重新分類至損益的項目			
界定福利責任的精算收益／(虧損)	(28.5)	1,410	1,834
按公平值列入其他綜合收益的股本投資公平值變動	(3.3)	(2,481)	(2,047)
		(1,071)	**(213)**
其後可重新分類至損益的項目			
現金流量對沖公平值收益／虧損(除稅)		–	56
重新分類與出售L'Occitane Russia有關的匯兌差額	(6.1)	10,805	–
匯兌差額	(28.5)	(50)	48,741
使用權益法入賬的分佔聯營公司及合營企業其他綜合收益	(11)	(600)	1,772
		10,155	**50,569**
綜合收益／(虧損)總額		**127,277**	**292,265**
下列人士應佔：			
– 本公司權益擁有人		122,924	287,901
– 非控股權益	(12)	4,353	4,364
綜合收益／(虧損)總額		**127,277**	**292,265**

上表內的項目披露時已扣除稅項。有關其他綜合收益各部分的所得稅披露於附註28.5。

截至二零二三年三月三十一日止財政年度，匯兌差額主要源於以美元標示的附屬公司18,800,000歐元及以英鎊標示的附屬公司(17,800,000歐元)。截至二零二二年三月三十一日止財政年度，匯兌差額主要源於以美元標示的附屬公司，尤其是商譽、商標及使用權資產。

隨附附註為此等合併財務報表的組成部分。

合併資產負債表

資產 *千歐元*	*附註*	二零二三年 三月三十一日	二零二二年 三月三十一日
物業、廠房及設備	(7)	125,234	128,724
使用權資產	(8)	271,656	264,934
商譽	(9)	893,542	990,489
無形資產	(10)	490,188	487,355
遞延所得稅資產	(28.2)	84,966	94,005
使用權益法入賬的投資	(11)	66,124	67,239
其他非流動資產	(13)	76,636	67,778
非流動資產		**2,008,346**	**2,100,524**
存貨	(14)	317,197	263,162
應收貿易賬款	(15)	256,553	199,623
其他流動資產	(16)	84,740	82,935
衍生金融工具	(17)	2,337	1,931
現金及現金等價物	(18)	147,255	360,899
流動資產		**808,082**	**908,550**
總資產		**2,816,428**	**3,009,074**

合併資產負債表

權益及負債 *千歐元*	*附註*	二零二三年 三月三十一日	二零二二年 三月三十一日
股本	(19)	44,309	44,309
額外實繳股本	(19)	342,851	342,851
其他儲備		(368,342)	(215,013)
保留盈利		1,120,146	1,097,881
本公司權益擁有人應佔股本及儲備		**1,138,964**	**1,270,028**
非控股權益	(12)	48,037	44,578
總權益		**1,187,001**	**1,314,606**
借貸	(20)	324,819	381,319
租賃負債	(8)	193,309	180,510
其他財務負債	(6.3)	338,650	171,865
其他非流動負債	(21)	22,343	22,952
遞延所得稅負債	(28.2)	99,488	96,196
非流動負債		**978,609**	**852,842**
應付貿易賬款	(22)	210,103	209,903
社交及稅項負債		98,461	104,807
流動所得稅負債	(28)	25,424	39,477
借貸	(20)	194,040	289,611
租賃負債	(8)	82,393	93,722
衍生金融工具	(17)	248	1,208
撥備	(23)	3,683	2,139
其他流動負債	(21)	36,466	100,759
流動負債		**650,818**	**841,626**
權益及負債總額		**2,816,428**	**3,009,074**

隨附附註為此等合併財務報表的組成部分。

合併股東權益變動表

		本公司權益擁有人應佔											
					其他儲備								
千歐元 *(股份數目除外)*	*附註*	股份數目	股本	額外實繳股本	股份付款	其他項目	累計匯兌差額	庫存股份	精算收益／(虧損)	就與非控股權益的交易的實繳超額代價	期內溢利	非控股權益	總權益
二零二一年三月三十一日結餘經重列*		**1,476,964,891**	**44,309**	**342,851**	**30,959**	**7,595**	**(54,971)**	**(16,381)**	**279**	**(72,728)**	**910,922**	**78,699**	**1,271,537**
綜合收益													
年內溢利		–	–	–	–	–	–	–	–	–	242,034	(125)	241,909
其他綜合收益													
匯兌差額		–	–	–	–	–	44,252	–	–	–	–	4,490	48,742
使用權益法入賬的分佔聯營公司及合營企業其他綜合收益		–	–	–	–	–	1,772	–	–	–	–	–	1,772
界定福利責任的精算收益		–	–	–	–	–	–	–	1,834	–	–	–	1,834
按公平值列入其他綜合收益的資產公平值變動		–	–	–	–	(2,047)	–	–	–	–	–	–	(2,047)
現金流量對沖公平值收益／(虧損)(除稅)		–	–	–	–	56	–	–	–	–	–	–	56
綜合收益總額		**–**	**–**	**–**	**–**	***(1,991)***	***46,024***	**–**	***1,834***	**–**	***242,034***	***4,365***	***292,266***
與擁有人進行的交易													
已付股息		–	–	–	–	–	–	–	–	–	(54,141)	–	(54,141)
母公司出資		–	–	–	6,798	–	–	–	–	–	–	–	6,798
行使7,878,150份股票期權		–	–	–	(14,896)	9,513	–	14,896	–	–	–	–	9,513
購買庫存股份		–	–	–	–	–	–	(13,991)	–	–	–	–	(13,991)
僱員購股權：僱員服務的價值		–	–	–	1,384	–	–	–	–	–	–	444	1,828
本公司擁有人所作分派總額及所獲分派		**–**	**–**	**–**	***(6,714)***	***9,513***	**–**	***905***	**–**	**–**	***(54,141)***	***444***	***(49,993)***
收購Sol de Janeiro		–	–	–	–	–	–	–	–	–	–	26,539	26,539
列為負債的非控股權益		–	–	–	–	–	–	–	–	(78)	(934)	1,012	–
授予非控股權益的認沽期權行使價估值估計變動	(6.3)	–	–	–	–	–	–	–	–	3,064	–	–	3,064
授予非控股權益的新認沽期權	(6.3)	–	–	–	–	–	–	–	–	(154,534)	–	–	(154,534)
收購Elemis非控股權益	(6.2)	–	–	–	–	–	–	–	–	(7,701)	–	(68,878)	(76,579)
Symbiose France的新非控股權益	(6.2)	–	–	–	–	–	–	–	–	853	–	147	1,000
於L'Occitane Nordic權益百分比增加		–	–	–	–	–	–	–	–	(944)	–	944	–
重新將L'Occitane Inc.綜合入賬	(6.2)	–	–	–	–	–	–	–	–	–	–	1,310	1,310
與擁有人進行的交易總額		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	***(159,340)***	***(934)***	***(38,926)***	***(199,200)***
二零二二年三月三十一日結餘		**1,476,964,891**	**44,309**	**342,851**	**24,245**	**15,117**	**(8,948)**	**(15,476)**	**2,113**	**(232,068)**	**1,097,881**	**44,582**	**1,314,606**

合併股東權益變動表

		本公司權益擁有人應佔											
					其他儲備								
千歐元 *(「股份數目」除外)*	*附註*	股份數目	股本	額外實繳股本	股份付款	其他項目	累計匯兌差額	庫存股份	精算收益／(虧損)	就與非控股權益的交易的實繳超額代價	期內溢利	非控股權益	總權益
二零二二年三月三十一日結餘		**1,476,964,891**	**44,309**	**342,851**	**24,245**	**15,117**	**(8,948)**	**(15,476)**	**2,113**	**(232,068)**	**1,097,881**	**44,582**	**1,314,606**
綜合收益													
年內溢利		–	–	–	–	–	–	–	–	–	115,110	3,083	118,193
其他綜合收益													
匯兌差額		–	–	–	–	–	(1,421)	–	–	–	–	1,371	(50)
使用權益法入賬的分佔聯營公司及合營企業其他綜合收益		–	–	–	–	–	(600)	–	–	–	–	–	(600)
重新分類與出售L'Occitane Russia有關的匯兌差額		–	–	–	–	–	10,805	–	–	–	–	–	10,805
界定福利責任的精算收益		–	–	–	–	–	–	–	1,410	–	–	–	1,410
按公平值列入其他綜合收益的資產公平值變動		–	–	–	–	(2,380)	–	–	–	–	–	(101)	(2,481)
綜合收益總額		**–**	**–**	**–**	**–**	***(2,380)***	***8,784***	**–**	***1,410***	**–**	***115,110***	***4,353***	***127,277***
與擁有人進行的交易													
已付股息		–	–	–	–	–	–	–	–	–	(96,843)	(405)	(97,248)
行使1,473,429份股票期權		–	–	–	(3,372)	2,686	–	3,372	–	–	–	–	2,686
母公司出資		–	–	–	2,146	–	–	–	–	–	–	–	2,146
僱員購股權：僱員服務的價值		–	–	–	814	–	–	–	–	–	–	–	814
本公司擁有人所作分派總額及所獲分派		**–**	**–**	**–**	***(412)***	***2,686***	**–**	***3,372***	**–**	**–**	***(96,843)***	***(405)***	***(91,602)***
授予非控股權益的認沽期權													
行使價估值估計變動	(6.3)	–	–	–	–	–	–	–	–	(121,253)	–	–	(121,253)
授予Grown Alchemist非控股權益的新認沽期權	(6.3)	–	–	–	–	–	–	–	–	(45,532)	–	–	(45,532)
收購Grown Alchemist	(6.1)	–	–	–	–	–	–	–	–	–	–	3,505	3,505
其他變動		–	–	–	–	–	–	–	–	–	3,998	(3,998)	–
與擁有人進行的交易總額		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	***(166,785)***	***3,998***	***(493)***	***(163,280)***
二零二三年三月三十一日結餘		**1,476,964,891**	**44,309**	**342,851**	**23,833**	**15,423**	**(164)**	**(12,104)**	**3,523**	**(398,853)**	**1,120,146**	**48,037**	**1,187,001**

隨附附註為此等合併財務報表的組成部分。

合併現金流量表

截至三月三十一日止年度		二零二三年	二零二二年
千歐元	*附註*		
經營活動產生的現金流量			
年內來自持續經營業務的溢利		118,193	241,909
年內溢利與來自經營活動的淨現金對賬的調整			
折舊、攤銷及減值	(24.3)	232,843	177,863
稅項開支	(28.1)	61,424	53,975
股份付款	(19)	2,960	8,626
租賃負債的折現回撥	(8.2)	7,609	8,857
利息(收入)／開支	(26)	10,003	5,665
衍生工具的公平值變動	(17), (27)	(1,366)	(1,308)
出售資產的其他虧損／(收益)淨額	(30.1)	288	445
撥備變動淨額	(30.2)	3,829	2,620
分佔以使用權益法入賬的聯營公司及合營企業(溢利)／虧損	(11)	16,590	13,640
於聯營公司及合營企業權益百分比變動產生之其他經營(收入)／開支	(11)	(1,700)	(20,117)
重新將L'Occitane Inc.綜合入賬	(6.2)	–	(12,873)
匯兌差額重新分類前出售L'Occitane Russia的資本虧損	(6.1)	3,632	–
財務資產的公平值變動	(6.1)	35,901	–
將先前在其他綜合收益(匯兌差額)確認的費用重新分類至收益表	(6.1)	10,805	–
非現金項目總額		**382,818**	**237,393**
已付利息	(26)	(10,003)	(3,941)
已付所得稅	(28.1)	(69,610)	(50,523)
營運資金變動			
存貨	(14)	(54,957)	(20,954)
應收貿易賬款	(15)	(67,893)	(47,451)
應付貿易賬款	(22)	9,183	(19,120)
薪金、工資、相關薪金項目及其他稅項負債		(2,543)	4,718
其他資產及負債淨額		(4,980)	(16,008)
營運資金變動		**(121,190)**	**(98,815)**
經營活動產生的現金流入／(流出)淨額		**300,208**	**326,023**
投資活動產生的現金流量			
收購附屬公司(已扣除所購入現金)	(6.1), (6.2)	(3,549)	(322,356)
投資於聯營公司	(11)	(13,456)	(8,659)
收購物業、廠房及設備	(7)	(43,901)	(31,726)
收購無形資產	(10)	(8,798)	(8,796)
收購財務資產	(3.3)	(7,066)	(17,660)
出售無形資產及物業、廠房及設備所得款項	(31.1)	3,769	1,227
重新將L'Occitane Inc.綜合入賬	(6.2)	–	20,874
不再將L'Occitane Russia綜合入賬	(6.1)	(11,654)	–
付予出租人的按金及頂手費變動		58	995
非流動應收款項及負債變動		2,537	302
投資活動產生的現金流入／(流出)淨額		**(82,060)**	**(365,799)**

合併現金流量表

截至三月三十一日止年度 *千歐元*	*附註*	二零二三年	二零二二年
融資活動產生的現金流量			
非控股權益所得款項		–	1,000
已付本公司權益擁有人的股息	(19.5)	(96,843)	(54,141)
已付非控股權益的股息		(405)	–
出售庫存股份所得款項	(19.2)	2,686	9,513
行使股票期權所得款項	(19.2)	–	(13,991)
租賃付款主要部分		(113,744)	(108,536)
借貸所得款項	(20.4)	398,312	656,315
償還借貸	(20.4)	(550,222)	(507,499)
收購非全資附屬公司非控股權益的款項	(6.2)	(76,579)	–
融資活動產生的現金流入／(流出)淨額		**(436,795)**	**(17,339)**
現金、現金等價物及銀行透支匯兌收益／(虧損)	(30.4)	5,003	(3,202)
現金、現金等價物及銀行透支增加／(減少)淨額		**(213,644)**	**(60,317)**
年初的現金、現金等價物及銀行透支		**360,899**	**421,216**
現金及現金等價物		*360,899*	*421,216*
年終的現金、現金等價物及銀行透支		**147,255**	**360,899**
現金及現金等價物		*147,255*	*360,899*

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合併財務報表附註

1. 本集團

1.1. 一般資料

L'Occitane International S.A.(「本公司」)及其合併附屬公司(統稱「本集團」)以「L'Occitane en Provence」及「Melvita」商標設計、製造及營銷一系列含有天然或有機成份的化妝品、香水、香皂及居室香氛產品。

本集團亦以「ELEMIS」、「Sol de Janeiro」、「LimeLife」、「Erborian」、「L'OCCITANE au Brésil」及「Grown Alchemist」商標設計及營銷其他系列的居室香氛產品、化妝品、香水、香皂及天然產品。

L'Occitane International S.A.為根據盧森堡法律組織及存續的股份有限公司及於盧森堡大公國盧森堡商業登記處註冊,號碼為B-80 359。本公司的地址為49, Boulevard Prince Henri, L-1724 Luxembourg。

本集團於香港聯合交易所有限公司主板上市。

該等合併財務報表已於二零二三年六月二十六日獲董事會批准發佈。

1.2. 年內主要事件

與截至二零二二年三月三十一日止比較期間的比較

合併財務報表的比較受二零二一年八月三十一日L'Occitane Inc.重新綜合入賬、二零二一年十二月二十三日收購Sol de Janeiro、二零二二年四月一日收購Grown Alchemist及二零二二年六月三日出售L'Occitane Russia所影響。

出售L'Occitane Russia

於二零二二年五月十九日,本集團決定退出其附屬公司L'Occitane Russia。該前附屬公司佔截至二零二二年三月三十一日止年度合併銷售淨額3.5%及本集團於二零二二年三月三十一日總資產的2.1%。於二零二二年六月三日,本集團與該附屬公司的四名主要董事簽立股份購買協議。四名主要董事各自將持有先前由本集團持有股份總額之23%至31%(附註3.3及6.1)。

此出售導致資本虧損3,600,000歐元。此外,10,800,000歐元對應先前在其他綜合收益確認已重新分類至收益表的相關匯兌差額。商譽終止確認28,500,000歐元(附註6.1)。

LimeLife及Melvita業務減值測試

考慮到LimeLife及Melvita的發展較預期慢,管理層下調該計劃的銷售額及EBITDA(除折舊、攤銷及減值前經營溢利)目標。在此背景下,減值虧損總額75,400,000歐元入賬列於經營溢利內的「其他經營開支」(附註4.1)。

1. 本集團 *(續)*

1.3. 考慮氣候風險

本集團目前對氣候變化後果的風險有限。因此，現階段氣候變化對合併財務報表的影響並不顯著。

化妝品市場需求並無變動可能表明物業、廠房及設備可能減值或需要重新評估物業、廠房及設備及無形資產的可使用年期或剩餘價值。

經營表現可能受到原材料價格、生產、輸配電成本以及產品年期結束時的相關成本的影響。

該等變動的長期影響目前無法量化，管理層認為不存在短期影響。

本集團承諾到二零三零年成為淨零排放公司，為世界碳中和做出貢獻。第一個里程碑將是到二零二五年我們兩個法國生產基地實現淨零排放。該等品牌亦在制定自身碳中和目標。與此同時，本集團簽署首筆600,000,000歐元(循環融資)的可持續發展掛鈎貸款，到期日為二零二六年三月三十一日，其條款以可持續發展指標為索引：

- 保護和再生自然
- 培養生物多樣性
- 緩解氣候危機並支持本集團參與的社區。

本集團承諾投資於兩個環境基金，例如Livelihoods Carbon fund Sicav及Mirova fund Sicav(附註33.2)。

2. 主要會計政策概要

編製該等合併財務報表所採納的主要會計政策載於下文。除另有註明外，該等政策於所有所示年度貫徹採用。

2.1. 編製基準及會計準則的變動

本集團合併財務報表及個別公司資產負債表乃按照國際會計準則理事會頒佈並為歐洲聯盟所採納的國際財務報告準則編製。就本集團進行的業務而言，有關準則相若。國際財務報告準則可在歐洲聯盟委員會網站查閱。

合併財務報表按歷史成本基準編製，惟若干以公平值列值的財務資產及財務負債(包括衍生金融工具)已重估列值。

根據國際財務報告準則編製的財務報表需要採納若干重要會計估計，亦需要管理層在應用本集團的會計政策時作出判斷。儘管該等估計乃根據管理層對現行事件及行動的最佳了解而作出，惟最終實際結果可能有別於該等估計。涉及較高程度判斷或較為複雜的範疇於合併財務報表附註4披露。

合併財務報表附註

2. 主要會計政策概要*(續)*

2.1. 編製基準及會計準則的變動*(續)*

(a) 新訂及經修訂準則

本集團已採用下列於二零二二年四月一日開始的財政期間對本集團首次生效的新訂及經修訂準則：

其他新訂及經修訂準則

數項其他修訂於二零二二年四月一日或之後開始的年度報告期間生效，但並無對合併財務報表構成重大影響：

- 虧損合約：國際會計準則第37號的修訂明確規定，履行合約的直接成本包括履行有關合約的增量成本及與履行合約直接有關的其他成本的分攤。確認虧損合約的單獨撥備前，實體確認履約所用資產發生的任何減值虧損。
- 業務合併：國際財務報告準則第3號的修訂確認或然資產不應在收購日確認。
- 物業、廠房及設備：國際會計準則第16號物業、廠房及設備(物業、廠房及設備)的修訂禁止實體自物業、廠房及設備項目成本內扣減該實體準備將該項資產用於指定用途期間銷售其產物之任何所得款項。其亦明確規定，當實體評估有關資產之技術與實際表現時，即「測試有關資產是否正常運行」。資產之財務表現與該評估無關。實體須單獨披露不屬於有關實體日常活動產出的產物之所得款項金額及成本。
- 國際財務報告準則二零一八年至二零二零年之年度改進：
    - 金融工具：國際財務報告準則第9號的修訂明確規定終止確認金融負債的10%測試中應包含的費用。
    - 租賃：國際財務報告第16號的修訂表明，出租人就租賃物業裝修付款之說明應刪除以避免有關租賃優惠處理之任何混淆。財務報告準則：國際財務報告第1號的修訂允許以母公司賬面值計量資產及負債之實體，亦可使用母公司呈報之金額計量任何累計匯兌差額。此修訂亦將適用於已獲相同國際財務報告第1號豁免之聯營公司及合營企業。

(b) 已頒佈但本集團尚未應用的準則的影響

概無其他尚未生效的準則，預期於目前或未來報告期間對本集團及對可預見未來交易產生重大影響。

2. 主要會計政策概要(續)

2.2. 合併原則

納入合併範圍內的所有公司財務報表均以三月三十一日為年度結算日。

(a) 附屬公司

附屬公司為本集團對其進行控制的所有實體(包括架構實體)。本集團承受或享有參與實體所得的可變回報,且有能力透過其對實體的權力影響該等回報時,則本集團控制該實體。

本集團業務合併乃按會計收購法入賬。收購一家附屬公司的轉讓代價為轉移的資產、被收購者的前擁有人產生的負債及本集團發行的股本權益的公平值。轉讓代價包括於收購當日任何或然代價安排產生的資產或負債的公平值。收購相關的成本在產生時列為支出。在業務合併過程中所收購的可識別資產、所承擔的負債及或然負債,首先以其於收購當日的公平值計量。

如業務合併分階段進行,收購方之前在被收購人持有的權益的賬面值透過收益表按收購日期的公平值計量。

商譽初步計量為轉讓對價與非控制性權益的價值總額,超過所購入可辨認資產和承擔負債淨值的差額。就個別收購基準,本集團可按公平值或按非控制性權益應佔被購買方可識別淨資產的已確認款項的比例,計量被收購方的非控制性權益。倘對價低過所購買附屬公司淨資產的公平值,該差額在收益表中確認。

(b) 獨立財務報表

就附註34呈列的本公司獨立資產負債表而言,附屬公司投資按成本扣除減值列賬。成本經調整以反映或然代價修改所產生的代價變動。成本亦包括投資的直接應佔成本。附屬公司盈利由本公司按股息及應收款項基準列賬。

每年根據每項投資的可收回金額進行減值測試。可收回金額是分佔附屬公司淨權益或使用價值之間的最高金額。使用價值按L'Occitane International S.A.層面管理層批准預算之預測現金流量估計,以二零二三年三月三十一日加權平均資本成本折現。使用價值與股份的賬面淨值進行比較。如如使用價值低於賬面淨值,則差額計提減值。

合併財務報表附註

2. 主要會計政策概要*(續)*

2.2. 合併原則*(續)*

(c) 與非控股權益進行的交易

本集團與非控股權益進行的交易視作為與本集團權益擁有人的交易處理。對於向非控股權益採購，所支付的任何代價與所收購附屬公司的淨資產賬面值的相關部分的差額於權益中入賬。對於向非控股權益進行的出售所產生的盈虧亦於權益入賬。

認沽期權安排

本集團已就其部分附屬公司的股權發出認沽期權，允許持有人在指定日期按其公平值將其在附屬公司的股份出售予本集團。

非控股權益的認沽期權的會計方法如下：

- 與本集團發出的非控股權益的認沽期權獲潛在行使有關的現金付款現值，入賬記作其他財務負債。
- 初始金額與「股權 — 就與非控股權益交易的超額代價」的相應直接扣賬一同按贖回金額現值確認於其他財務負債。財務負債估值的估計變動及匯兌差額亦與「股權 — 就與非控股權益交易的超額代價」的相應調整一同記錄。
- 倘期權屆滿時未獲行使，負債將與「股權 — 就與非控股權益交易的超額代價」的相應記賬一同終止確認。

當認沽期權入賬列作業務合併及當取得對附屬公司的控制權時，就股份已確認的非控股權益毋須受認沽期權限制。

有關期權其後按攤銷成本使用實際利率法計量，以將負債增至有關期權於首次可行使日期的應付款項。折現回撥亦於「股權 — 就與非控股權益交易的超額代價」中入賬。

(d) 聯營公司及合營安排

聯營公司

聯營公司指本集團對其有重大影響力而無控制權或共同控制權的所有實體。

一般情況下，本集團持有20%至50%的投票權。

合營安排

合營安排是指一項由兩個或兩個以上的參與方共同控制權的安排。合營安排分為合營業務和合營公司。分類視乎各投資者的合約權利及責任而定，而非合營安排的法律架構。本集團擁有合營企業，並無合營業務。

於聯營公司及合營企業的權益於合併資產負債表初步按成本確認後採用權益法入賬。

2. 主要會計政策概要(續)

2.2. 合併原則(續)

(d) 聯營公司及合營安排(續)

權益法
根據權益法，投資初步按成本確認，其後進行調整以於損益確認本集團應佔被投資方收購後溢利或虧損並於其他綜合收益確認本集團應佔被投資方其他綜合收益的變動。

已收或應收聯營公司及合營企業的股息確認為投資賬面值扣減。

倘本集團應佔權益入賬投資的虧損等於或超過其於該實體的權益(包括任何其他無抵押長期應收款項)，則本集團不會確認進一步虧損，除非其已代表另一實體承擔責任或作出付款。

本集團與其聯營公司及合營企業之間交易的未變現收益按本集團於該等實體的權益予以對銷。本集團與聯營／合營企業之間的上下游交易抵銷如下：

- 下游及上游交易(本集團向聯營公司及合營企業銷售)：對銷未變現收益入賬為於合營企業的投資減少及「使用權益法入賬的分佔聯營公司及合營企業溢利／(虧損)」減少；
- 上游交易(聯營公司及合營企業向本集團作出的銷售)：對銷未變現收益入賬為於合營企業的投資減少及「使用權益法入賬的分佔聯營公司及合營企業溢利／(虧損)」減少。

除非交易提供證據顯示所轉讓資產出現減值，否則未變現虧損亦予以對銷。

權益入賬被投資方的會計政策已按需要作出變動，以確保與本集團所採納的政策一致。

權益入賬投資的賬面值於發生事件或情況變動顯示賬面值可能無法收回時進行測試。當資產賬面值超逾其可收回金額，則超出的數額將確認為減值虧損。可收回金額為資產公平值減出售成本與使用價值兩者之較高者。

(e) 擁有權權益變動

本集團將不會導致失去控制權的非控股權益交易視作與本公司權益擁有人進行的交易。擁有權權益變動導致控股權益與非控股權益賬面值之間的調整，以反映其於附屬公司的相關權益。非控股權益調整數額與任何已付或已收代價之間的任何差額於本公司擁有人應佔權益中的獨立儲備內確認。

合併財務報表附註

2. 主要會計政策概要(續)

2.2. 合併原則(續)

(e) 擁有權權益變動(續)

當本集團因失去控制權、共同控制權或重大影響力而終止確認或按權益入賬一項投資時，於實體的任何保留權益重新按公平值計量，而賬面值變動於損益確認。就其後入賬列作聯營公司、合營企業或財務資產的保留權益而言，該公平值為初始賬面值。此外，先前於其他綜合收益確認與該實體有關的任何金額按猶如本集團已直接出售相關資產或負債的方式入賬。這可能意味著之前在其他綜合收益中確認的數額重新分類至損益(僅限於損益結轉的項目)。

倘於合營企業或聯營公司的擁有權權益減少但保留共同控制權或重大影響力，則先前於其他綜合收益確認的金額僅有一定比例份額重新分類至損益(如適用)。

2.3. 外幣換算

(a) 功能貨幣及呈列貨幣

本集團各實體的合併財務報表所載項目以該實體經營所在的主要經濟環境的貨幣(「功能貨幣」)計量。合併財務報表以歐元呈列。

(b) 交易及結餘

外幣交易採用交易日的匯率換算為功能貨幣或項目的估值獲重新計量。該等日期的匯率為每種貨幣每日單一概約匯率(有關匯率並非有關交易日期當日通行匯率累積影響的合理約數則除外)。結算此等交易產生的匯兌盈虧以及將外幣計值的貨幣資產和負債以年終匯率換算產生的匯兌盈虧在收益表項下「匯兌收益／(虧損)」中確認，惟於其他綜合收益遞延作合資格現金流量對沖及合資格淨額投資對沖除外。

非貨幣財務資產及負債的換算差額，例如按公平值列入損益的股權，均於收益表確認為公平值收益或虧損的一部分。至於非貨幣財務資產的換算差額，例如分類為按公平值列入其他綜合收益的股權等，均於其他綜合收益中確認。

2. 主要會計政策概要(續)

2.3. 外幣換算(續)

(c) 集團公司

本集團的實體概無擁有嚴重通貨膨脹經濟的功能貨幣。

功能貨幣有別於呈列貨幣的所有本集團實體的業績及財務狀況，均按以下方式換算為呈列貨幣：

i. 於各資產負債表呈列的資產及負債乃按有關結算日的收市匯率換算；

ii. 各收益表的收支乃按估計每月平均匯率換算(除非該平均匯率並非在有關交易日期當日通行匯率累積影響的合理估計內，在該情況下，收支於有關交易日期當日換算)；及

iii. 所有因而產生的匯兌差額於其他綜合收益確認。

於合併賬目時，換算海外業務的淨投資額(包括呈報實體於海外實體的淨投資中的貨幣項目)、借貸及其他用作對沖有關投資的貨幣工具所產生的匯兌差額均計入股東權益項下的「累計匯兌差額」。當出售海外業務時，入賬於收益表內確認的權益的匯兌差額確認為出售收益或虧損的一部分。

收購海外實體所產生的商譽及公平值調整均視為海外實體的資產及負債，並按收市匯率換算。

2.4. 分部報告

經營分部的報告方式與向主要營運決策者提供的內部報告的方式一致。主要營運決策者獲認定為作出策略決定的主席及行政總裁，彼等負責分配資源及評估經營分部業績。

主席及行政總裁主要審閱本集團的內部報告以便從品牌角度評估業績及分配資源。已識別四個經營分部：

- **L'OCCITANE en Provence** — 銷售L'OCCITANE en Provence品牌下各類香氛、護膚品、護髮產品及沐浴產品。
- **ELEMIS** — 銷售ELEMIS護膚產品，其為於美容及護膚領域分銷及創新的品牌。銷售主要透過批發、電商、百貨商場、QVC、專業水療及海運(「批發及其他」渠道)驅動。
- **Sol de Janeiro** — 銷售Sol de Janeiro品牌下各類香氛、護膚品、護髮產品及身體護理產品。銷售主要透過客戶通過其網站(「零售」及「線上」渠道)及多家優質零售商、網上商城及百貨店(「批發及其他」渠道)驅動。
- **其他品牌** — 銷售Erborian、L'Occitane au Brésil、Grown Alchemist、LimeLife及Melvita的護膚品、化妝品、花水、美容油及其他產品。該等品牌具有大致相同的經濟特點、相似的產品類別、客戶類別、分銷渠道(「零售」、「線上」渠道及「批發及其他」渠道)，及財務表現，且個別及匯總計算均未超出國際財務報告準則第8號的量化標準。

合併財務報表附註

2. 主要會計政策概要*(續)*

2.4. 分部報告*(續)*

截至二零二二年三月三十一日止財政年度，LimeLife呈列為單獨經營分部。考慮到Elemis及Sol de Janeiro的貢獻增加，LimeLife的相對貢獻相關性下降，管理層決定將LimeLife與其他品牌歸入「其他品牌」經營分部。

管理層使用收益(銷售淨額)及經營溢利／(虧損)計量來評估經營分部的表現(附註5)。其他資料(包括按分部劃分的資產及負債)並無定期提供予主要營運決策者。

2.5. 無形資產

(a) 商譽

收購附屬公司的商譽計入無形資產。商譽不予攤銷但每年或(倘有事件或情況變動顯示其可能已減值)更頻繁進行減值測試，並按成本減累計減值虧損列賬。就減值測試而言，業務合併所獲得的商譽會分配至預期將受益於合併協同效應的各現金產生單位或現金產生單位組別。商譽所分配的各現金產生單位或現金產生單位組別為實體內就內部管理目的而監察商譽的最低層面。商譽乃於品牌層面進行監察。

L'Occitane en Provence商標的商譽涉及過往收購獨家分銷商及按國家監察。

(b) 合約客戶關係及未完成合約

收購該等資產為業務合併的一部分。其於收購日期按公平值確認。於收購日期的公平值透過超額溢利法釐定(客戶關係或未完成合約價值根據扣減可分配至支持及輔助資產(如商標及營運資金淨額)的現金流部分後，自資產獲得的現金流現值計算)。合約客戶關係及未完成合約以直線法於預期客戶關係平均年期(一般介乎3至10年)內攤銷(ELEMIS的未完成合約)。

(c) 商標

獨立收購的商標按歷史成本入賬。於業務合併中收購的商標按收購日期的公平值確認。按收購日期的公平值透過專利權費方法釐定(商標價值根據業務因擁有該資產而節省的專利權費流量現值計算)。確認為無形資產的所收購商標與Melvita、Erborian 、ELEMIS及Sol de Janeiro有關。該等資產的估值計入多項因素，包括品牌知名度及專利權費率。本集團擬繼續重續商標及銷售所收購商標的產品。有關商標預期可為本集團產生現金流入淨額的年期並無可預見期限。因此，商標視為擁有不確定使用年期及不會攤銷，但會每年進行減值測試。本集團每年進行檢討以釐定事件及狀況是否繼續支持其可使用年期評估。商業及營銷策略概無變動以致須修訂無限可使用商業年期。

為進行減值測試，商標會分配至現金產生單位(見附註2.5)。該分配對象為預期受惠於商標的現金產生單位或現金產生單位組別。

2. 主要會計政策概要(續)

2.5. 無形資產(續)

(d) 電腦軟件

所購買的電腦軟件使用權按購買及使該特定軟件可供運用所需產生成本撥充資本。該等成本以直線基準於估計可使用年期(不超過5年)內攤銷。

與生產及測試本集團控制的可識別及獨有軟件產品直接有關的成本，而其預期於超過一年期間產生超出成本的經濟利益，該成本確認為無形資產。直接應佔成本包括軟件開發員工成本及相關間接成本的適當部分。該等成本以直線基準於估計可使用年期內攤銷。本集團的主要企業資源規劃(ERP)工具SAP乃於10年內攤銷。

與維護電腦軟件程序有關的成本及與作為SaaS(軟件即服務)安排一部分的軟件配置及定制相關的成本於產生時確認為開支。

商業網站

直接歸屬於設計及測試商業網站的開發成本乃確認為無形固定資產，並於其估計可使用年期(不超過3年)內攤銷。

(e) 研發成本

研究成本於產生時確認為開支。

與項目開發有關的開發費用於符合下列標準時確認為無形資產：

- 完成項目在技術上可行，並可供使用或出售；
- 管理層擬完成項目，及使用或出售項目；
- 能夠使用或出售項目；
- 能夠論證項目將如何產生可能的未來經濟利益；
- 具備足夠的技術、財務及其他資源完成開發及使用或出售項目；
- 在項目開發期間，其應佔的開支能可靠地計量。

鑒於開發項目的數量龐大及推出有關該等項目的產品的決策的不明朗性，本集團認為，不符合部分該等資本化標準，開發成本於產生時便被確認為開支。

合併財務報表附註

2. 主要會計政策概要*(續)*

2.6. 物業、廠房及設備

所有物業、廠房及設備乃按歷史成本減折舊及減值虧損後列賬。歷史成本包括收購該等項目直接產生的開支。

直接歸屬於收購、興建或生產合資格資產(指必須經一段長時間準備以作其預定用途的資產)的一般及特定借貸成本,加入該等資產的成本內,直至資產大致上備妥供其預定用途或銷售為止。

當後續成本很可能於未來為本集團帶來與該項目相關的經濟利益,而相關成本能可靠計量時,有關後續成本方會計入資產的賬面值或確認為一項獨立資產(如適用)。所有其他維修及保養成本在產生該等成本的財政期間於收益表中支銷。

土地不作折舊。其他物業、廠房及設備的折舊以直線基準計算,將有關成本於其估計可使用年期內分配至其剩餘價值,有關估計可使用年期如下:

物業、廠房及設備	估計可使用年期
樓宇	20年
設備及機器	5至10年
資訊系統設備及收銀機	3年
租賃物業裝修	5至10年
與店舖有關的租賃物業裝修	5年
傢俬及辦公室設備	5年

於各結算日,本集團會對資產的餘值及可使用年期進行複檢,並視乎情況作出調整。

2.7. 租賃

本集團租賃多個辦公室、零售店舖、設備及車輛。租賃通常為2至15年不等,但可能具有延長選擇權,如下文所述。租賃按個別基準協商及包括各項不同的條款及條件。

租賃產生的資產及負債基於現值進行初始計量。租賃負債包括下列租賃付款的淨現值:

- 固定付款額(包括實質固定付款額),扣除應收的任何租賃激勵;
- 取決於指數或比率的可變租賃付款,初步使用開始日期的指數或利率計量;
- 本集團根據餘值擔保預計應付的金額;
- 購買選擇權的行使價,前提是承租人合理確定將行使該選擇權;及
- 終止租賃的罰款金額,前提是租賃期反映出承租人將行使該選擇權。

2. 主要會計政策概要(續)

2.7. 租賃(續)

租賃付款按照租賃內隱含利率折現。如果無法確定該利率(本集團的租賃一般屬此類情況),則採用增量借款利率,即個別承租人為在類似經濟環境下獲得價值相近的使用權資產,以類似條款、擔保及條件借入資金而必須支付的利率。

本集團面臨取決於指數或比率的可變租賃付款日後可能增加的風險,而有關指數或比率在生效前不會計入租賃負債。當根據指數或比率對租賃付款作出的調整生效時,租賃負債根據使用權資產進行重新評估及調整。

租賃付款於本金及融資成本之間分配。融資成本於租期內自損益扣除,以計算出各期間負債餘額的固定週期利率。

使用權資產按照成本計量,其中成本包括以下項目:

- 租賃負債初始計量金額;
- 在開始日期或之前支付的任何租賃付款,扣除收到的任何租賃激勵;
- 任何初始直接成本;及
- 任何復原資產的成本。

與設備短期租賃及所有低價值資產租賃相關的付款按照直線法在損益中確認為開支。短期租賃是指租賃期為12個月或以下且不設購買選擇權的租賃。低價值資產包括資訊科技設備和小型辦公傢俬。

可變租賃付款

部分房地產租賃包含與店舖產生的銷售額掛鈎的可變付款條款。對於個別店舖,基於可變付款條款的租賃付款額最高可達100%,而且採用的銷售額比例範圍廣泛。使用可變付款條款的原因有多種,包括使新設店舖的固定成本基數最小化。取決於銷售額的可變租賃付款在觸發可變租賃付款的條件發生當期在損益中確認。

延長及終止選擇權

租賃期對應承租人有權使用相關資產的不可撤銷期間,連同:

- 可延長租賃的選擇權所涵蓋的期間,倘本集團合理確定行使該選擇權;及
- 可終止租賃的選擇權所涵蓋的期間,倘本集團合理確定不行使該選擇權。

合併財務報表附註

2. 主要會計政策概要(續)

2.7. 租賃(續)

延長及終止選擇權(續)

本集團的多項房地產及設備租賃包含延長及終止選擇權。在確定租賃期時，管理層考慮產生行使延長選擇權(或者不行使終止選擇權)的經濟誘因的所有事實和情況。僅合理確定延長(或不會終止)租賃時，延長選擇權(或終止選擇權之後的期間)方可計入租賃期。本集團將相關資產劃分為兩大類：

- 店舖：租賃期對應簽署日期的初始租賃期，即未考慮任何延長選擇權，此乃由於本集團將於租賃期內把握機會搬遷其店舖的能力視作其店舖網絡管理政策的重要部分。因此，僅於本集團已行使延長選擇權方會將延長或甚至終止租賃的選擇權列賬。若在法國所謂的「3-6-9」商業租賃的特定情形下，授予承租人於3或6年後終止租賃的選擇權，則基於同樣理由，本集團不會考慮延長選擇權；
- 其他物業(辦公室、物流平台)：租賃期對應初始租賃期。

若干租賃包括自動續期條款或具有不確定條款。本集團無法可靠估計該等超出其嚴格合約期租賃的租賃期。因此，有關租賃入賬列作並無延長選擇權的租賃。如實際行使(或未行使)選擇權或本集團有義務行使(或不行使)選擇權，則重新評估租賃期。若發生影響評估及在承租人控制範圍內的重大事件或重大情形變動，則檢討該評估。

本集團已選擇採納國際會計準則理事會於二零二零年五月二十八日及歐洲聯盟於二零二零年十月十二日採納的國際財務報告準則第16號 — 租賃的修訂。對合併財務報表的影響載於附註24。

2.8. 非財務資產減值

(a) ***商譽及商標***

商譽及商標分配至按經營分部劃分的現金產生單位組別。

獲分配商譽及商標的現金產生單位每年或(倘有單位可能已減值的跡象)更頻繁進行減值測試。倘現金產生單位的可收回金額低於賬面值，則確認減值虧損。為商譽確認的減值虧損不會於後續期間撥回。

(b) ***其他無形資產(商譽及商標除外)、物業、廠房及設備及使用權資產***

可予攤銷無形資產、物業、廠房及設備及使用權資產於出現顯示賬面值可能無法收回的事件或情況變動時進行減值測試。資產賬面值超出可收回款項的金額確認為減值虧損。可收回金額為一項資產的公平值減銷售成本與使用價值兩者的較高者。評估使用價值時，估計未來現金流量以可反映現行市場對金錢時間值的評估以及該資產獨有的風險(該資產的估計未來現金流量並無調整)的折現率折現至現值。在評估公平值時，會取得外部估值或若管理層使用的假設反映市場預計，則利用管理層的最佳估計。

2. 主要會計政策概要(續)

2.8. 非財務資產減值(續)

(b) 其他無形資產(商譽及商標除外)、物業、廠房及設備及使用權資產(續)

為評估減值，資產按獨立可識別現金流入的最低水平(即現金產生單位)分類：

- 就店舖(主要包括使用權資產、建築師／裝潢師費用、租賃物業裝修、傢俬)賬面值測試而言，現金產生單位為該店舖；
- 就可識別合理及一致分配基準的公司資產(與店舖有關的資產除外)而言，公司資產乃分配至個別現金產生單位，或分配至可識別合理及一致分配基準的現金產生單位的最小組別(就總部而言，則為國家或全球品牌)。

於上一年度須予減值的無形資產(商譽及商標除外)、物業、廠房及設備及使用權資產於各報告日期檢討有關減值可否撥回(附註7、8及10)。倘減值虧損其後撥回，該資產(或現金產生單位)的賬面值增至其修訂的估計可收回金額，然而，賬面值之增加，不得超過假若該資產(或現金產生單位)在過往年度確認並無減值虧損所應釐定之賬面值。

2.9. 按金

按金以歷史價值入賬。減值於淨現值高於估計可收回金額時入賬。不予折現的影響並不重大。

2.10. 持作出售資產及與終止業務有直接關連的資產

非流動資產或出售資產分類為持作出售資產或與終止業務有直接關連的資產，倘有關賬面值乃主要透過銷售交易而非持續使用收回及銷售被視為極為可能，則資產以賬面值或公平值減銷售成本較低者入賬。

2.11. 存貨

存貨按成本及可變現淨值兩者間的較低者列賬(可變現淨值乃日常業務的估計售價減適用的浮動銷售開支)；成本主要按加權平均成本基準釐定。存貨成本包括原材料、直接勞工、機器折舊及間接生產費用(以正常產能計算)。其不包括借貸成本。

存貨亦包括(a)擬售予第三方的分銷及營銷宣傳貨品，及(b)基本與一般產品捆綁及銷售的迷你產品、包裝袋及包裝盒。

本集團定期檢討過量存貨、停產貨品、過時及可變現淨值跌至低於成本的手頭存貨數量，並將任何有關跌幅於存貨結餘中「銷售成本」內計提撥備。

合併財務報表附註

2. 主要會計政策概要*(續)*

2.12. 應收貿易賬款

應收貿易賬款為日常業務過程中出售商品及提供服務的應收客戶款項。倘有關款項預期於一年或少於一年內收回，則分類為流動資產。否則，此等賬款呈列為非流動資產。

應收貿易賬款初步以公平值入賬，其後利用實際利率法以攤銷成本(扣除減值撥備)計量。應收貿易賬款的虧損款額乃於收益表的「分銷開支」內確認。

2.13. 財務資產

根據國際財務報告準則第9號，本集團將其財務資產按以下計量類別分類：

- 攤銷成本；
- 按公平值列入其他綜合收益(「按公平值列入其他綜合收益」) — 債務工具；
- 按公平值列入其他綜合收益(「按公平值列入其他綜合收益」) — 股本工具；或
- 按公平值列入損益(「按公平值列入損益」)。

於初步確認時，本集團按其公平值加(就並非按公平值列入損益(按公平值列入損益)的財務資產而言)收購該財務資產直接相關的交易成本計量財務資產。按公平值列入損益的財務資產的交易成本於損益中支銷。

國際財務報告準則第9號對財務資產的分類一般取決於管理財務資產的業務模式及現金流量的合約條款。倘主合約為該準則範圍內之財務資產，則嵌入合約中之衍生工具不再分割。取而代之，混合式金融工具須整體評估分類。

財務資產類別	分類性質	計量
按攤銷成本		
應收貿易賬款	應收貿易賬款為日常業務過程中出售商品或提供服務的應收客戶款項。其通常於30天內到期結算，因此歸類為流動。倘應收貿易賬款按公平值確認，則初步按無條件代價金額(另加直接歸屬於收購財務資產的交易成本)確認，除非其包含重大融資部分。本集團以收取合約現金流量為目的持有應收貿易賬款，因此其後採用實際利率法按攤銷成本計量。	該等資產其後採用實際成本利率法按攤銷成本計量。減值虧損予以沖減。 利息收入、匯兌收益及虧損以及減值於損益中確認。 終止確認的任何收益及虧損於損益中確認。

2. 主要會計政策概要(續)

2.13.財務資產(續)

財務資產類別	分類性質	計量
按攤銷成本計量的其他財務資產	倘財務資產符合以下兩項標準，本集團將其分類為按攤銷成本計量：	該等資產其後採用實際成本利率法按攤銷成本計量。減值虧損予以沖減。
	• 以收取合約現金流量為目的的業務模式內持有資產；及	利息收入、匯兌收益及虧損以及減值於損益中確認。
	• 合約條款產生僅為支付本金及利息的現金流量。	終止確認的任何收益及虧損於損益中確認(附註25)。
按公平值列入其他綜合收益或損益		
按公平值列入其他綜合收益的財務資產 – 債務工具	該有關僅為支付本金及利息以及通過收取合約現金流量及出售財務資產達致本集團業務模式目標的債務證券。	於初步確認時，本集團按公平值加直接歸屬於收購財務資產的交易成本計量財務資產。 該等資產其後按公平值計量。 採用實際利率法計算的利息收入、匯兌收益及虧損以及減值於損益中確認。 其他收益及虧損淨額於其他綜合收益(賬面值變動)確認。於終止確認時，於其他綜合收益累計的收益及虧損均重新分類至損益(附註25)。

合併財務報表附註

2. 主要會計政策概要(續)

2.13.財務資產(續)

財務資產類別	分類性質	計量
按公平值列入其他綜合收益的財務資產 – 股本工具	於初步確認股本工具時，本集團可不可撤銷地選擇於其他綜合收益呈列投資公平值的後續變動。 該選擇乃按投資逐項作出。	於初步確認時，本集團按其公平值加直接歸屬於收購財務資產的交易成本計量財務資產。 本集團其後按公平值計量所有股本工具。財務資產的公平值變動均按公平值列入其他綜合收益計量。 當本集團收取付款的權利確立時，該等投資的股息繼續於收益表中確認為其他收入。 當本集團管理層選擇於其他綜合收益呈列股本工具的公平值收益及虧損時，則於終止確認投資後，公平值收益及虧損其後不會重新分類至損益(附註25)。
按公平值列入損益的財務資產	上述所有並非分類為按攤銷成本或按公平值列入其他綜合收益計量的財務資產均按公平值列入損益計量。 於初步確認時，本集團可不可撤銷地指定財務資產(於其他方面符合按攤銷成本計量或按公平值列入其他綜合收益的規定)為按公平值列入損益，前提是有關指定可消除或大幅減少會計錯配發生。	於初步確認時，本集團按其公平值計量財務資產。 按公平值列入損益入賬的財務資產之交易成本於損益支銷。 該等資產其後按公平值計量。 收益及虧損淨額(包括任何利息或股息收入)於損益中確認(附註25)。

2. 主要會計政策概要(續)

2.13.財務資產(續)

財務資產減值

應收貿易賬款
本集團應用國際財務報告準則第9號簡化法計量預期信貸虧損，其就所有應收貿易賬款使用整個存續期內預期虧損作撥備。

為計量預期信貸虧損，應收貿易賬款已根據共享信貸風險特點及逾期天數分類。

預期虧損率乃根據於二零二二年三月三十一日前36個月期間的銷售付款情況及本期間內出現的相應過往信貸虧損計算得出。過往虧損率已作出調整以反映影響客戶結算應收款項能力的宏觀經濟因素的當前及前瞻性資料。

應收貿易賬款於並無合理可收回預期時予以撇銷。並無合理可收回預期跡象包括(其中包括)債務人無法達成還款計劃以及無法就逾期超過120天的款項作出合約付款。應收貿易賬款的減值虧損於「一般及行政開支」的經營溢利內呈列為減值虧損淨額。其後收回先前撇銷的金額則計入相同條目內。

債務投資
所有按攤銷成本及按公平值列入其他綜合收益的實體債務投資均視為具低信貸風險，故於此期間確認的虧損撥備限於12個月預期虧損。其他工具於違約風險較低且發行人於近期內具有較強之履行合約現金流量責任之能力時被視為信貸風險較低。

2.14.衍生金融工具及對沖活動

衍生工具於訂立衍生工具合約當日按公平值初步確認，其後按公平值重新計量。確認所得盈虧的方法，取決於衍生工具是否界定為對沖工具，如是，則取決於被對沖項目的性質。本集團界定若干衍生工具為：

- 對沖已確認資產或負債或堅定承諾的公平值(公平值對沖)；
- 對沖已確認資產或負債或非常可能進行的預測交易所附帶之特定風險(現金流量對沖)；或
- 對沖海外業務投資淨額(投資淨額對沖)。

本集團在交易開始時以文件記錄對沖工具及被對沖項目的經濟關係，以及進行各項對沖交易的風險管理的目的與策略。本集團於對沖開始並會持續就對沖交易所使用的衍生工具是否能高度有效地抵銷被對沖項目的公平值或現金流量的變化進行評估，並作記錄。

作對沖用途之多項衍生工具的公平值於附註17中披露。其他綜合收益中的對沖儲備變動載於合併股東權益變動表。

倘被對沖項目的到期日超過12個月，對沖衍生工具之公平值全數分類為非流動資產或負債，但若被對沖工具的到期日少於12個月，則分類為流動資產或負債。買賣衍生工具分類為流動資產或負債。

合併財務報表附註

2. 主要會計政策概要(續)

2.14.衍生金融工具及對沖活動(續)

(a) 公平值對沖

被指定及符合資格為公平值對沖工具的衍生工具的公平值變化，連同被對沖資產或負債當中對沖風險應佔的公平值變化記入收益表中。

本集團不使用公平值對沖。

(b) 現金流量對沖

被指定及符合資格作為現金流量對沖工具的衍生工具，其公平值變化的有效部分於其他綜合收益中確認。與無效部分相關的盈虧，利息衍生工具即時於收益表「財務收入」或「財務成本」中確認，貨幣衍生工具則即時於收益表中「匯兌收益／(虧損)」中確認。

使用遠期合約對沖預期交易時，本集團通常僅指定與即期要素有關的遠期合約的公平值變動為對沖工具。與遠期合約即期要素變動的有效部分相關的盈虧，於權益中的現金流量對沖儲備中確認。與對沖項目相關的合約的遠期要素變動於權益中的「其他儲備 － 其他項目」中的其他綜合收益中確認。在某些情況下，本集團可將遠期合約(包括遠期點數)的公平值變動全部指定為對沖工具。在該等情況下，與整個遠期合約公平值變動的有效部分相關的盈虧於權益的現金流量對沖儲備中確認。

在權益累積的數額，會在被對沖項目影響盈虧的期間(例如對沖的預測銷售發生)回流到收益表中。與對沖浮息借貸的利息掉期有效部分有關的盈虧於收益表「財務收入」或「財務成本」中確認。

如對沖工具期滿或售出，或如對沖不再符合對沖會計的準則，則當時在權益存在的任何累積盈虧仍然存於權益中，並會在預測的交易最終在收益表中確認時確認。如預測的交易預計不能進行，則已在權益呈報的累積盈虧會即時轉撥至收益表「財務收入」或「財務成本」(就利息衍生工具而言)中及「匯兌收益／(虧損)」(就貨幣衍生工具而言)中。

本集團不使用現金流量對沖。

(c) 投資淨額對沖

海外業務的投資淨額對沖之入賬方式與現金流量對沖相若。

對沖工具與對沖有效部分相關的任何收益或虧損，於其他綜合收益中確認；與無效部分相關的收益或虧損即時於收益表「匯兌收益／(虧損)」中確認。

在權益累積的收益與虧損在海外業務部分售出或賣出時記入收益表。

本集團不使用投資淨額對沖。

2. 主要會計政策概要(續)

2.14.衍生金融工具及對沖活動(續)

(d) 按公平值列入損益的衍生工具

若干衍生工具不合資格作對沖會計處理。該等衍生工具的公平值變化，會即時於收益表「財務收入」、「財務成本」或「匯兌收益／(虧損)」中確認。

2.15.現金及現金等價物

現金及現金等價物包括手頭現金、短期存款及原到期日為三個月或以下的其他短期高流動性投資。

銀行透支於資產負債表的流動負債項下借貸中列賬。

2.16.股本

普通股獲歸類為權益。概無優先股。

發行新股份或購股權直接應佔之新增成本(除稅後)於權益中列為所得款項之扣減項目。

倘集團公司購買本集團之權益股本(庫存股份)，則所支付之代價(包括任何直接應佔之新增成本(扣除所得稅後)將從本公司權益擁有人應佔之權益中扣除。倘有關股份其後獲重新發行，則所收取之任何代價(扣除任何直接應佔之新增交易成本及相關所得稅影響後)將計入本公司權益擁有人應佔之權益。

2.17.股息分派

向本集團股東支付之股息乃於本集團股東批准股息之期間內在本集團財務報表內確認為負債。

2.18.應付貿易賬款

應付貿易賬款乃日常業務過程中自供應商購買貨品或服務的付款責任。倘付款到期日為一年或以下，應付款項歸類為流動負債，否則歸類為非流動負債。

應付貿易賬款初步按公平值確認，其後以實際利率法按攤銷成本計量。

2.19.撥備

在本集團及其附屬公司業務的正常框架下，均可能涉及不同形式的訴訟及法律程序。本集團按其過往經驗及於結算日所知悉的事實及情況作出撥備。於下列情況，將就客戶、保證索賠、拆卸及還原責任、重組費用及法律索償確認撥備：

- 本集團因過往事件引致現時的法律或推定責任；
- 很可能需就償付有關責任而產生資源流出；及
- 有關金額能可靠估計。

合併財務報表附註

2. 主要會計政策概要*(續)*

2.19. 撥備*(續)*

重組費用撥備包括終止租約罰款及僱員遣散費(如適用)。不會就未來經營虧損確認撥備。

倘有多項類似責任時，解除該等責任導致資源流出的可能性按責任的類別作整體考慮。

拆卸及還原成本的撥備

倘租賃協議訂有責任於租約期滿時還原租賃物業的原本狀況，或就損毀作出賠償，須就拆卸、還原或賠償的估計折現成本於租約期作出撥備。

視乎租賃協議責任的性質而定，對租賃物業作出的改動可視為於訂立租約時發生。此情況下，有關負債於租約開始時記錄並入賬列為使用權資產。該項目其後於租期內折舊。

2.20. 僱員福利

(a) 退休金責任

本集團根據界定福利及界定供款計劃營辦多個退休金計劃：

- 界定福利計劃是一項退休金計劃，界定僱員在退休時可收取的退休金金額，金額通常取決於一項或多項因素，如年齡、服務年資及薪酬福利；
- 界定供款計劃是一項退休金計劃，本集團根據該計劃支付固定的供款予一個獨立的實體。如基金沒有足夠資產為所有僱員支付有關在當期或之前期間的僱員服務福利金，本集團並無法定或推定責任支付進一步的供款。

界定福利計劃

界定福利的唯一重大方面涉及法國的退休彌償。僱員可取得一筆款項，金額視乎其資歷及規管僱傭的集體協議的其他部分。

於資產負債表內就界定福利退休金計劃確認之負債，為於結算日之界定福利責任現值。界定福利責任每年根據預算單位貸記法計算。界定福利責任之現值，按已支付福利之同一貨幣計值，且到期日與相關退休福利責任相若之優質企業債券之利率，折算估計未來現金流出。

因過往調整及精算假設(用於計算責任(不包括計劃資產的估計回報))改變而產生之精算收益及虧損於其產生期間於「其他綜合收益」內悉數確認(見附註2.1)。

過往服務成本即時於收益表確認。

2. 主要會計政策概要(續)

2.20. 僱員福利(續)

(a) 退休金責任(續)

界定供款計劃

就界定供款計劃而言，本集團按強制、合約或自願基準向公營或私人管理的退休計劃供款。本集團於支付供款後毋須再承擔任何付款責任。供款於到期支付時確認為僱員福利開支。在可退回現金或減少未來付款的情況下，預付供款確認為資產。

(b) 其他離職後責任

本集團並無承擔任何離職後責任。

(c) 以股份支付款項

本公司的母公司L'Occitane Groupe S.A.營運若干以股份支付的款項計劃，授予本集團及其附屬公司的僱員。

本集團亦就其自身股本工具授權無償股份及股票期權計劃，其特徵在附註19.3描述。

股權結算以股份支付的款項

換取授出股本工具所獲得的僱員服務公平值於歸屬期內確認為開支。

總開支金額乃參考所授出股本工具的公平值釐定：

- 包括任何市場表現條件(如實體的股價)；
- 不包括任何服務及非市場表現歸屬條件(如盈利能力、銷售增長目標及僱員須在某特定時間內留任實體)的影響；及
- 包括任何非歸屬條件(如要求員工在某特定時間內儲蓄或持有股份)的影響。

非市場歸屬條件納入預期可歸屬的股本工具數目假設內。支銷總額於歸屬期(即所有特定歸屬條件將予達成的期間)確認。於各報告期末，本集團根據非市場歸屬條件修訂預期將予歸屬的股本工具數目。其於收益表確認對原來估計作出修訂的影響(如有)，並於其他儲備對權益作出相應調整。

評估授出日期的購股權時會考慮市況，且不會於隨後報告日期更新市況。預期歸屬的股份數目按非市場歸屬條件估計。

股本工具行使時，已收所得款項扣除任何直接應佔交易成本後計入股本(面值)及額外實繳股本。

母公司向本公司或本集團內的附屬公司僱員授予其股權結算以股份支付的款項，被視為母公司的資本投入。收取僱員服務的公平值經參考授出日的公平值計量後在歸屬期內確認為以股份支付的款項開支，而於本公司擁有人應佔權益的相應影響於「母公司出資」內確認。

合併財務報表附註

2. 主要會計政策概要(續)

2.20. 僱員福利(續)

(d) 終止服務權益

終止服務權益於僱傭在正常退休日期前被本集團終止時或僱員接納自願離職以換取該等權益時支付。本集團於以下日期(以較早者為準)確認終止服務權益:a)本集團不再撤回該等權益的提供時;及b)實體確認屬國際會計準則第37號範圍內並涉及終止服務權益付款的重組成本。

倘提出一項要約以鼓勵自願遣散,終止服務權益將按預期接納要約的僱員數目計量。在報告期結束後超過12個月支付的福利則折現至現值。

(e) 分佔溢利及花紅計劃

本集團就法定或合約責任或過往慣例產生的推定責任確認撥備。

(f) 僱員應享休假權利

僱員應得之年假於應計予僱員時確認。已就僱員於截至結算日提供服務享有年假的估計負債作出撥備。

2.21. 借貸

借貸初步以公平值減已產生交易成本確認。借貸其後按攤銷成本列賬。所得款項(扣除交易成本)與贖回價值的任何差額按實際利率法於借貸期間在收益表確認。

安排貸款融資支付的費用,於很可能提取若干或所有融資時確認為貸款的交易成本。於此情況下,該費用會遞延至提取融資為止。倘並無證據顯示有關融資很可能部分或全部獲提取,則將費用資本化為流動資金服務的預付款項,並在融資相關的期間內攤銷。

除非本集團擁有無條件權利將償還負債延遲至結算日後最少12個月,否則借貸歸類為流動負債。

2. 主要會計政策概要(續)

2.22.收益確認

收益(銷售淨額)包括本集團在日常業務過程中出售的貨品及服務已收或應收代價的公平值。收益按扣除增值稅、退貨、回扣和折扣，以及對銷集團內公司間交易後的淨值列示。

已發出發票但控制權尚未轉讓的收益，於資產負債表項下作為其他流動負債內的遞延收益予以遞延。

收益按下列方式確認：

(a) 貨品銷售 – 零售渠道

本集團經營連鎖零售店。當本集團於店舖向顧客出售產品時，則確認銷售貨品所得收益。

當顧客購買產品並在店舖提貨時，交易價格即時應付。

本集團的政策並無為售予終端零售客戶的產品設立退貨權。惟於若干國家，倘顧客不滿意，則於提供退款或接受退貨時，實體可能通過零售銷售保留微不足道的所有權風險。在此情況下的收益乃於銷售時確認，前提是實體能夠可靠地估計未來退貨及本集團基於過往累積的經驗及其他相關因素針對收益就退貨於「其他流動負債」中確認負債。

(b) 貨品銷售 – 線上渠道

當產品的控制權轉移時(即當產品交付予最終客戶時)確認銷售額。

(c) 貨品銷售 – 批發及其他渠道

當產品的控制權轉移至批發商(即交付產品予批發商時)，而批發商對銷售產品的渠道及價格擁有絕對酌情權，且並無可能影響批發商接納產品的未履約義務時，本集團確認銷售。當產品付運至指定地點，陳舊及損失風險已轉移至批發商，且批發商已按照銷售合約接納產品、接納條文已經失效或本集團有客觀憑證證明所有接納條件已經達成時，則落實交付。

應收款項於貨品交付時確認，原因為從那一刻開始，付款之到期僅須時間流逝，代價成為無條件。

有時候產品會連同有條件折扣出售。銷售乃根據銷售合約／發票上訂明的價格減估計有條件折扣淨額入賬。

由於銷售之最長信貸期為90日，故並不存在融資因素。

當客戶在既定期間內有權退回產品時，本集團有責任退回購買價。預期向客戶退款的退款責任確認為「其他流動負債」中銷售淨額之調整。

合併財務報表附註

2. 主要會計政策概要(續)

2.22. 收益確認(續)

(d) 銷售禮券

於部分地區，本集團於日常業務過程中會銷售禮券。有關收益於客戶使用禮券購買貨品時(貨品已交付予客戶)確認。

客戶尚未兌換禮券前，銷售收益於資產負債表中遞延。

有效期已過之禮券於收益表中確認。

(e) 長期支持計劃

本集團之積分列賬為授出有關積分之銷售交易之獨立可識別部分。與初始銷售有關之已收或應收代價公平值於有關部分(即已售貨品(收益)及已授積分(遞延收益)間分配。有關分配經參考有關部分之相對獨立價值(即各部分可獨立出售之金額)後作出。

積分之公平值乃參考客戶使用積分換領禮品時可得之折扣後估計得出。有關折扣的賬面值將於考慮下列因素後減少：

- 原應向並無於初始銷售中賺取積分之客戶提供之任何折扣；
- 預期客戶將喪失積分之比例。

本集團於換領積分並反映換領規律之期內確認有關積分之收益。確認之收益乃根據已換領之積分數目相對於預期將換領之積分總數釐定。

分配至已售貨品的部分代價於收益表中列為產品銷售總額，而遞延收益於資產負債表中的「其他流動負債」列賬。

(f) 向分銷商支付之代價

在若干情況下，本集團可與分銷商訂立安排，就若干宣傳活動支付補償款項。

由於有關付款通常不可與供應關係分開，故本集團將已付代價確認為收益扣減。

2.23. 分銷開支

收益表中「分銷開支」一項包括店舖相關開支，主要為：僱員福利、租金及佔用費、折舊及攤銷、銷售運費、宣傳貨品、信用卡費用、維修及保養、電話及郵費、交通及應酬費、應收款呆賬、開辦成本及結業成本。

分銷宣傳貨品包括試用產品及提袋，於本集團取得該等物品時支銷。

分銷開支亦包括ELEMIS未完成合約於10年內的攤銷(附註2.5)，乃基於分銷協議的合約期。

2. 主要會計政策概要(續)

2.24. 營銷開支

收益表內的「營銷開支」主要包括以下開支：僱員福利、廣告開支及宣傳貨品。

推廣宣傳貨品包括新聞發佈材料、購物贈品、樣本、宣傳小冊子及櫥窗裝飾品，於本集團取得該等物品時支銷。

2.25. 研發開支

收益表「研發開支」一項主要對應僱員福利及專業費用。

2.26. 店舖的開辦成本及開業前成本

店舖的開辦成本及開業前成本於產生時在收益表的「分銷開支」中支銷。此等開支主要包括經紀及／或律師費用、開業日期前已付租金、與開業團隊相關的差旅開支。

2.27. 其他經營收入及其他經營開支

(a) 其他經營收入

其他經營收入主要包括：

- 附屬公司不再／重新綜合入賬的影響；
- 於聯營公司及合營企業的權益百分比變動產生的資本收益；
- 出售資產的純利；
- 收購淨資產的公平值超過收購成本的部分(負商譽)。

(b) 其他經營開支

其他經營開支主要包括：

- 商譽及商標減值虧損；
- 於聯營公司及合營企業的權益百分比變動產生的攤薄虧損；
- 重組開支；
- 出售資產的淨虧損。

(c) 政府撥款

當能合理確定將收到政府的撥款，而本集團將遵守所有附帶條件時，政府撥款按其公平值確認。

有關成本的政府撥款將遞延處理，並於利用該等撥款用以涵蓋該等成本的期間於收益表中確認。

有關物業、廠房及設備的政府撥款最初於非流動負債中遞延處理，之後於有關資產投入服務時分類為物業、廠房及設備扣減。撥款隨後按直線法於有關資產的預計使用年期內計入收益表。

合併財務報表附註

2. 主要會計政策概要*(續)*

2.28. 匯兌收益／(虧損)

收益表中「匯兌收益／(虧損)」一項與下列項目相關：

- 外匯交易結算產生的匯兌盈虧及將外幣計值的貨幣資產和負債以年終匯率換算產生的匯兌盈虧(附註2.4(b))。該等匯兌盈虧主要與附屬公司的融資有關；
- 按公平值列入損益的外匯衍生工具公平值變動產生的盈虧(附註2.15及附註17)；
- 指定為對沖工具的外匯衍生工具公平值變動的無效部分產生的盈虧(附註2.15及附註17)。

2.29. 所得稅

年內稅項開支包括即期及遞延稅項。稅項於收益表確認，惟與於其他綜合收益或直接於權益中確認項目有關的稅項者除外。於此情況下，稅項亦分別於其他綜合收益或直接於權益中確認。

即期所得稅開支乃按本集團之附屬公司及聯營公司經營業務及產生應課稅收入所在國家於結算日已頒佈或實際已頒佈的稅務法例計算。管理層定期就適用稅務法例有待詮釋的情況評估稅務申報狀況，並按照預期將向有關稅局繳納的金額確認適當撥備。

遞延所得稅按資產及負債稅基與其於合併財務報表內賬面值間之暫時差額，以負債法確認。然而，倘遞延所得稅於初次確認一項交易(業務合併除外)的資產或負債所產生，而進行該項交易時對會計或應課稅盈利或虧損均不會造成影響，則該等遞延所得稅並不會列賬。遞延所得稅按結算日已頒佈或實際已頒佈，及預期於相關遞延所得稅資產變現或遞延所得稅負債清還時適用的稅率(及法例)釐定。

遞延所得稅資產乃於日後很可能以應課稅盈利抵銷暫時差額的情況下方予確認。

遞延所得稅乃就於附屬公司及聯營公司的投資產生的暫時差額作出撥備，惟倘本集團可控制暫時差額撥回的時間，並很有可能在可預見未來不會撥回暫時差額的情況則除外。

當有合法可強制執行的權利將即期稅項資產抵銷即期稅項負債，及當遞延所得稅資產及負債涉及同一稅務機構對同一實體或不同應課稅實體徵收的所得稅，且有意以淨額基準清算結餘時，遞延所得稅資產與負債將予對銷。

2. 主要會計政策概要(續)

2.30. 每股盈利

每股基本盈利按本公司擁有人應佔溢利除以年內已發行普通股加權平均數計算，但不包括本集團購買及持作庫存股份的普通股。

每股攤薄盈利乃將已發行普通股之加權平均數調整以假設全部具潛在攤薄影響之普通股已獲兌換計算。

3. 財務風險管理

3.1. 財務風險因素

本集團的業務面對多項財務風險：市場風險(包括外匯風險、利率風險及價格風險)、信貸風險及流動資金風險。本集團的整體風險管理計劃集中於金融市場突發情況，務求盡量減低本集團財務表現所遭受的潛在不利影響。本集團使用衍生金融工具對沖若干風險。

(a) 市場風險

外匯風險

本集團的分銷業務遍及全球。附屬公司的銷售以當地貨幣計值。由於生產工廠設於法國，故L'Occitane en Provence及Melvita生產及購買成本大部分以歐元計值。就ELEMIS、LimeLife及Sol de Janeiro而言，與銷售成本相關的交易分別以英鎊及美元與第三方進行，生產及購買以英鎊及美元進行。就Grown Alchemist而言，與銷售成本相關的交易以澳元進行。因此，本集團的商業交易(已知及預計)面對外匯風險。

每當在有可能的情況下，本集團會以其附屬公司的當地貨幣向彼等開發票，以將外匯風險集中在集團層面。本集團將與附屬公司有關交易業務的商業交易及與內部公司融資有關的融資業務的外匯風險分開。

於二零二三年三月三十一日，合併資產負債表內所面臨的外匯風險如下：

千歐元	歐元	日圓	港元	美元	英鎊	人民幣	巴西雷亞爾	台幣	瑞士法郎	加元	其他	總計
應收貿易賬款	44,568	15,999	21,222	82,361	24,514	35,389	12,103	4,604	257	843	14,693	**256,553**
其他流動應收款項	45,402	781	70	9,547	5,223	2,820	13,674	464	46	241	6,471	**84,740**
現金及現金等價物	30,536	1,867	2,233	45,655	13,878	15,097	1,825	1,687	20,359	2,088	12,031	**147,255**
貨幣資產	**120,507**	**18,647**	**23,525**	**137,563**	**43,615**	**53,306**	**27,602**	**6,755**	**20,663**	**3,172**	**33,195**	**488,548**
借貸	503,488	–	–	–	–	–	–	4,227	4,916	679	5,550	**518,859**
應付貿易賬款	82,860	10,813	7,550	49,069	21,420	17,097	5,778	1,953	392	1,989	11,182	**210,103**
社會及稅項負債	43,564	4,361	5,815	17,351	3,219	3,727	7,073	1,098	149	183	11,921	**98,461**
貨幣負債	**629,912**	**15,174**	**13,365**	**66,420**	**24,639**	**20,824**	**12,851**	**7,278**	**5,457**	**2,851**	**28,653**	**827,423**
於資產負債表的總風險	**(509,405)**	**3,473**	**10,160**	**71,143**	**18,976**	**32,482**	**14,751**	**(523)**	**15,206**	**321**	**4,542**	**(338,875)**

合併財務報表附註

3. 財務風險管理*(續)*

3.1. 財務風險因素*(續)*

(a) 市場風險(續)

外匯風險*(續)*

於二零二二年三月三十一日，合併資產負債表內所面臨的外匯風險如下：

千歐元	歐元	日圓	港元	美元	英鎊	人民幣	巴西雷亞爾	台幣	瑞士法郎	加元	其他	總計
應收貿易賬款	32,223	17,744	9,436	39,520	29,678	35,626	11,794	4,712	334	923	17,633	199,623
其他流動應收款項	37,172	510	284	12,376	5,248	6,729	9,430	379	207	622	9,978	82,935
現金及現金等價物	162,142	22,883	2,458	32,504	62,313	22,723	3,679	1,071	1,397	5,715	44,014	360,899
貨幣資產	**231,537**	**41,137**	**12,178**	**84,400**	**97,239**	**65,078**	**24,903**	**6,162**	**1,938**	**7,260**	**71,625**	**643,457**
借貸	652,056	–	–	–	5,792	–	–	3,997	3,896	–	5,189	670,930
應付貿易賬款	71,409	12,563	3,657	33,889	37,301	30,174	4,476	1,531	702	2,908	11,293	209,903
社會及稅項負債	47,973	5,613	4,687	12,055	3,981	6,833	6,627	1,256	47	248	15,487	104,807
貨幣負債	**771,438**	**18,176**	**8,344**	**45,944**	**47,074**	**37,007**	**11,103**	**6,784**	**4,645**	**3,156**	**31,969**	**985,640**
於資產負債表的總風險	**(539,901)**	**22,961**	**3,834**	**38,456**	**50,165**	**28,071**	**13,800**	**(622)**	**(2,707)**	**4,104**	**39,656**	**(342,183)**

商業交易

本集團的財務風險管理政策是為了按最低80%有系統地對沖交易風險(開票金額)。

經濟風險(預測金額)的對沖取決於市況及管理層預期。對沖經濟風險的所有決定由本集團現金管理及融資總監正式批准。

本集團使用遠期合約按最高為其主要貨幣(美元、英鎊、日圓、港元及人民幣)風險承擔的40%對沖其外匯風險承擔及貨幣期權的主要部分。使用外匯衍生工具產品的所有決定由本集團庫務經理正式批准。本集團不使用對沖會計處理。

外幣期權的內在價值參照相關即期市場匯率釐定。合約執行的匯率與即期市場折現匯率之差額界定為時間價值。

3. 財務風險管理*(續)*

3.1. 財務風險因素*(續)*

(a) 市場風險(續)

外匯風險*(續)*

融資業務

本集團的風險管理政策是為了每當在有可能的情況下使用多貨幣銀行融資最大限度地發揮自然對沖作用。

就多貨幣銀行融資並無涵蓋的貨幣而言，本集團的風險管理政策是為了每當在有可能的情況下以附屬公司的當地貨幣向彼等融資，以及對沖相應風險承擔。

於截至二零二三年及二零二二年三月三十一日止財政年度，倘歐元較下列貨幣貶值／升值10%，而所有其他變數維持不變，年內的權益、銷售淨額及除稅後溢利將如下表所示般上升／下跌：

	匯兌差額					
千歐元	(其他綜合收益)		銷售淨額		年內溢利	
三月三十一日	二零二三年	二零二二年	二零二三年	二零二二年	二零二三年	二零二二年
美元	91,057	88,569	60,598	27,316	8,969	5,959
日圓	11,812	13,679	18,120	20,603	7,837	9,180
港元	(278)	(6,988)	(16,125)	(9,793)	(1,459)	(7,746)
人民幣	20,758	26,172	29,810	32,799	13,904	19,611
英鎊	46,964	49,032	22,752	23,480	7,604	11,943

上述敏感度並無計及歐元上升／下跌對外匯衍生工具的公平市場價值及已變現匯兌損益的影響。年末，該等衍生工具的公平值並不重大。

現金流量及公平值利率風險

本集團現金目前用於投資短期國庫券以賺取歐元加息產生的利潤。

本集團的利率風險來自長期借貸。以浮息發行的借貸令本集團面對現金流量利率風險。按利率類別劃分的借貸分析載於附註20.3。

本集團可使用浮動 — 固定利率互換管理現金流量利率風險。其可產生將借貸由浮息轉化為定息的經濟效果。根據利率互換，本集團與其他人士協定，於指定期間交換定息合約利率及浮息款額的差額，該差額乃參考協定的名義金額計算。本集團並無任何浮動利率互換。

根據附註20.2所述的融資契約，若干銀行借貸的溢利率可以變動。

合併財務報表附註

3. 財務風險管理*(續)*

3.1. 財務風險因素*(續)*

(a) ***市場風險****(續)*

現金流量及公平值利率風險*(續)*
根據截至二零二三年及二零二二年三月三十一日進行的模擬，倘利率上升／下跌100個基點，而所有其他變數維持不變，年內除稅後溢利將會減少／增加，主要由於浮息借貸的利息開支增加／減少(附註26)。

千歐元	二零二三年	二零二二年
財務成本的敏感度	4,971	1,091
財務收入的敏感度	1,419	401
除稅後溢利的敏感度	438	212

股權敏感度與對除稅後溢利的影響相同，惟下述衍生工具的影響除外。

價格風險
本集團並無面對重大商品價格風險。

本集團面臨來自股權、固定收入、私募股權、房地產或多資產基金等財務資產投資的價格風險。投資乃按財務投資政策設定的限制及規則作出。

於合併收益表或合併綜合收益表就本集團所持投資確認的金額於附註3.3披露。

(b) ***信貸風險***

信貸風險以集團為基礎進行管理，惟與應收貿易賬款結餘有關的信貸風險除外。各地方實體負責監測及分析客戶的信貸風險。本公司已規定標準付款及交付條款及條件。信貸風險來自現金及現金等價物、按攤銷成本列賬的債務投資的合約現金流量、按公平值列入其他綜合收益及按公平值列入損益、衍生金融工具及存於銀行及金融機構的存款，以及對於批發、零售客戶及L'Occitane Russia四名前主要董事的信貸風險(附註3.3及6.1)。

本集團並無重大客戶信貸風險集中：

- 就「批發及其他」渠道的客戶而言，銷售的信貸期一般介乎60至90日。本集團就潛在信貸虧損計提足夠撥備，並監察對手方的償債能力。於二零二三年及二零二二年三月三十一日，本集團並無與個別客戶進行任何重大集中業務，而一旦失去該名客戶，本集團的業務不會遭受嚴重影響；
- 就「零售」及「線上」渠道的客戶而言，本集團向終端客戶進行的銷售以現金或主要信用卡交易，故一般不授予終端客戶任何信貸期。當零售及線上銷售產生於百貨公司時，百貨公司獲授的信貸期持續至現金轉入本集團之時。該信貸期一般介乎30至90日；
- 所有大額現金存款均存於具備投資評級的主要金融機構，並投資於具有經磋商條款及條件及利息的定期存款或互惠基金。本集團於若干國家的客戶付款存有非投資評級機構風險，有關款項轉往具投資評級的機構前，須面對暫時風險。現金及現金等價物及衍生金融工具集中於獨立評級結果至少為「BBB-」(投資級別)的少數機構(評級低於BBB-的國家除外)。

3. 財務風險管理(續)

3.1. 財務風險因素(續)

(c) 流動資金風險

審慎的流動資金風險管理，意味著維持充裕的現金，以及可透過額度充裕的承諾信貸融資獲取資金。由於相關業務的發展迅速，本集團致力透過可動用的承諾信貸額，維持資金的靈活性。管理層按預期現金流量基準監察本集團流動資金儲備(包括未提取借貸融資和現金及現金等價物)的滾動預測。於二零二三年三月三十一日的流動資金儲備如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
現金及現金等價物以及銀行透支	147,255	360,899
未提取的借貸融資(附註20.3)	461,523	268,177
流動資金儲備	**608,778**	**629,076**

本集團持有的現金結餘用於投資通知存款賬戶、存款證、金融市場基金及證券或財務投資政策授權的任何其他財務資產。

若干銀行借貸的償還取決於一項財務契諾(附註20.2)。

下表按結算日至合約到期日餘下時間將本集團的非衍生財務負債分類至相關到期組別進行分析。表內披露的金額為訂約未折現現金流量：

千歐元	少於**1**年	**1**至**2**年	**2**至**5**年	超過**5**年	總計
借貸(附註20)	194,040	302,768	18,840	3,211	518,859
應付貿易賬款(附註22)	210,103	–	–	–	210,103
租賃負債(附註8.2)	82,393	66,993	92,925	33,391	275,702
借貸利息付款	12,095	8,791	1,392	21	22,299
於二零二三年三月三十一日之總計	**498,631**	**378,552**	**113,157**	**36,623**	**1,026,963**
借貸(附註20)	289,611	2,749	373,245	5,325	670,930
應付貿易賬款(附註22)	209,903	–	–	–	209,903
租賃負債(附註8.2)	93,722	65,812	88,800	25,898	274,232
借貸利息付款	3,267	3,099	3,348	70	9,784
於二零二二年三月三十一日之總計	**596,503**	**71,660**	**465,393**	**31,293**	**1,164,849**

借貸利息付款乃根據二零二三年三月三十一日當時的利率計算。賬面淨值與公平值相若。

合併財務報表附註

3. 財務風險管理*(續)*

3.2. 資金風險管理

本集團的資金管理目標，為保障其持續經營的能力，使其能繼續為權益擁有人提供回報，並為其他持份者提供利益，以及維持最佳資金結構，減低資金的成本。

為維持或調整資金結構，本集團或會調整向權益擁有人派付的股息、向權益擁有人退還資金、發行新股或出售資產以減低負債。

3.3. 公平值估計

金融工具的公平值

下表呈列本集團部分金融工具的賬面淨值及公平值，惟現金、應收貿易賬款、應付貿易賬款及應計開支除外(鑒於到期日短，故假設應收貿易賬款及應付貿易賬款的賬面值減減值乃與其公平值相若)：

	二零二三年三月三十一日		二零二二年三月三十一日	
千歐元	賬面淨值	公平值	賬面淨值	公平值
資產				
按公平值列入其他綜合收益的財務資產	37,880	37,880	33,117	33,117
按公平值列入損益的財務資產	8,645	8,645	–	–
衍生金融工具	2,337	2,337	1,931	1,931
總資產	**48,862**	**48,862**	**35,048**	**35,048**
負債				
浮息	518,859	518,859	670,930	670,930
總借貸	**518,859**	**518,859**	**670,930**	**670,930**
衍生金融工具	248	248	1,208	1,208
其他財務負債	338,650	338,650	171,865	171,865
總負債	**338,898**	**338,898**	**173,073**	**173,073**

金融工具的公平值的計量方法如下。

3. 財務風險管理(續)

3.3. 公平值估計(續)

公平值計量層級

國際財務報告準則第13號金融工具規定按下列公平值計量層級披露公平值的計量：

- 相同資產或負債於活躍市場的報價(第一層)；
- 第一層包括的報價以外資產或負債之可觀察參數，不論直接(即價格)或間接(即衍生自價格)(第二層)；
- 並非根據可觀察市場數據的資產或負債參數(即不可觀察參數)(第三層)。

下表呈列本集團按公平值計量的資產及負債：

	二零二三年三月三十一日				二零二二年三月三十一日			
千歐元	第一層[(a)]	第二層[(b)]	第三層[(c)]	總計	第一層[(a)]	第二層[(b)]	第三層[(c)]	總計
資產								
按公平值計量的衍生工具(附註17)	–	2,337	–	2,337	–	1,931	–	1,931
按公平值列入損益的財務資產(附註6.1)	–	–	8,645	8,645	–	–	–	–
按公平值列入其他綜合收益的財務資產(附註13)	9,416	2,847	25,617	37,880	9,079	2,306	21,732	33,117
總資產	**9,416**	**5,184**	**34,262**	**48,862**	**9,079**	**4,237**	**21,732**	**35,048**
負債								
按公平值計量的衍生工具(附註17)	–	248	–	248	–	1,208	–	1,208
其他財務負債(附註6.3)	–	–	338,650	338,650	–	–	171,865	171,865
總負債	**–**	**248**	**338,650**	**338,898**	**–**	**1,208**	**171,865**	**173,073**

(a) 於活躍市場買賣的金融工具公平值(如股本證券)乃根據結算日的市場報價計算。如報價可於交易所、交易商、經紀、行業團體、定價服務或監管機構即時及定期取得，且該等價格代表實際及定期發生的公平市場交易，則該市場視為活躍。本集團持有的財務資產所用的市場報價為現行買入價。該等工具計入第一層。

(b) 並非於活躍市場買賣的金融工具(如場外交易的衍生工具)的公平值乃由外部對手方使用基於各結算日現行市況的方法及假設釐定。利率掉期的公平值按估計未來現金流量的現值計算。遠期外匯合約的公平值乃按結算日所報遠期匯率計算。倘計算工具公平值的所有重要參數均可觀察，有關工具計入第二層。

(c) 倘一項或多項重要參數並非根據可觀察市場數據，則有關工具計入第三層。

於二零二二年三月三十一日，用於計量分類為第二層的若干投資的公平值的部分數據並非直接基於可觀察及可識別市場數據。因此，本集團修改按公平值列入其他綜合收益的財務資產的分類，於二零二二年三月三十一日相應投資由第二層重新分類至第三層，金額為21,700,000歐元。對該等投資的公平值並無影響。

合併財務報表附註

3. 財務風險管理*(續)*

3.3. 公平值估計*(續)*

使用於活躍市場買賣的金融工具作出之公平值計量(第一層)

於二零二一年五月十日，本集團以10,000,000歐元淨額收購Carbios S.A.股份，其專注於回收塑膠及包裝產品，包括折舊總額584,000歐元(少於全部股份的3%)，其中337,000歐元於截至二零二三年三月三十一日止年度撥回。

使用第一層包括的報價以外資產或負債之可觀察參數作出之公平值計量(第二層)。

下表呈列截至二零二三年三月三十一日止期間第二層工具之變動：

千歐元	於二零二二年三月三十一日之財務資產	由第二層轉撥至第三層	新財務資產	出售	於其他綜合收益確認的收益／(虧損)	於損益確認的收益／(虧損)	匯兌差額	於二零二三年三月三十一日之財務資產
衍生金融工具(附註17)	1,931	–	–	–	–	406	–	2,337
按公平值列入其他綜合收益的其他投資	2,306	(325)	1,068	–	(230)	–	28	2,847
按公平值列入其他綜合收益的財務資產小計	**2,306**	**(325)**	**1,068**	**–**	**(230)**	**–**	**28**	**2,847**
財務資產總額(第二層)	**4,237**	**(325)**	**1,068**	**–**	**(230)**	**406**	**28**	**5,184**

千歐元	於二零二二年三月三十一日之財務負債	由第二層轉撥至第三層	新財務負債	出售	於其他綜合收益確認的收益／(虧損)	於損益確認的收益／(虧損)	匯兌差額	於二零二三年三月三十一日之財務負債
衍生金融工具(附註17)	1,208	–	–	–	–	(960)	–	248
財務負債總額(第二層)	**1,208**	**–**	**–**	**–**	**–**	**(960)**	**–**	**248**

3. 財務風險管理(續)

3.3. 公平值估計(續)

使用重大不可觀察輸入數據(第三層)作出之公平值計量

下表呈列截至二零二三年三月三十一日止年度第三層工具之變動：

第三層

千歐元	於二零二二年三月三十一日之財務資產	由第二層轉撥至第三層	新財務資產	出售	於其他綜合收益確認的收益/(虧損)	於損益確認的收益/(虧損)	折現回撥	匯兌差額	行使價估值估計變動	於二零二三年三月三十一日之財務資產
按公平值列入損益的財務資產										
出售L'Occitane Russia的應收款項										
公平值(附註13)	–	–	44,546	–	–	(35,901)	–	–	–	8,645
按公平值列入其他綜合收益的財務資產										
SCPI FI Commerce(房地產投資基金)	9,520	–	–	–	(441)	–	–	–	–	9,079
Truffle投資	10,413	–	5,400	–	(2,056)	–	–	–	–	13,757
其他投資	1,799	325	820	(38)	(125)	–	–	–	–	2,781
按公平值列入其他綜合收益的財務資產小計	**21,732**	**325**	**6,220**	**(38)**	**(2,622)**	**–**	**–**	**–**	**–**	**25,617**
財務資產總額(第三層)	**21,732**	**325**	**50,766**	**(38)**	**(2,622)**	**(35,901)**	**–**	**–**	**–**	**34,262**

千歐元	於二零二二年三月三十一日之財務負債	由第二層轉撥至第三層	新財務負債	出售	於其他綜合收益確認的(收益)/虧損	於損益確認的(收益)/虧損	折現回撥	匯兌差額	行使價估值估計變動	於二零二三年三月三十一日之財務負債
其他財務負債(附註6.3)	171,865	–	45,532	–	–	–	2,732	2,561	115,960	338,650
財務資產總額(第三層)	**171,865**	**–**	**45,532**	**–**	**–**	**–**	**2,732**	**2,561**	**115,960**	**338,650**

按公平值列入其他綜合收益的資產

按公平值列入其他綜合收益的財務資產中，其他投資對應於一項1,400,000歐元的投資及12項個別低於200,000歐元的其他投資；對於所有投資，具有投票權的股份比例低於20%。

合併財務報表附註

3. 財務風險管理*(續)*

3.3. 公平值估計*(續)*

評估出售L'Occitane Russia的應收款項公平值的考慮因素

主要特徵
誠如附註6.1所述，該交易的主要特徵如下：

- 股份付款將於二零二五年六月至二零二八年六月期間分四期支付；
- 股份付款以二零二二年六月三日簽署的質押協議作擔保；
- 本集團於二零二五年、二零二六年、二零二七年、二零二八年及二零二九年六月三日可行使認購期權。行使價以獨立專家將釐定的俄羅斯業務的公平值為基礎。

出售**L'Occitane Russia**的應收款項分類
根據國際財務報告準則第9號，出售L'Occitane Russia的應收款項不符合SPPI標準，被視為無追索權貸款。因此，應收款項不能按攤銷成本計量，按公平值計入損益估值。

評估公平值
為評估應收款項公平值，考慮以下情況：

- 投資者可按合約分期付款：本集團將收取現金流量；
- 投資者無法支付合約分期付款：本集團將收取抵押品，即俄羅斯實體的股份。

影響應收款項價值的主要因素是俄羅斯實體的盧布股權價值以及匯率及相關波動性。

付款的可選性質需要擴散模型來評估風險因素；並使用蒙特卡洛模型來釐定公平值。

3. 財務風險管理(續)

3.3. 公平值估計(續)

評估出售L'Occitane Russia的應收款項公平值的考慮因素(續)

評估公平值

應收款項公平值乃根據以下主要假設評估：

主要假設	於二零二二年六月三日	於二零二三年三月三十一日
用於估計盧布股權價值的假設(根據貼現未來現金流量估計的企業價值 − 淨債務)		
業務計劃期間(年)	4	3
計劃內淨銷售年增長率	2.5%	2.5%
4年計劃內平均EBITDA (%)（EBITDA: 除折舊、攤銷及減值前的經營溢利）	31.8%	32.4%
長期增長率	4.5%	4.0%
除稅後折現率	28.0%	30.0%
股權價值(千盧布)	5,050,000	4,183,222
透過蒙特卡羅擴散模型估計應收款項公平值所用的假設		
市場輸入數據		
歐元及盧布無風險利率	歐元利率及遠期點數介乎1至6年	歐元利率及遠期點數介乎1至6年
盧布／歐元隱含波動率	介乎13%(2年)至48%(1星期)	介乎13%(2年)至25%(1星期)
即期匯率(歐元／盧布)	67.41	84.59
其他輸入數據		
附屬公司／外匯即期關聯度	0%	0%
基於市場指數歷史波動率的波動率(MOEX) (1)	35%	35%
流動性貼現前應收款項公平值(千歐元)	52,407	43,227
流動性貼現 (2)	15%	80%
應收款項公平值(千歐元)	44,546	8,645

(1) 鑑於附屬公司的波動率缺乏直接可觀察的市場，其波動率乃根據MOEX基準指數3年期間的歷史波動率估計(鑑於第一個期權為長期期權，到期日為二零二五年)。

(2) 流動性貼現已增加，以考慮戰爭持續及制裁帶來的不確定性增加。

根據該模型，出售L'Occitane Russia的應收款項公平值截至二零二二年六月三日為44,500,000歐元，截至二零二三年三月三十一日為8,600,000歐元。出售L'Occitane Russia的應收款項公平值變動在「財務成本」內入賬列為財務項目，虧損為35,900,000歐元(附註26)。

合併財務報表附註

3. 財務風險管理*(續)*

3.3. 公平值估計*(續)*

評估出售L'Occitane Russia的應收款項公平值的考慮因素(續)

敏感度分析
主要輸入數據與應收款項公平值的關係如下：

- 業務計劃期間複合年增長率增加至5%，於二零二二年六月三日及於二零二三年三月三十一日應收款項公平值(流動性貼現前)將分別增加7,600,000歐元及11,500,000歐元；
- 業務計劃期間複合年增長率減少至0%，於二零二二年六月三日及於二零二三年三月三十一日應收款項公平值(流動性貼現前)將分別減少11,300,000歐元及9,100,000歐元；
- 貼現率增加5%，於二零二二年六月三日及於二零二三年三月三十一日應收款項公平值(流動性貼現前)將分別減少3,300,000歐元及3,700,000歐元；
- 貼現率減少5%，於二零二二年六月三日及於二零二三年三月三十一日應收款項公平值(流動性貼現前)將分別增加4,000,000歐元及4,500,000歐元；
- EBITDA率增加5%，於二零二二年六月三日及於二零二三年三月三十一日應收款項公平值(流動性貼現前)將分別增加5,000,000歐元及9,100,000歐元；
- EBITDA率減少5%，於二零二二年六月三日及於二零二三年三月三十一日應收款項公平值(流動性貼現前)將分別減少6,700,000歐元及7,700,000歐元；
- 波動率減少至25%，於二零二二年六月三日及於二零二三年三月三十一日應收款項公平值(流動性貼現前)將分別增加3,600,000歐元及2,100,000歐元；
- 波動率增加至45%，於二零二二年六月三日及於二零二三年三月三十一日應收款項公平值(流動性貼現前)將分別減少4,100,000歐元及2,500,000歐元；
- 盧布／歐元外匯波動率增加5%，於二零二二年六月三日及於二零二三年三月三十一日應收款項公平值(流動性貼現前)將分別減少1,300,000歐元及900,000歐元。

其他財務負債(附註6.3)
其他財務負債對應於本集團授予非控股權益的認沽期權：

- Sol de Janeiro非控股權益之認沽期權285,100,000歐元；
- 14 Group S.A非控股權益之認沽期權23,400,000歐元；
- Grown Alchemist Holdings Pty Ltd.非控股權益之認沽期權10,000,000歐元；
- Elemis非控股權益之認沽期權13,800,000歐元；
- Symbiose Cosmetics France非控股權益之認沽期權4,400,000歐元；
- L'Occitane GmbH非控股權益之認沽期權1,900,000歐元。

其他金融工具之公平值(未確認)
本集團亦擁有多項未於資產負債表按公平值計量之金融工具(銀行借貸)。大部分該等工具的公平值與其賬面值並無重大不同，原因為應收／應付利息均與現行市價接近或該等工具均屬短期性質。

4. 重大會計估計及判斷

本集團對未來作出估計及假設。顧名思義，由此產生之會計估計，於極少情況下會與實際結果相符。

估計用於(但不限於)非流動資產的折舊、攤銷及減值(附註2.6、2.7及2.8)、將收購成本超出所收購淨資產賬面值的金額分配至合約客戶關係及未完成合約(附註2.5)、不確定使用年期商標(附註2.5)、租賃負債計量(附註2.7)、存貨估值(附註2.11)、存貨撥備(附註2.11)、撥備計量(附註2.19)、應收貿易賬款撥備(附註2.12)、收益確認(附註2.22)、即期及遞延所得稅(附註2.29)、衍生工具公平值(附註2.14)、以股份支付款項的估值(附註19.3)、認沽期權估值(附註6.3)、或然事項(附註31)、Grown Alchemist購買價分配(附註6.1)及出售L'Occitane Russia的應收款項公平值估計，代表期內新的重大估計(附註3.3及6.1)。

估計及判斷會持續評估，並根據過往經驗及其他因素釐定，包括於有關情況下相信為對未來事件合理的預期。實際結果可能與該等估計不同。

極可能導致須對下個財政年度之資產及負債之賬面值作出重大調整之估計及判斷討論如下。

4.1. 非流動資產之減值測試

無形資產(包括商譽及商標)、物業、廠房及設備及使用權資產的減值測試乃根據附註2.8所述會計政策進行。

商譽及商標分配至經營分部(根據專責管理團隊的責任界定為一個或多個品牌)。

於品牌層面監察的現金產生單位組別可收回金額按使用價值計算基準釐定。

釐定使用價值時參照未來現金流預測，當中計及金錢時間價值及現金產生單位應佔的特定風險。未來現金流預測乃根據中期預算及計劃。該等計劃為4至5年期間制定。4或5年期間後的現金流使用下述估計長期增長率推算。該等長期增長率與經營商標的策略及各現金產生單位經營所在板塊的特定行業報告所載的預測分析貫徹一致釐定。

計劃考慮通貨膨脹環境，其可能影響成本，但亦反映在產品售價。因此，管理層認為其活動不會受到通脹環境的重大影響。

合併財務報表附註

4. 重大會計估計及判斷*(續)*

4.1. 非流動資產之減值測試*(續)*

計算主要商譽及商標可收回金額的使用價值所用的主要假設如下：

二零二三年三月三十一日 *百萬歐元*		**Elemis**	**LimeLife**	**Melvita**	**Sol de Janeiro**
業務計劃期間(年)		5	5	5	5
計劃內淨銷售複合年增長率		19.6%	14.7%	20.8%	17.8%
計劃內平均**EBITDA**百分比		23.2%	5.8%	(2.6)%	19.8%
長期增長率		1.9%	1.9%	1.9%	1.9%
除稅後折現率		9.6%	8.7%	9.5%	8.7%
減值測試前資產賬面值					
	商譽	530.4	122.0	35.9	213.2
	商標	285.8	–	14.1	165.9
	其他項目	94.7	21.8	2.2	7.2
可收回金額		1,214.5	91.3	29.4	908.4
所得差額／(減值虧損)		303.7	(52.5)	(22.8)	518.1

就LimeLife及Melvita而言，考慮到過往期間業績表現欠佳，低於預期，管理層下調其銷售及EBITDA目標估計使用價值。管理層已確定公平值減出售成本不會高於使用價值計算。

就Melvita而言，透過確認商譽減值虧損總額22,800,000歐元，現金產生單位賬面值已減少至可收回金額。就LimeLife而言，透過確認商譽減值虧損總額52,500,000歐元，現金產生單位賬面值已減少至可收回金額。

並無其他類別資產出現減值。該等虧損計入經營溢利內的「其他經營開支」，並分配至分部資料內的「其他品牌」(附註5)。

4. 重大會計估計及判斷*(續)*

4.1. 非流動資產之減值測試*(續)*

二零二二年三月三十一日 百萬歐元		Elemis	LimeLife	Melvita	Sol de Janeiro
業務計劃期間(年)		4	5	5	5
計劃內淨銷售複合年增長率		27.3%	32.7%	21.0%	60.0%
計劃內平均**EBITDA**百分比		24.1%	6.8%	10.7%	22.3%
長期增長率		2.1%	2.0%	1.4%	2.1%
除稅後折現率		8.7%	8.5%	8.2%	8.5%
減值測試前資產賬面值					
	商譽	538	169	36	253
	商標	284	–	14	163
	其他項目	67	21	9	(17.6)*
可收回金額		1,279	255	80	397
所得差額		390	64	21	219

(*) 主要包括就商標確認的遞延稅項資產33,600,000歐元(附註6.2)。

假設	釐定價值使用的方法
淨銷售複合年增長率(「複合年增長率」)	計劃內平均年增長率根據過往表現、管理層對市場發展的預期、策略定位、目前行業趨勢及包括各區的長期通脹預測。 預測年增長率可高於過往表現及目前平均行業趨勢，此乃由於實施策略定位措施及品牌國際發展的預期影響。
預算**EBITDA**	EBITDA定義如下：除折舊、攤銷及減值前的經營溢利。 基於國際財務報告準則第16號的影響，預算EBITDA不包括租賃開支。 加權EBITDA表示為預測期間佔淨銷售百分比。預算EBITDA乃根據過往表現及管理層對未來的預期，當中計及各國家及分銷渠道／次級渠道(零售、線上渠道、批發及其他)的業務發展策略。
長期增長率	加權平均增長率用於推算預算期後的現金流。考慮到國家組合、原材料成本上漲及通脹，增長率與預測一致。

合併財務報表附註

4. 重大會計估計及判斷*(續)*

4.1. 非流動資產之減值測試*(續)*

假設	釐定價值使用的方法
除稅後折現率	使用商標的各國家的加權平均資本成本。其反映涉及相關分部及本集團經營所在國家的特定風險。
終值	可持續長期現金流透過假定ELEMIS、Melvita、LimeLife及Sol de Janeiro二零二八財年計劃的估計現金流釐定。
其他假設	管理層已根據其過往經驗及計劃策略使用其他假設，如營運資金需求(存貨週轉率、銷售變現天數及應付款項週轉天數)及年度資本開支。
差額／(減值虧損)	差額或減值虧損計算為可收回金額與本集團用以營運商標的所有資產：商譽、扣除相關遞延稅項負債的商標、使用權資產、物業、廠房及設備及營運資金的差額。

敏感度分析

如主要假設按下文所述個別變化，ELEMIS及Sol de Janeiro現金產生單位的可收回金額與其賬面值相等：

	ELEMIS	**Sol de Janeiro**
複合年增長率	16.8%	8.4%
每年業務計劃的**EBITDA**百分比減少	5.1個百分點	10.2個百分點
加權平均資本成本	12.0%	16.9%
長期增長率	–1.4%	–13.6%

如主要假設按下文所述個別變化，LimeLife及Melvita現金產生單位的可收回金額將減少：

額外減值虧損由於：	**LimeLife**	**Melvita**
複合年增長率減少**100**個基點	3,300,000歐元	1,400,000歐元
每年**EBITDA**百分比減少**50**個基點	4,000,000歐元	3,800,000歐元
加權平均資本成本增加**50**個基點	6,200,000歐元	2,900,000歐元
長期增長率減少**50**個基點	4,800,000歐元	2,300,000歐元

L'Occitane en Provence的估計使用價值大幅超出商譽賬面值，由於其幅度甚大，概無任何主要假設的合理可能變動可消除差額。

4.2. 折舊及攤銷期

本集團確定使用期主要涉及店鋪的無形資產及物業、廠房及設備。使用權資產根據附註2.7所述會計政策按直線基準攤銷，並根據附註2.8所述會計政策進行減值測試。

4. 重大會計估計及判斷(續)

4.3. 其他財務負債

本集團對因業務合併及與非控股股東的其他交易而產生的非控股權益擁有多項認沽期權。認沽期權產生的負債根據合約公式估計，主要使用EBITDA或EBIT(根據公司的計劃估計，撇除國際財務報告準則第16號的影響)釐定價格。該價值已折現，反映當前市場對時間價值及負債特定風險的評估。

4.4. 業務合併

年內收購的會計處理包括收購資產及負債，尤其是新確認的無形資產的估計價值。此估值過程獲外部專家支持，並納入與未來溢利增長率、EBIT利潤率及其他商業考慮相關的假設。亦估計該等新資產的可用經濟年期。所形成的估計變動，包括通過暫定價值的調整和資產的可用經濟年期的預期變化，可能導致資產負債表及收益表內呈報金額因收購而出現變化。

4.5. 所得稅

本集團須繳納多個司法權區的所得稅。釐定所得稅的全球撥備時，須作出重大判斷。於日常業務過程中，有多項交易及計算的最終稅務評估未能確定。本集團根據有否額外稅項的估計而確認所預期稅務審核事宜的責任。凡該等事宜的最終稅務結果有別於初步記錄的金額，該等差異將影響作出有關評估的期間的即期及遞延所得稅資產及負債。

4.6. 按公平值的投資

本集團按公平值列入其他綜合收益計量部分金融工具。此估計與該等分類為第二及三層的有關(附註3.3)。

4.7. 出售L'Occitane Russia的應收款項

本集團根據評估風險因素的擴散模型及釐定公平值的蒙特卡洛模型計量按公平值列入損益的出售L'Occitane Russia的應收款項(附註3.3)。

合併財務報表附註

5. 分部資料

有關分部資料的會計政策，請參閱附註2.4。

5.1. 經營分部

管理層根據各經營分部的經營溢利／(虧損)計量其溢利或虧損。經營分部資料如下：

二零二三年三月三十一日 *千歐元*	**L'Occitane en Provence**	**ELEMIS**	**Sol de Janeiro**	其他品牌	總計
銷售淨額	**1,421,214**	**255,945**	**266,989**	**190,541**	**2,134,689**
佔總計百分比	*66.6%*	*12.0%*	*12.5%*	*8.9%*	*100%*
毛利	**1,201,277**	**186,730**	**190,369**	**139,766**	**1,718,141**
佔銷售淨額百分比	*84.5%*	*73.0%*	*71.3%*	*73.4%*	*80.5%*
分銷開支	(596,614)	(58,334)	(43,094)	(86,660)	(784,702)
營銷開支	(208,184)	(52,959)	(61,529)	(45,037)	(367,709)
研發開支	(15,544)	(2,236)	(1,267)	(3,434)	(22,481)
一般及行政開支	(144,682)	(21,523)	(18,815)	(16,478)	(201,498)
分佔聯營公司及合營企業溢利／(虧損)	(16,590)	–	–	–	(16,590)
其他經營收入	3,211	64	–	785	4,060
其他經營開支	(14,709)	(39)	–	(75,341)	(90,089)
經營溢利／(虧損)	**208,165**	**51,703**	**65,664**	**(86,399)**	**239,132**
佔銷售淨額百分比	*14.6%*	*20.2%*	*24.6%*	*(45.3%)*	*11.2%*

二零二二年三月三十一日 *千歐元*	**L'Occitane en Provence**	**ELEMIS**	**Sol de Janeiro**	其他品牌	總計
銷售淨額	**1,360,991**	**226,317**	**26,081**	**167,969**	**1,781,358**
佔總計百分比	*76.4%*	*12.7%*	*1.5%*	*9.4%*	*100.0%*
毛利	**1,154,563**	**167,507**	**18,176**	**123,169**	**1,463,415**
佔銷售淨額百分比	*84.8%*	*74.0%*	*69.7%*	*73.3%*	*82.2%*
分銷開支	(563,867)	(46,575)	(2,224)	(85,701)	(698,367)
營銷開支	(194,463)	(48,764)	(8,101)	(29,503)	(280,831)
研發開支	(14,570)	(1,595)	(92)	(2,650)	(18,907)
一般及行政開支	(131,060)	(18,853)	(7,324)	(15,764)	(173,001)
分佔聯營公司及合營企業溢利／(虧損)	(13,640)	–	–	–	(13,640)
其他經營收入	38,990	4	–	130	39,124
其他經營開支	(6,779)	(206)	–	(94)	(7,079)
經營溢利／(虧損)	**269,174**	**51,518**	**435**	**(10,413)**	**310,714**
佔銷售淨額百分比	*19.8%*	*22.8%*	*1.7%*	*(6.2%)*	*17.4%*

概無重大分部間轉移或交易。

5. 分部資料(續)

5.2. 地理區域

(a) 按地點劃分之銷售淨額

銷售淨額乃根據發單附屬公司所在的以下地點而分配：

	二零二三年		二零二二年	
千歐元	總計	所佔百分比	總計	所佔百分比
亞洲	896,231	*42.0%*	875,420	*49.1%*
包括中國	*298,096*	*14.0%*	*327,994*	*18.4%*
美洲	695,016	*32.6%*	343,306	*19.3%*
包括美國	*581,267*	*27.2%*	*251,725*	*14.1%*
歐洲、中東及非洲	543,443	*25.5%*	562,632	*31.6%*
銷售淨額	**2,134,689**	***100%***	**1,781,358**	***100%***

在歐洲、中東和非洲總計中包含盧森堡的銷售淨額。二零二三財年及二零二二財年金額為零。

(b) 按地點劃分之非流動資產

下表呈列按擁有資產的附屬公司所在地點予以分配並按地點劃分的非流動資產的明細。

	二零二三年			二零二二年		
千歐元	物業、廠房及設備	使用權資產	無形資產	物業、廠房及設備	使用權資產	無形資產
亞洲	28,528	74,959	1,556	25,980	71,648	1,438
包括中國	*7,079*	*7,151*	*707*	*6,852*	*6,995*	*757*
美洲	22,654	71,058	450,577	26,005	79,391	445,191
包括美國	*10,796*	*43,266*	*449,638*	*12,460*	*50,167*	*444,401*
歐洲、中東及非洲	74,053	125,639	38,055	76,739	113,895	40,726
包括盧森堡	*5*	*220*	*1,419*	*810*	*9,399*	*20,087*
總計	**125,234**	**271,656**	**490,188**	**128,724**	**264,934**	**487,355**

合併財務報表附註

6. 有關本集團架構的資料

6.1. 截至二零二三年三月三十一日止年度

6.1.1 退出俄羅斯

於二零二二年五月十九日，本集團決定退出其附屬公司L'Occitane Russia。該附屬公司佔截至二零二二年三月三十一日止年度合併銷售淨額3.5%及本集團於該日總資產的2.1%。於二零二二年六月三日，本集團與該附屬公司的四名主要董事簽立股份購買協議。四名主要董事各自持有先前由本集團持有股份總額之23%至31%。

股份付款將於二零二五年六月至二零二八年六月期間分四期支付(附註3.3)，並以二零二二年六月三日簽署的質押協議作擔保。本集團於二零二五年、二零二六年、二零二七年、二零二八年及二零二九年四月一日可行使認購期權。行使價以獨立專家釐定的公平值為基礎。

基於該等協議，本集團不再擁有對該俄羅斯實體的獨家控制權且並無重大影響力。於二零二二年五月三十一日完成退出本集團(二零二二年五月三十一日至協議日期之間的三天被管理層評為不重大)。

終止確認**L'Occitane Russia**的資產及負債
以下L'Occitane Russia的資產(包括商譽)及負債已終止確認：

資產 *百萬歐元*	二零二二年 五月三十一日
物業、廠房及設備	2.1
使用權資產	15.9
商譽	28.5
無形資產	0.6
遞延所得稅資產	2.8
其他非流動資產	1.2
非流動資產	**51.0**
存貨	10.2
應收貿易賬款	8.1
其他流動資產	2.7
現金及現金等價物	11.7
流動資產	**32.7**
總資產	**83.8**
租賃負債	9.8
其他非流動負債	0.2
非流動負債	**10.0**
應付貿易賬款	15.3
社會及稅項負債	3.3
租賃負債	6.5
其他流動負債	1.0
撥備	0.0
其他流動負債	**26.1**
總負債	**36.1**
資產淨值	**47.6**

6. 有關本集團架構的資料*(續)*

6.1. 截至二零二三年三月三十一日止年度*(續)*

6.1.1 退出俄羅斯(續)

終止確認**L'Occitane Russia**的資產及負債*(續)*

四月及五月兩個月的活動對合併財務報表的影響為銷售淨額10,400,000歐元及溢利1,200,000歐元。

出售**L'Occitane Russia**導致虧損

於二零二二年六月三日估計出售資本虧損為14,400,000歐元，包括(百萬歐元)：

非流動性貼現後應收款項公平值	44.6
(-) 於二零二二年六月三日俄羅斯實體的資產淨值	47.6
(-) 應收貿易賬款虧損淨額及合併入賬撥回	(0.6)
貨幣換算差額重新分類前出售L'Occitane Russia的資本虧損	**(3.6)**
(-) 將先前在其他綜合收益確認的費用重新分類至收益表(貨幣換算差額)	(10.8)
出售L'Occitane Russia的資本虧損	**(14.4)**

資本虧損計入收益表「其他經營開支」內(應收款項公平值詳情見附註3.3)。

6.1.2 收購Grown Alchemist

於二零二二年四月一日，L'Occitane International S.A.向LOG Investment(母公司L'Occitane Group S.A.的附屬公司)以5,033,000歐元收購14 Groupe S.A.的49.24%股權(佔76.18%投票權)。14 Groupe S.A持有Grown Alchemist的65%股權及投票權。L'Occitane International S.A持有Grown Alchemist的32.01%股權。

由於交易為共同控制下的業務合併，本集團類推應用國際財務報告準則第3號，並使用收購法進行會計處理。

Grown Alchemist為澳洲品牌，在護膚品、身體護理、護髮和營養化妝品補充劑領域取得跨界成功。

收購代價(千歐元)

代價明細如下：

已付現金	5,033
已發行普通股	–
或然代價	–
權益百分比	32.01%
本集團所收購可識別資產淨額	1,645
暫定商譽	**3,388**

合併財務報表附註

6. 有關本集團架構的資料*(續)*

6.1. 截至二零二三年三月三十一日止年度*(續)*

6.1.2 收購Grown Alchemist (續)

所收購資產及所承擔負債(百萬歐元)

資產 *百萬歐元*	賬面值 — 二零二二年四月一日	公平值調整	公平值
物業、廠房及設備淨額	1.0	–	1.0
無形資產淨額	0.2	–	0.2
其他非流動應收款項	0.1	–	0.1
非流動資產	**1.3**	**–**	**1.3**
存貨	5.6	–	5.6
應收貿易賬款	1.9	–	1.9
其他流動資產	0.4	–	0.4
現金及現金等價物	1.5	–	1.5
流動資產	**9.3**	**–**	**9.3**
總資產	**10.6**	**–**	**10.6**
負債 *千歐元*			
借貸	2.7	–	2.7
非流動負債	**2.7**	**–**	**2.7**
應付貿易賬款	1.5	–	1.5
社會及稅項負債	0.4	–	0.4
其他流動負債	0.9	–	0.9
流動負債	**2.8**	**–**	**2.8**
負債總額	**5.5**	**–**	**5.5**
所收購可識別資產淨額	5.1	–	5.1
減：非控股權益	(3.5)	–	(3.5)
加：商譽	–	–	3.4
所收購資產淨額	**1.6**	**–**	**5.0**

6. 有關本集團架構的資料*(續)*

6.1. 截至二零二三年三月三十一日止年度*(續)*

6.1.2 收購Grown Alchemist (續)

所收購資產及所承擔負債(百萬歐元)*(續)*

本集團按非控股權益在被收購實體可識別資產中的比例份額確認被收購實體的非控股權益。

本集團授予非控股權益的認沽期權根據會計政策計量(附註2.2)。

商譽歸因於本集團在品牌知名度及識別、產品質量、管理能力以及增長、盈利能力和現金產生前景方面的收購戰略契合。此次收購符合本集團打造領先優質美容品牌組合的策略。

對銷售淨額及溢利的貢獻

收購業務對合併財務報表內本集團的銷售淨額及虧損的貢獻分別為15,000,000歐元及4,200,000歐元。

6.1.3 投資L'Occitane Middle East

於二零二二年六月一日，本集團對L'Occitane Middle East額外投資13,500,000歐元現金以發展於沙特阿拉伯的業務。權益比例穩定在51%(附註11)。

6.2. 截至二零二二年三月三十一日止年度

6.2.1 收購Sol de Janeiro

於二零二一年十二月二十三日，本集團以總代價378,700,000歐元收購Sol de Janeiro的82.86%(授予非控股股東的認沽期權另見附註6.3)。

收購代價(百萬歐元)

代價明細如下：

已付現金	330,877
已發行普通股	–
或然代價	–
權益百分比	82.86%
本集團所收購可識別資產淨額	154,799
暫定商譽	**202,618**

於二零二三年三月三十一日，最終商譽為203,000,000歐元。

合併財務報表附註

6. 有關本集團架構的資料*(續)*

6.2. 截至二零二二年三月三十一日止年度*(續)*

6.2.1 收購Sol de Janeiro(續)

所收購資產及所承擔負債

資產 *千歐元*	賬面值 – 二零二一年十二月三十一日	公平值調整	公平值
物業、廠房及設備淨額	0.9	–	0.9
無形資產淨額	1.1	156.7	157.8
遞延所得稅資產	2.7	–	2.7
其他非流動應收款項	0.3	–	0.3
非流動資產	**5.0**	**156.7**	**161.7**
存貨	20.2	–	20.2
應收貿易賬款	5.9	–	5.9
其他流動資產	6.3	–	6.3
現金及現金等價物	8.7	–	8.7
流動資產	**41.1**	**–**	**41.1**
總資產	**46.0**	**156.7**	**202.7**
負債 *千歐元*			
遞延所得稅負債	–	35.3	35.3
非流動負債	**–**	**35.3**	**35.3**
應付貿易賬款	9.3	–	9.3
社會及稅項負債	0.4	–	0.4
其他流動負債	3.0	–	3.0
流動負債	**12.7**	**–**	**12.7**
負債總額	**12.7**	**35.3**	**47.9**
所收購可識別資產淨額	**33.3**	**121.4**	**154.8**
減：非控股權益	(5.7)	(20.8)	(26.5)
加：商譽	–	–	202.6
所收購資產淨額	**27.6**	**100.6**	**330.9**

本集團按非控股權益在被收購實體可識別資產中的比例份額確認被收購實體的非控股權益。

商譽歸因於本集團在品牌知名度及識別、產品質量、管理能力以及增長、盈利能力和現金產生前景方面的收購戰略契合。此次收購符合本集團打造領先優質美容品牌組合的策略。

6. 有關本集團架構的資料(續)

6.2. 截至二零二二年三月三十一日止年度(續)

6.2.1 收購Sol de Janeiro(續)

購買價分配及公平值調整
購買價分配按Sol de Janeiro的可識別資產及負債按二零二一年十二月三十一日的公平值計量。

公平值調整如下：

- 商標的公平值採用特許權使用費法估計，淨特許權使用費率為7.7%，除稅後折現率為10.3%，包括正面稅項攤銷效應；
- 遞延稅項負債於商標公平值調整時確認。

於二零二二年三月三十一日，上述公平值為暫定基準。所收購可識別資產淨值乃基於二零二一年十二月三十一日資產及負債賬面淨值。於二零二三年三月三十一日，上述公平值為最終值。

二零二一年十二月二十三日收購日期與二零二一年十二月三十一日的合併之間的影響並不重大。

對銷售淨額及溢利的貢獻
二零二一年十二月三十一日至二零二二年三月三十一日期間收購業務對本集團銷售淨額貢獻為26,100,000歐元及對溢利貢獻為2,000,000歐元。

如收購在二零二一年四月一日發生，截至二零二二年三月三十一日止年度合併未經審核備考銷售淨額及溢利將分別為90,500,000歐元及15,500,000歐元。

收購相關成本
收購相關成本為2,900,000歐元，確認為行政開支。收購成本包括500,000歐元的保險成本，對應保險公司承保並由本公司支付的責任擔保條款。

6.2.2 L'Occitane Inc.申請第11章破產保護令的程序

背景
於二零二一年一月十四日，董事會批准就L'Occitane Inc.申請第11章破產保護令的決定。該案件於二零二一年一月二十六日向新澤西州破產法院(「法院」)提交。程序旨在促進與出租人磋商租賃安排。目標為達成一致計劃，據此，一般無抵押債權人(主要為出租人)同意接受少於負債全額的付款。並無計劃將附屬公司清盤。

本集團擁有L'Occitane Inc.的100%權益。然而，根據第11章破產保護令程序適用的法律限制，L'Occitane Inc.的經營活動乃透過須經法院認可的動議管理。法院向L'Occitane Inc.授出經營業務的動議可由同一法院推翻。本集團不再控制相關活動。因此，L'Occitane Inc.的獨家控制權於破產程序提交後隨即失去。L'Occitane Inc.於向法院提起程序之日(二零二一年一月二十六日)不再綜合入賬。於終止確認L'Occitane Inc.的資產及負債後，本集團於L'Occitane Inc.的投資採用權益法入賬。

合併財務報表附註

6. 有關本集團架構的資料*(續)*

6.2. 截至二零二二年三月三十一日止年度*(續)*

6.2.2 L'Occitane Inc.申請第11章破產保護令的程序(續)

背景*(續)*

截至二零二一年八月三十一日，第11章破產保護令由法院審結及該日視為L'Occitane Inc.重新綜合入賬的生效日期，因為法院對L'Occitane Inc.並無控制權。故此，本集團於該日取回附屬公司的獨家控制權，其已綜合入賬至合併財務報表。

於合併財務報表，L'Occitane Inc.營運的影響呈列如下：

- 於二零二一年四月一日至二零二一年八月三十一日作為使用權益法入賬的投資：合併收益財務報表的純損為8,900,000歐元及呈列為「使用權益法入賬的分佔聯營公司及合營企業溢利／(虧損)」(附註11)；
- 於二零二一年九月作為完全綜合入賬的附屬公司。二零二一年九月至二零二二年三月期間銷售淨額及純利分別為89,700,000歐元及2,500,000歐元。

本集團於**L'Occitane Inc.**的投資公平值

於二零二一年八月三十一日，本集團重新計量L'Occitane Inc.的公平值為0歐元，包括與本集團的債權人往來賬目19,942,000歐元，視為淨債務的一部分。

估計L'Occitane Inc.的零公平值的主要相關假設如下：

- 根據折現現金流量法(50%)及上市公司倍數法(50%)，企業價值估計介乎40,000,000美元至44,900,000美元；
- 就折現現金流量法而言，年增長率(複合年增長率)及EBIT利潤率分別估計為2%及2.5%。所採用加權平均資本成本為9.5%。最終價值計及與美國通脹預測數據一致的2%長期增長率；
- 就上市公司倍數法而言，適用的收益倍數乃按0.23倍至0.27倍的範圍估計及所適用的EBIT倍數估計介乎10.6倍至11.6倍；
- 債務淨額由企業價值減少42,300,000美元，以計入公司間貸款、現金、營運資金淨額正常化及有關第11章破產保護令程序完結的現金支出(應付業主賬款、應付業主賬款拒付部分及專業費用)。

6. 有關本集團架構的資料(續)

6.2. 截至二零二二年三月三十一日止年度(續)

6.2.2 L'Occitane Inc.申請第11章破產保護令的程序(續)

重新綜合入賬**L'Occitane Inc.**的已獲得資產及已承擔負債

L'Occitane Inc.投資的公平值0歐元視為收購價的一部分。

於二零二一年八月三十一日，以下L'Occitane Inc.資產及負債因重新綜合入賬而確認如下：

資產 *千歐元*	賬面值 – 二零二一年八月三十一日	公平值調整	暫定公平值
物業、廠房及設備淨額	12.3	–	12.3
無形資產淨額	0.3	–	0.3
使用權資產	55.3	–	55.3
遞延所得稅資	14.1	–	14.1
其他非流動應收款項	0.6	–	0.6
非流動資產	**82.5**	**–**	**82.5**
存貨	16.1	–	16.1
應收貿易賬款	5.9	–	5.9
即期所得稅	0.9	–	0.9
其他流動資產	3.8	–	3.8
現金及現金等價物	20.9	–	20.9
流動資產	**47.5**	**–**	**47.5**
總資產	**130.1**	**–**	**130.1**
負債 *千歐元*			
借貸	–	–	–
租賃負債	45.0	–	45.0
其他非流動負債	0.3	–	0.3
非流動負債	**45.3**	**–**	**45.3**
應付貿易賬款	50.3	–	50.3
社會及稅項負債	3.4	–	3.4
借貸	19.9	–	19.9
租賃負債	12.6	–	12.6
其他流動負債	3.7	–	3.7
撥備	0.1	–	0.1
流動負債	**90.1**	**–**	**90.1**
負債總額	**135.4**	**–**	**135.4**
獲得資產／(承擔負債)淨額	**(5.3)**	**–**	**(5.3)**
非控股權益	1.3	–	1.3
L'Occitane公平值	–	–	–
商譽	**6.6**	**–**	**6.6**

合併財務報表附註

6. 有關本集團架構的資料(續)

6.2. 截至二零二二年三月三十一日止年度(續)

6.2.2 L'Occitane Inc.申請第11章破產保護令的程序(續)

購買價分配及公平值調整
於購買價分配過程中，L'Occitane Inc.的可識別資產及負債按二零二一年八月三十一日的公平值計量。

公平值調整的依據如下：

- L'Occitane Inc.並無擁有任何商標；
- 客戶關係(批發及其他渠道)：鑒於並無長期獨家分銷協議，客戶關係公平值被視為不重大；
- 使用權資產按相等於已確認負債的金額計量。由於第11章破產保護令的程序期間與業主重新磋商租賃條款，新租賃條款反映市場條款及毋須公平值調整；
- 遞延稅項資產乃根據稅務計劃確認，當中計及本集團的轉讓定價政策；
- 租賃負債根據國際財務報告準則第16號計量及確認，猶如租賃合約於二零二一年八月三十一日為新租賃。

此業務合併產生的商譽源於未來協同效應，主要受惠於獲得經重組店舖網絡及重新磋商租賃安排。

就稅務而言概無可扣稅商譽。

6.2.3 投資Carbios

於二零二一年五月十日，本集團初步以10,000,000歐元收購Carbios S.A.股份，其專注於回收塑膠及包裝產品。所收購股份佔股本總額少於3%(附註3.3)。

6.2.4 投資L'Occitane Middle East

於二零二一年十月一日，本集團對L'Occitane Middle East額外投資4,924,138歐元以發展於杜拜的業務。權益比例穩定在51%。

6. 有關本集團架構的資料(續)

6.2. 截至二零二二年三月三十一日止年度(續)

6.2.5 收購Elemis非控股權益

於二零二二年三月二十八日，本集團以購買價76,600,000歐元向Chasselas Equity S.A.購回926股Elemis股份(相當於LOI Elemis Sarl已發行股本總額7.72%)。該等股份於二零一九年三月六日出售予Chasselas Equity S.A.。此收購後，本集團權益百分比由90.9%增至98.62%。

本集團確認非控股權益減少及本集團擁有人應佔權益減少。此收購的影響概述如下：

千歐元	二零二二年三月三十一日
所得非控股權益賬面值	68,878
已付非控股權益的代價	76,579
在權益中的與非控股權益的交易儲備中確認已付代價超額(本公司擁有人應佔)	**(7,701)**

6.2.6 於Symbiose France的新非控股權益

於二零二一年十二月十六日，Symbiose France的總經理以購買價1,000,000歐元收購Symbiose France的2.21%(相當於31股)。權益百分比由100%降至97.79%。

本集團確認非控股權益增加及本集團擁有人應佔權益增加。此收購的影響概述如下：

千歐元	二零二二年三月三十一日
所售非控股權益賬面值	147
已收非控股權益的代價	1,000
在權益中的與非控股權益的交易儲備中確認已收代價超額(本公司擁有人應佔)	**853**

於二零二二年三月三十一日Symbiose France的非控股股東及總經理獲授4,071,000歐元的認沽期權。認沽期權可於二零二五年行使。

合併財務報表附註

6. 有關本集團架構的資料*(續)*

6.3. 其他財務負債

其他財務負債的變動

其他財務負債主要對應認沽期權安排。本集團已向非控股權益授出以下認沽期權：

			與非控股權益的交易超額代價				
			授予非控股權益認沽期權行使價估值變動				
千歐元	具有認沽期權之非控股股東百分比	二零二二年三月三十一日	新認沽期權	行使價估值估計變動	折現回撥	匯兌差額	二零二三年三月三十一日
Sol de Janeiro非控股權益的認沽期權	17.30%	150,463	–	127,365	1,505	5,805	285,138
14 Groupe SA非控股權益的認沽期權	50.76%	–	27,900	(3,023)	793	(2,270)	23,400
Grown Alchemist非控股權益的認沽期權	35.00%	–	17,632	(6,832)	210	(974)	10,036
Elemis非控股權益的認沽期權	1.40%	15,435	–	(1,775)	111	–	13,771
Symbiose France非控股權益的認沽期權	2.20%	4,071	–	225	61	–	4,357
L'Occitane GmbH非控股權益的認沽期權	30%	1,896	–	–	52	–	1,948
其他財務負債總額		**171,865**	**45,532**	**115,960**	**2,732**	**2,561**	**338,650**

本集團將與(i)估計變動；(ii)匯兌差額；及(iii)折現回撥有關的所有變動在「就與非控股權益的交易超額代價」內權益入賬。

6. 有關本集團架構的資料*(續)*

6.3. 其他財務負債*(續)*

管理層用於釐定認沽期權現值的輸入數據

下表概述有關授予非控股權益的主要認沽期權贖回金額現值計量使用的重大不可觀察輸入數據的計量資料：

千歐元	贖回金額現值		不可觀察輸入數據	輸入數據範圍		不可觀察輸入數據與贖回金額現值的關係
	二零二二年三月三十一日	二零二三年三月三十一日		二零二二年三月三十一日	二零二三年三月三十一日	
Sol de Janeiro非控股權益的認沽期權	150,463	285,138	EBIT年增長率	17% / 27%	15% / 19%	EBIT年增長率增加100個基點會使現值增加2,851,000歐元。EBIT年增長率減少100個基點會使現值減少2,851,000歐元。
			複合年增長率(「複合年增長率」)	27%	19%	
			計劃內平均EBIT百分比	22%	20%	
Elemis非控股權益的認沽期權	15,435	13,771	EBITDA年增長率 複合年增長率(「複合年增長率」) 二零二四財年計劃內平均EBITDA百分比	不可觀察輸入數據與Elemis業務所用及附註4.1所披露者相同		EBITDA年增長率增加100個基點會使現值增加138,000歐元。EBITDA年增長率減少100個基點會使現值減少138,000歐元。
Symbiose Cosmetics非控股權益的認沽期權	4,071	4,357	EBITDA年增長率	17 / 27%	-6% / 26%	EBITDA年增長率增加100個基點會使現值增加19,000歐元。EBITDA年增長率減少100個基點會使現值減少19,000歐元。
			複合年增長率(「複合年增長率」)	9%	9%	
			計劃內平均EBITDA百分比	18%	20%	

合併財務報表附註

6. 有關本集團架構的資料*(續)*

6.3. 其他財務負債*(續)*

管理層用於釐定認沽期權現值的輸入數據(續)

千歐元	贖回金額現值		不可觀察輸入數據	輸入數據範圍		不可觀察輸入數據與贖回金額現值的關係
	二零二二年三月三十一日	二零二三年三月三十一日		二零二二年三月三十一日	二零二三年三月三十一日	
L'Occitane GmbH非控股權益的認沽期權	1,896	1,948	EBITDA年增長率	3% / 5%	1% / 5%	EBITDA年增長率增加100個基點會使現值增加19,000歐元。 EBITDA年增長率減少100個基點會使現值減少19,000歐元。
			複合年增長率(「複合年增長率」)	3%	2%	
			計劃內平均EBITDA百分比	26%	26%	
14 Groupe S.A非控股權益的認沽期權	–	23,400	EBITDA年增長率	–	27% / 33%	折現率增加100個基點及EBITDA年增長率減少100個基點會使現值減少683,000歐元。 折現率減少100個基點及EBITDA年增長率增加100個基點會使現值增加718,000歐元。
			複合年增長率(「複合年增長率」)	–	15%	
			計劃內平均EBITDA百分比	–	20%	
Grown Alchemist Holdings Pty Ltd非控股權益的認沽期權安排	–	10,036	在收購日，Grown Alchemist Holdings Pty Ltd非控股股東獲授認沽期權17,600,000歐元。於二零二三年五月四日，董事會批准以10,000,000歐元收購非控股股東所持股份。於二零二三年三月三十一日，認沽期權公平值對應股份購買價。			

6. 有關本集團架構的資料(續)

6.3. 其他財務負債(續)

認沽期權的其他考慮因素

假設	釐定價值使用的方法
折現率	反映時間價值的當前市場評估及負債特定的風險。
時間	管理層假設於行使期開始時行使認沽期權： • Sol de Janeiro認沽期權：行使期間為二零二五年至二零二七年 • Elemis認沽期權：自二零二四年四月一日起 • Symbiose認沽期權：行使期間為二零二四年至二零三七年 • L'Occitane GmbH認沽期權：自二零二七年三月一日起 • 14 Group S.A. 認沽期權：行使期間為二零二五年至二零二七年
EBITDA年增長率因素	EBITDA定義如下：除折舊、攤銷及減值前的經營溢利。 根據公司計劃估計，撇除國際財務報告準則第16號的影響
EBIT年增長率因素	EBIT對應經營溢利。 根據公司計劃估計，撇除國際財務報告準則第16號的影響
Sol de Janeiro認沽期權安排	授予Sol de Janeiro非控股權益的認沽期權可於不同期間行使，行使價基於EBIT倍數(20倍至17倍之間)。在非控股股東離開的若干情況下，倍數減少至最低為17倍。因特定原因終止僱傭關係時減少支付的或然代價安排，對應合併後服務的薪酬入賬列為社會負債，並在3年歸屬期內確認為薪酬開支(附註24)。
14 Groupe S.A. 認沽期權安排	授予14 Groupe S.A非控股權益的認沽期權可於二零二七財年行使，行使價基於EBITDA倍數。EBITDA倍數的增加與EBITDA增加(10倍至17倍)一致。

合併財務報表附註

7. 物業、廠房及設備

7.1. 截至二零二三年三月三十一日止年度

於二零二三年三月三十一日，物業、廠房及設備可分析如下：

千歐元	土地	樓宇	機器及設備	其他物業、廠房及設備	有關店舖的租賃物業裝修	有關店舖的其他物業、廠房及設備	在建物業、廠房及設備	總計
於二零二二年三月三十一日的成本	**3,476**	**61,026**	**71,725**	**113,140**	**136,815**	**34,982**	**5,502**	**426,666**
添置	–	4	4,252	13,366	19,576	3,241	3,230	43,669
出售	–	(332)	(1,720)	(6,484)	(12,112)	(3,263)	(798)	(24,709)
收購附屬公司	–	–	381	38	597	–	–	1,016
L'Occitane Russia不再綜合入賬	–	–	–	(2,522)	(3,438)	(3,231)	(87)	(9,278)
其他變動	–	18	4,560	1,203	6,968	2,914	(3,118)	12,545
匯兌差額	(43)	(200)	(158)	(573)	(3,673)	(224)	19	(4,852)
於二零二三年三月三十一日的成本	**3,433**	**60,516**	**79,040**	**118,168**	**144,733**	**34,419**	**4,748**	**445,057**
於二零二二年三月三十一日的累計折舊	–	**(32,054)**	**(51,337)**	**(94,170)**	**(93,841)**	**(26,540)**	**–**	**(297,942)**
折舊	–	(3,401)	(6,287)	(14,667)	(15,852)	(3,182)	–	(43,389)
撥回減值虧損	–	–	–	–	918	–	–	918
出售	–	262	1,721	6,137	10,886	3,217	–	22,223
L'Occitane Russia不再綜合入賬	–	–	–	1,547	2,990	2,664	–	7,201
其他變動	–	–	(3,536)	(351)	(6,081)	(2,556)	–	(12,524)
匯兌差額	–	31	73	604	2,809	173	–	3,690
於二零二三年三月三十一日的累計折舊	**–**	**(35,162)**	**(59,366)**	**(100,900)**	**(98,171)**	**(26,224)**	**–**	**(319,823)**
於二零二三年三月三十一日的賬面淨值	**3,433**	**25,354**	**19,674**	**17,268**	**46,562**	**8,195**	**4,748**	**125,234**

期內添置主要與開設及翻新87間店舖有關，為19,576,000歐元。

期內出售主要涉及106間店舖結業。

撇除非現金項目，總現金添置為43,901,000歐元。

7. 物業、廠房及設備(續)

7.2. 截至二零二二年三月三十一日止年度

於二零二二年三月三十一日，物業、廠房及設備可分析如下：

千歐元	土地	樓宇	機器及設備	其他物業、廠房及設備	有關店舖的租賃物業裝修	有關店舖的其他物業、廠房及設備	在建物業、廠房及設備	總計
於二零二一年三月三十一日的成本	**3,246**	**59,169**	**67,828**	**105,793**	**127,170**	**32,737**	**5,417**	**401,360**
添置	35	41	2,737	8,184	13,295	2,982	3,457	30,731
出售	–	–	(320)	(4,599)	(17,734)	(5,097)	(124)	(27,874)
收購附屬公司	–	–	457	2,627	7,413	2,704	–	13,201
其他變動	–	722	574	(1,757)	3,172	456	(3,353)	(186)
匯兌差額	195	1,094	449	2,892	3,499	1,200	105	9,434
於二零二二年三月三十一日的成本	**3,476**	**61,026**	**71,725**	**113,140**	**136,815**	**34,982**	**5,502**	**426,666**
於二零二一年三月三十一日的累計折舊	**–**	**(28,129)**	**(44,894)**	**(82,845)**	**(89,889)**	**(25,256)**	**–**	**(271,013)**
折舊	–	(3,805)	(6,516)	(13,434)	(16,483)	(5,414)	–	(45,652)
減值虧損	–	–	–	–	(3,784)	–	–	(3,784)
撥回減值虧損	–	–	–	41	1,144	–	–	1,185
出售	–	–	275	4,607	16,999	4,965	–	26,846
收購附屬公司	–	–	–	–	–	–	–	–
其他變動	–	–	(6)	(1,280)	1,052	(4)	–	(238)
匯兌差額	–	(120)	(196)	(1,259)	(2,880)	(831)	–	(5,286)
於二零二二年三月三十一日的累計折舊	**–**	**(32,054)**	**(51,337)**	**(94,170)**	**(93,841)**	**(26,540)**	**–**	**(297,942)**
於二零二二年三月三十一日的賬面淨值	**3,476**	**28,972**	**20,388**	**18,970**	**42,974**	**8,442**	**5,502**	**128,724**

期內添置主要與開設及翻新80間店舖有關，為13,295,000歐元。

期內出售主要涉及110間店舖結業。

撇除非現金項目，總現金添置為31,726,000歐元。

合併財務報表附註

7. 物業、廠房及設備*(續)*

7.3. 物業、廠房及設備折舊於收益表中的分類

本集團於合併收益表扣除的物業、廠房及設備的折舊如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
銷售成本	9,250	10,189
分銷開支	27,511	29,251
營銷開支	118	114
研發開支	583	890
一般及行政開支	5,927	5,208
折舊開支	**43,389**	**45,652**

7.4. 物業、廠房及設備的減值測試

三月三十一日 *千歐元*	二零二三年	二零二二年
截至年初的累計減值撥備	**(6,479)**	**(3,701)**
減值撥備	–	(3,784)
減值虧損撥回(已動用)	918	125
減值虧損撥回(未動用)	–	1,060
收購附屬公司	–	(154)
匯兌差額	–	(25)
於三月三十一日的累計減值撥備	**(5,561)**	**(6,479)**

物業、廠房及設備分配至本集團的現金產生單位，並如附註2.6所述進行減值測試。

於二零二二年三月三十一日，入賬至「銷售成本」及「分銷開支」以調整若干有關店舖固定資產賬面值的減值虧損為3,784,000歐元。

已動用減值撥備撥回與停業店舖有關。

8. 租賃

本附註載有本集團為承租人的租賃的資料。

8.1. 使用權資產

於合併資產負債表確認的金額

使用權資產變動分析如下：

千歐元	店舖	辦公室	其他	總計
於二零二二年三月三十一日的賬面淨值	**199,975**	**46,201**	**18,758**	**264,934**
添置	104,593	17,976	16,958	139,527
估計租賃期變動	(14,982)	(1,310)	(372)	(16,664)
折舊（附註24.3）	(80,176)	(13,292)	(7,044)	(100,512)
出售L'Occitane Russia（附註6.1）	(12,812)	(2,398)	(665)	(15,875)
減值虧損（扣除撥回）（附註24.3）	(418)	–	–	(418)
重新分類	179	(22)	20	177
匯兌差額	220	541	(274)	487
於二零二三年三月三十一日的賬面淨值	**196,579**	**47,696**	**27,381**	**271,656**

截至二零二三年三月三十一日止年度，有關添置主要與新店舖（12,521,000歐元）及延長或重續合約或新辦事處等其他影響（113,534,000歐元）有關。

截至二零二二年三月三十一日止財政年度，本集團重新評估法國巴黎Champs-Elysées店舖的租賃期，縮短至二零二三年七月下一次退出選擇為止。這導致使用權資產及租賃負債的賬面淨值減少。於二零二二年十二月十九日，協議達成，本集團於二零二三年七月放棄退出選擇權，並合資格自二零二三年四月一日起享有8個月免租期，金額為3,100,000歐元。合約及租賃期隨後延長至二零二六年七月，導致使用權資產及租賃負債賬面淨值增加10,700,000歐元。

Champs-Elysées的旗艦店的頂手費已質押，以取得15,599,273歐元，作為二零一九年長期貸款的抵押品。

於合併收益表確認的金額

合併收益表呈列以下關於租賃的金額：

二零二三年三月三十一日

千歐元	店舖	辦公室	其他	總計
分銷開支	(80,176)	–	–	(80,176)
一般及行政開支	–	(13,292)	(7,044)	(20,336)
折舊開支	**(80,176)**	**(13,292)**	**(7,044)**	**(100,512)**

二零二二年三月三十一日

千歐元	店舖	辦公室	其他	總計
分銷開支	(73,524)	–	–	(73,524)
一般及行政開支	–	(16,868)	(5,723)	(22,591)
折舊開支	**(73,524)**	**(16,868)**	**(5,723)**	**(96,115)**

合併財務報表附註

8. 租賃

8.1. 使用權資產(續)

使用權資產減值測試

二零二三年三月三十一日

千歐元	二零二三年	二零二二年
年初累計減值	**(27,561)**	**(9,792)**
減值虧損	(4,064)	(19,923)
減值虧損撥回(已動用)	3,646	2,155
匯兌差額	143	(1)
於三月的累計減值撥備	**(27,836)**	**(27,561)**

使用權資產分配至本集團現金產生單位及按附註2.7所述者進行減值測試。附註4.1描述使用價值計算所用的關鍵假設。

於二零二三年三月三十一日的減值虧損4,064,000歐元已記錄於「分銷開支」項下，以調整關於店舖的若干使用權資產的賬面值。

已動用減值撥備撥回與停業店舖有關。

8.2. 租賃負債

於合併資產負債表確認的金額

租賃負債到期日分析如下：

千歐元	二零二三年	二零二二年
一年內	82,393	93,722
一至兩年	66,993	65,812
兩至五年	92,925	88,800
五年以上	33,391	25,898
截至三月三十一日止期間	**275,702**	**274,232**
流動部分總額	**82,393**	**93,722**
非流動部分總額	**193,309**	**180,510**

截至二零二三年三月三十一日止年度的租賃現金流出總額為113,553,000歐元。

於合併收益表確認的金額

合併收益表呈列以下關於租賃的金額：

千歐元	二零二三年 三月三十一日	二零二二年 三月三十一日
利息開支(計入財務成本)	7,609	8,861
與短期租賃有關的開支(計入分銷開支)	4,021	5,956
並無於上文列示為短期租賃的與低價值資產租賃有關的開支(計入銷售成本及行政開支)	3	8
並無計入租賃負債與可變租賃付款有關的開支(計入分銷開支)	67,155	74,119
總計	**78,788**	**88,944**

可變租賃付款額主要與店舖產生的銷售額相關。

9. 商譽

商譽由管理層於商標層面監察(附註2.8)。

9.1. 商譽變動及明細

商譽變動分析如下：

千歐元		二零二一年三月三十一日	添置	L'Ocitane Inc. 重新綜合入賬	匯兌差額	二零二二年三月三十一日	添置	出售L'Occitane Russia	減值虧損	匯兌差額及其他	二零二三年三月三十一日
Elemis		524,301	–	–	13,355	537,656	–	–	–	(7,263)	530,393
Sol de Janeiro		–	202,618	–	6,260	208,878	–	–	–	4,333	213,211
LimeLife		113,392	–	–	6,362	119,754	–	–	–	2,484	122,238
L'Occitane[a]											
於：	*俄羅斯*	24,776	–	–	(695)	24,081	–	(28,491)	–	4,410	–
	日本	19,979	–	–	(779)	19,200	–	–	–	(1,283)	17,917
	馬來西亞	9,201	–	–	386	9,587	–	–	–	(264)	9,323
	挪威	5,016	–	–	147	5,163	–	–	–	(762)	4,401
	美國	–	–	6,620	372	6,992	–	–	–	145	7,137
	其他國家	20,863	–	–	1,000	21,863	–	–	–	(409)	21,454
Melvita		35,931	–	–	–	35,931	–	–	–	–	35,931
Erborian		2,384	–	–	–	2,384	–	–	–	–	2,384
Grown Alchemist		–	–	–	–	–	3,388	–	–	–	3,388
總成本		**755,843**	**202,618**	**6,620**	**26,408**	**991,489**	**3,388**	**(28,491)**	**–**	**1,391**	**967,777**
累計減值虧損[b]		(1,000)	–	–	–	(1,000)	–	–	(75,364)	2,129	(74,235)
賬面淨值		**754,843**	**202,618**	**6,620**	**26,408**	**990,489**	**3,388**	**(28,491)**	**(75,364)**	**3,520**	**893,542**

(a) *有關L'Occitane en Provence的商譽來自上述國家的獨家分銷商的過往收購。*

(b) *減值虧損與Melvita的商譽22,800,000歐元及LimeLife的商譽52,500,000歐元有關。*

9.2. 商譽的減值測試

主要假設及敏感度分析於附註4.1披露。

合併財務報表附註

10. 無形資產

10.1. 截至二零二三年三月三十一日止年度

無形資產包括：

- 所收購具無限使用年限的商標；
- 內部使用軟件，包括企業資源計劃系統、銷售點系統等。

無形資產變動可分析如下：

千歐元	網站	商標	軟件	合約客戶關係	在建無形資產	其他無形資產	總計
於二零二二年三月三十一日的成本	**819**	**434,844**	**76,992**	**34,567**	**5,675**	**25,464**	**578,361**
添置	578	60	2,403	–	3,150	2,607	8,798
出售(附註30.1)	(69)	(149)	(1,437)	–	(322)	(438)	(2,415)
收購附屬公司	–	236	8	–	–	–	244
L'Occitane Russia不再綜合入賬(附註6.2)	(229)	–	(587)	–	–	(1)	(817)
其他變動	1,546	–	(550)	–	(5,328)	4,120	(212)
匯兌差額	(50)	8,699	(71)	621	(17)	(27)	9,155
於二零二三年三月三十一日的成本	**2,595**	**443,690**	**76,758**	**35,188**	**3,158**	**31,725**	**593,114**
於二零二二年三月三十一日的累計攤銷及減值	**(348)**	**13**	**(64,286)**	**(12,171)**	**–**	**(14,214)**	**(91,006)**
攤銷(附註10.3)	(831)	–	(6,035)	(3,402)	–	(3,746)	(14,014)
出售(附註30.1)	37	–	1,224	–	–	444	1,705
L'Occitane Russia不再綜合入賬	41	–	215	–	–	1	257
其他變動	(739)	–	788	–	–	(35)	14
匯兌差額	68	–	32	(18)	–	36	118
於二零二三年三月三十一日的累計攤銷及減值	**(1,772)**	**13**	**(68,062)**	**(15,591)**	**–**	**(17,514)**	**(102,926)**
於二零二三年三月三十一日的賬面淨值	**823**	**443,703**	**8,696**	**19,597**	**3,158**	**14,211**	**490,188**

添置主要與以下各項有關：

- 在建資產的金額3,150,000歐元主要與軟件有關(撇除SaaS成本)；
- 2,403,000歐元的軟件。

10. 無形資產(續)

10.2. 截至二零二二年三月三十一日止年度

無形資產包括：

- 所收購具無限使用年限的商標(Sol de Janeiro、Elemis、Melvita)；
- 內部使用軟件，包括企業資源計劃系統、銷售點系統等。

無形資產變動可分析如下：

千歐元	網站	商標	軟件	合約客戶關係	在建無形資產	其他無形資產	總計
於二零二一年三月三十一日的成本	**56**	**259,155**	**73,321**	**33,191**	**6,102**	**23,456**	**395,281**
添置	141	27	3,858	–	4,495	275	8,796
出售(附註30.1)	(446)	(637)	(3,661)	(334)	(1)	–	(5,079)
收購附屬公司(附註6.2)	–	157,761	41	–	106	148	158,056
其他變動	1,069	–	2,684	–	(5,076)	1,539	216
匯兌差額	(1)	18,538	749	1,710	49	46	21,091
於二零二二年三月三十一日的成本	**819**	**434,844**	**76,992**	**34,567**	**5,675**	**25,464**	**578,361**
於二零二一年三月三十一日的累計攤銷及減值	**(7)**	**(611)**	**(59,283)**	**(8,574)**	**–**	**(10,857)**	**(79,332)**
攤銷(附註10.3、10.4)	(183)	–	(8,731)	(3,478)	–	(3,337)	(15,729)
出售(附註30.1)	446	624	3,476	334	–	–	4,880
其他變動	(603)	–	698	–	–	–	95
匯兌差額	(1)	–	(446)	(453)	–	(20)	(920)
於二零二二年三月三十一日的累計攤銷及減值	**(348)**	**13**	**(64,286)**	**(12,171)**	**–**	**(14,214)**	**(91,006)**
於二零二二年三月三十一日的賬面淨值	**471**	**434,857**	**12,706**	**22,396**	**5,675**	**11,250**	**487,355**

添置主要與以下各項有關：

- 在建資產的金額4,495,000歐元主要與軟件有關(撇除SaaS成本)；
- 3,858,000歐元的軟件。

合併財務報表附註

10. 無形資產(續)

10.3. 無形資產攤銷於合併收益表中的分類

自收益表扣除的無形資產攤銷如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
銷售成本	13	12
分銷開支	4,357	4,775
營銷開支	15	288
一般及行政開支	9,629	10,654
攤銷開支	**14,014**	**15,729**

10.4. 無形資產的減值測試

誠如附註2.8所述，不確定使用年期的無形資產分配至本集團的現金產生單位，並進行減值測試。附註4.1載述計算使用價值所用主要假設。

三月三十一日 *千歐元*	二零二三年	二零二二年
於年初的累計減值撥備	**(27)**	**(27)**
於三月三十一日的累計減值撥備	**(27)**	**(27)**

11. 合營企業及聯營公司

11.1. 於聯營公司及合營企業的權益

於聯營公司及合營企業的權益披露的金額如下：

千歐元 實體名稱	業務地點	佔擁有權權益百分比	關係性質	計量方法	二零二三財年分佔溢利／（虧損）	二零二三財年賬面值
Good Glamm Group	印度	15.53%	聯營公司	權益法	(9,419)	16,839
L'Occitane Middle East	中東	51%	合營企業	權益法	(7,024)	22,760
CAPSUM	歐洲／美國	26%	聯營公司	權益法	(147)	26,525
於聯營公司及合營企業之投資總額					**(16,590)**	**66,124**

權益入賬投資的賬面值變動如下：

	Good Glamm Group	**L'Occitane Middle East**	**Capsum**	總計
二零二二年三月三十一日	24,677	15,890	26,672	67,239
資本增加	–	13,456	–	13,456
聯營公司及合營企業權益百分比變動產生的資本收益（附註25）	1,700	–	–	1,700
期內溢利／（虧損）	(9,419)	(7,024)	(147)	(16,590)
外匯換算影響	(1,038)	438	–	(600)
其他	919	–	–	919
二零二三年三月三十一日	**16,839**	**22,760**	**26,525**	**66,124**

合併財務報表附註

11. 合營企業及聯營公司*(續)*

11.2. 聯營公司及合營企業的資產負債表概要

千歐元	Good Glamm Group 二零二三年 三月三十一日	L'Occitane Middle East 二零二三年 三月三十一日	Capsum 二零二三年 三月三十一日
流動資產			
現金及現金等價物	16,150	4,860	775
其他流動資產	78,290	28,812	22,831
流動資產總額	**94,440**	**33,672**	**23,606**
非流動資產	82,650	22,441	48,036
流動負債	(56,870)	(25,777)	(30,271)
非流動負債	(12,020)	(24,225)	(15,824)
資產淨值	**108,200**	**6,111**	**25,547**

千歐元 賬面值對賬	Good Glamm Group 二零二三年 三月三十一日	L'Occitane Middle East 二零二三年 三月三十一日	CAPSUM 二零二三年 三月三十一日
資產淨值	**108,200**	**6,111**	**25,547**
本集團應佔百分比	15.53%	51%	26%
本集團應佔千歐元	16,803	3,117	6,642
名義商譽	36	19,643	19,883
賬面值	**16,839**	**22,760**	**26,525**

11. 合營企業及聯營公司(續)

11.3. 聯營公司及合營企業的綜合收益表概要

二零二三年三月三十一日 *千歐元*	Good Glamm Group	L'Occitane Middle East	CAPSUM
銷售淨額	77,070	47,180	46,421
銷售成本	(28,920)	(17,496)	(35,483)
毛利	**48,150**	**29,684**	**10,938**
分銷開支	–	(17,293)	(3,330)
營銷開支	–	(6,733)	–
一般及行政開支	(98,680)	(10,107)	(7,115)
其他收益／(虧損)淨額	(900)	–	31
其他財務權益	(5,440)	(759)	(192)
所得稅開支	–	–	(899)
期內溢利／(虧損)	**(56,870)**	**(5,208)**	**(567)**
其他綜合收益	–	–	–
綜合收益總額	**(56,870)**	**(5,208)**	**(567)**

Good Glamm Group的收益表按性質呈列。因此，所有經營開支僅分類為上述收益表的一行。

11.4. 有關聯營公司及合營企業的承擔及或然負債

概無承擔為合營企業或聯營公司提供資金，亦無或然負債(與其他投資者共同產生的或然負債或本集團須個別承擔的負債)。

合併財務報表附註

12. 於其他實體的權益

擁有對本集團而言屬重大的非控股權益(非控股權益)的各附屬公司的財務資料概要載列如下。

非控股權益的重大程度乃基於各種量化及質化因素而定，主要為附屬公司對本集團合併財務報表的貢獻百分比、年末非控股權益金額及附屬公司對本集團策略的重要性。

各附屬公司所披露的金額並未扣除集團公司間之任何對銷。

資產負債表概要

	二零二三年三月三十一日			二零二二年三月三十一日		
千歐元	**LimeLife**	**ELEMIS**	**Sol de Janeiro**	**LimeLife**	**ELEMIS**	**Sol de Janeiro**
流動資產	32,605	230,682	126,899	42,237	198,468	385,597
流動負債	53,997	42,246	44,943	50,168	51,380	354,910
流動資產／(負債)淨值	**(21,392)**	**188,436**	**81,956**	**(7,931)**	**147,088**	**30,687**
非流動資產	88,602	832,762	387,117	131,604	841,968	379,515
非流動負債	9,048	53,729	37,097	7,228	54,725	39,367
非流動資產／(負債)淨值	**79,554**	**779,033**	**350,020**	**124,376**	**787,243**	**340,148**
資產／(負債)淨值	**58,162**	**967,469**	**431,976**	**116,445**	**934,331**	**370,835**
本集團擁有的權益百分比	58.0%	98.6%	82.9%	58.0%	98.6%	82.9%
累計非控股權益	72	13,101	37,310	3,433	12,371	28,307

綜合收益表概要

	二零二三年三月三十一日			二零二二年三月三十一日		
千歐元	**LimeLife**	**ELEMIS**	**Sol de Janeiro**	**LimeLife**	**ELEMIS**	**Sol de Janeiro**
銷售淨額	55,295	225,097	268,225	71,103	206,860	25,487
年內溢利／(虧損)	(63,237)	41,607	51,156	(7,372)	44,988	1,964
其他綜合收益／(開支)	5,196	(8,468)	1,467	6,797	28,184	11,109
綜合收益／(開支)總額	**(58,041)**	**33,139**	**52,623**	**(575)**	**73,172**	**13,073**

其他綜合收益主要關於商譽、商標及無形資產的貨幣換算調整。

LimeLife的其他綜合收益主要與商譽的貨幣換算調整有關。

12. 於其他實體的權益(續)

現金流量表概要

	二零二三年三月三十一日			二零二二年三月三十一日		
千歐元	**LimeLife**	**ELEMIS**	**Sol de Janeiro**	**LimeLife**	**ELEMIS**	**Sol de Janeiro**
經營活動產生的現金流量	(9,994)	28,178	30,853	(13,747)	10,769	(3)
投資活動產生的現金流量	(1,152)	(4,875)	(2,228)	(368)	(7,993)	8,017
融資活動產生的現金流量	5,271	(28,504)	(37,269)	18,261	(5,027)	3,285
現金及現金等價物增加／(減少)淨額	**(5,875)**	**(5,201)**	**(8,644)**	**4,146**	**(2,251)**	**11,299**

13. 其他非流動資產

其他非流動資產分析如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
按金	23,227	24,800
按公平值列入其他綜合收益(「按公平值列入其他綜合收益」)的股本投資(附註3.3)	37,880	33,117
出售L'Occitane Russia的應收款項公平值(附註3.3)	8,645	–
應收稅項	5,575	7,315
其他	1,308	2,546
其他非流動資產	**76,636**	**67,778**

14. 存貨

存貨分析如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
原材料及供應物料	55,104	37,480
製成品及在製品	285,379	249,304
存貨總額	**340,483**	**286,784**
減撥備	(23,286)	(23,622)
存貨	**317,197**	**263,162**

合併財務報表附註

15. 應收貿易賬款

應收貿易賬款分析如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
應收貿易賬款總額	261,056	204,939
減呆賬撥備	(4,503)	(5,316)
應收貿易賬款	**256,553**	**199,623**

本集團應收貿易賬款的賬面值與其公平值相若。於結算日，由於本集團的客戶分佈全球各地，數目眾多，故此其應收貿易賬款並不涉及信貸集中風險。各結算日最高的信貸風險為上列應收款項的公平值。本集團並無持有任何抵押品作抵押。

應收貿易賬款賬齡分析如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
即期及逾期3個月內	236,155	191,999
3至6個月	15,333	7,872
6至12個月	3,464	2,337
超過12個月	6,104	2,731
應收貿易賬款總額	**261,056**	**204,939**

本集團應收貿易賬款減值撥備變動如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
年初	(5,316)	(3,982)
減值撥備	(3,581)	(1,891)
減值撥回	3,601	1,301
出售L'Occitane Russia（附註6.1）	931	–
收購 Sol de Janeiro	–	(554)
匯兌差額	(138)	(190)
年終	**(4,503)**	**(5,316)**

應計及撥回的應收款項減值撥備已計入分銷開支。

15. 應收貿易賬款(續)

應收款項減值撥備根據到期日的賬齡如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
3個月內	1,003	1,349
3至6個月	615	1,343
6至12個月	335	725
超過12個月	2,550	1,899
已減值應收款項	**4,503**	**5,316**

個別已減值應收款項涉及突然陷入財政困難的批發商。

於二零二三年及二零二二年三月三十一日，已逾期但未減值應收貿易賬款的賬齡分析如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
3個月內	23,000	28,907
3至6個月	14,718	6,527
6至12個月	3,129	1,612
超過12個月	3,554	833
已逾期但未減值應收貿易賬款	**44,401**	**37,879**

該等應收貿易賬款與多名根據過往經驗並無嚴重財政困難的客戶有關。逾期金額可予收回。

本集團認為，該等已逾期應收款項並不涉及無法收回的風險。

16. 其他流動資產

下表載列其他流動資產的詳情：

千歐元	二零二三年	二零二二年
應收增值稅及其他應收稅項及薪金項目	31,318	23,095
預付開支	19,504	21,515
應收所得稅 [(a)]	11,528	10,844
向供應商預付款項	6,813	12,168
L'Occitane Middle East 往來賬戶 [(b)]	7,277	7,112
其他流動資產	8,300	8,201
其他流動資產總額	**84,740**	**82,935**

(a) 應收所得稅與首付所得稅的金額高於年內預計支付的最終所得稅開支有關。

(b) 集團已向L'Occitane Middle East授出三筆貸款。該等貸款以美元計值，須於二零二三年四月二十四日、二零二三年九月十五日及二零二四年一月四日全數償還。年內平均利率分別為3.3%、3.6%及3.3%。並無抵押品作為貸款的擔保。

合併財務報表附註

17. 衍生金融工具

17.1. 衍生金融工具的分析

衍生金融工具的分析如下：

千歐元	二零二三年三月三十一日		二零二二年三月三十一日	
	資產	負債	資產	負債
按公平值列入損益的外匯衍生工具	2,337	249	1,931	1,208
按公平值列入損益的衍生金融工具小計	**2,337**	**249**	**1,931**	**1,208**
按公平值列入其他綜合收益的利率衍生工具	–	(0)	–	–
指定作對沖工具的衍生金融工具小計	**–**	**(0)**	**–**	**–**
衍生金融工具流動部分	**2,337**	**248**	**1,931**	**1,208**

買賣衍生工具分類為流動資產或流動負債。倘若獲對沖項目餘下期限超過12個月，衍生工具公平值歸類為非流動資產或負債，倘若獲對沖項目的期限不足12個月，衍生工具公平值則歸類為流動資產或負債。

以外幣計值獲對沖極可能預測交易預計在未來12個月多個日期發生。期終指定作對沖工具的外匯遠期合約在其他綜合收益中的對沖儲備內確認之損益，將於獲對沖預測交易影響收益表的期間在收益表內確認入賬。一般而言為自結算日起12個月內。

按公平值列入損益的衍生工具公平值變動有關貨幣衍生工具的部分於收益表內「外幣收益／(虧損)」內確認。

17.2. 按公平值列入損益的衍生工具

按公平值列入損益的衍生工具的公平值變動如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
一就貨幣衍生工具計入「外幣收益／(虧損)」(附註28)	1,366	1,308
按公平值列入損益衍生工具公平值總變動：收益／(虧損)	**1,366**	**1,308**

17. 衍生金融工具(續)

17.3. 衍生工具名義金額

未結算外匯遠期衍生工具的名義本金額如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
賣出貨幣		
人民幣	63,077	51,971
港元	26,427	23,931
美元	17,995	29,810
澳元	13,128	1,494
日圓	11,052	13,947
墨西哥比索	6,817	4,597
韓元	4,906	–
英鎊	3,473	9,161
泰銖	2,631	2,653
波蘭茲羅提	586	256
捷克克朗	483	312
加元	407	–
匈牙利福林	367	200
瑞士法郎	201	–
挪威克朗	166	578
瑞典克朗	50	92
盧布	–	8,586
新加坡元	–	799
南非蘭特	–	204
買入貨幣		
英鎊	41,970	–
美元	22,151	–
人民幣	16,437	–
日圓	15,223	6,056
澳元	2,010	–
加元	1,527	–
瑞士法郎	1,505	–
挪威克朗	1,241	–
瑞典克朗	939	–
捷克克朗	809	–
港元	656	–
波蘭茲羅提	–	–
墨西哥比索	–	308
匈牙利福林	–	57

合併財務報表附註

18. 現金及現金等價物

下表呈列現金及現金等價物的詳情：

三月三十一日 *千歐元*	二零二三年	二零二二年
銀行存款及手頭現金	146,266	358,230
現金等價物	990	2,669
現金及現金等價物	**147,255**	**360,899**

現金等價物包括短期銀行存款中流動性極高的投資。

銀行存款及手頭現金的實際利率如下：

	二零二三年	二零二二年
歐元現金	歐元短期利率或歐洲銀行同業拆息＋差額	歐元短期利率或歐洲銀行同業拆息＋差額
外幣現金	本地市場拆息＋差額	本地市場拆息＋差額

現金等價物的實際利率如下：

	二零二三年	二零二二年
歐元現金等價物（短期銀行存款）	歐洲銀行同業／本地市場拆息	歐洲銀行同業／本地市場拆息

19. 資本及儲備

L'Occitane International S.A.是在盧森堡大公國註冊成立的股份有限公司。本公司的法定資本為1,500,000,000歐元，其中44,309,000歐元於二零二二年三月三十一日已發行。同日，本公司72.28%的股本由於盧森堡註冊成立的L'Occitane Groupe S.A.（「LOG」或「母公司」）持有。CIME S.C.A.為於盧森堡註冊成立的最終母公司。

本公司全部已發行股份已繳足，附帶同等權利及義務。

19.1. 股本及額外實繳資本

股數、股本及額外實繳資本的變動如下（千歐元，惟「股數」除外）：

	股數	股本	額外實繳資本
於二零二二年三月三十一日	**1,476,964,891**	**44,309**	**342,851**
於二零二三年三月三十一日	**1,476,964,891**	**44,309**	**342,851**

19.2. 庫存股份

於二零二二年三月三十一日，本公司持有6,829,070股庫存股份，而購買股份的總價為15,476,000歐元，於權益內扣除作為「庫存股份儲備」。

於二零二三年三月三十一日，本公司持有5,355,641股庫存股份，而購買股份的總價為12,104,000歐元，於「庫存股份儲備」內的權益扣除。

19. 資本及儲備(續)

19.3. 以股份支付款項

本公司授出三類以股份支付款項：

- 涉及LOI股本工具的以股份支付款項；
- 涉及LimeLife股本工具的股份支付款項直至二零二二年三月三十一日；及
- 涉及LOG股本工具的以股份支付款項。

授出購股權的公平值

授出日期公平值乃使用經調整的Black-Scholes模型單獨釐定，該模型採用Monte Carlo模擬法，當中計及購股權的行使價、年期、於授出日期的股價、預期股息收益、購股權年期內的無風險利率，以及同類集團公司的關聯性及波幅。

LOI工具結算計劃的主要特性及描述

股票期權

股票期權計劃概述如下：

	二零二三年三月三十一日		二零二二年三月三十一日	
	每份購股權的平均行使價（港元）	購股權數目	每份購股權的平均行使價（港元）	購股權數目
於期初	14.63	6,696,600	15.94	12,512,350
年內已授出	20.67	8,186,000	–	–
期內已行使	14.56	(1,473,429)	15.69	(5,544,450)
期內已註銷／失效	17.70	(458,000)	15.12	(271,300)
於年終	**18.35**	**12,951,171**	**14.63**	**6,696,600**

LOI股本工具中確定的新股份支付款項計劃於二零二二年十月二十七日授出，合共8,186,000份購股權

已取消的股票期權與歸屬期結束前離任本公司的僱員有關。

於年終時未到期股票期權的歸屬日期及行使價如下：

			購股權數目	
			二零二三年	二零二二年
授出日期	歸屬日期	行使價	三月三十一日	三月三十一日
二零一六年三月二十一日	二零二零年三月二十一日	14.36 港元	520,500	520,500
二零一七年二月二日	二零二一年二月二日	15.16 港元	1,347,800	1,473,350
二零一八年三月二十九日	二零二二年三月二十九日	14.50 港元	3,134,671	4,702,750
二零二二年十月二十七日	二零二六年十月二十七日	20.67 港元	7,948,200	–
總計			**12,951,171**	**6,696,600**

合併財務報表附註

19. 資本及儲備*(續)*

19.3. 以股份支付款項*(續)*

無償股份

無償股份計劃概述如下：

	二零二三年三月三十一日		二零二二年三月三十一日	
	每股無償股份平均行使價（港元）	無償股份數目	每股無償股份平均行使價（港元）	無償股份數目
於四月一日	–	–	14.50	3,360,300
期內已歸屬	–	–	14.50	(2,333,700)
期內已沒收	–	–	14.50	(1,026,600)
於期末		**–**		**–**

LimeLife股本工具結算計劃的主要特性及描述

L'Occitane International S.A.向LimeLife非控股股東授出LimeLife股本工具的權利。本無償股份計劃乃基於二零一七年十二月十二日起計四年的存在情況。概無任何履行標準。

計劃於二零二二年三月三十一日歸屬。

本計劃概述如下：

	二零二三年三月三十一日		二零二二年三月三十一日	
	每股無償股份的平均公平值（歐元）	無償股份數目	每股無償股份的平均公平值（歐元）	無償股份數目
於四月一日	–	–	6.4	1,266,891
年內已歸屬	–	–	6.4	422,297
於三月三十一日	**–**	**–**	**6.4**	**1,689,188**

		無償股份數目	
		二零二三年	二零二二年
授出日期	歸屬日期	三月三十一日	三月三十一日
二零一七年十二月十二日	二零一八年十二月十二日	–	422,297
二零一七年十二月十二日	二零一九年十二月十二日	–	422,297
二零一七年十二月十二日	二零二零年十二月十二日	–	422,297
二零一七年十二月十二日	二零二一年十二月十二日	–	422,297
總計		**–**	**1,689,188**

公平值於股份授出日期評估，乃按LimeLife於二零一七年十二月十二日的企業價值(透過已折讓未來現金流量)釐定。

19. 資本及儲備(續)

19.3. 以股份支付款項(續)

LOG股本工具結算計劃的主要特性及描述

L'Occitane International S.A.的母公司LOG向L'Occitane International S.A.及其附屬公司的僱員授出其本身股本工具的權利。

無償股份計劃概述如下：

	二零二三年		二零二二年	
	每股無償股份的平均行使價（歐元）	無償股份數目	每股無償股份的平均行使價（歐元）	無償股份數目
於四月一日	88.11	314,900	77.29	422,600
年內已授出	–	–	144.21	37,600
年內已歸屬	–	–	72.26	(103,800)
年內已沒收	95.09	(52,900)	68.40	(41,500)
於三月三十一日	**86.70**	**262,000**	**88.11**	**314,900**

於年終時未到期無償股份的屆滿日期及行使價如下：

		無償股份數目	
授出日期	屆滿日期	二零二三年	二零二二年
二零一九年十月一日	二零二三年九月三十日	16,800	25,200
二零二零年九月三十日	二零二四年九月二十九日	223,900	252,100
二零二一年六月二十九日	二零二五年六月二十九日	20,500	36,400
二零二一年六月三十日	二零二五年六月三十日	800	1,200
總計		**262,000**	**314,900**

合併財務報表附註

19. 資本及儲備*(續)*

19.3. 以股份支付款項*(續)*

以股份支付的開支總額

截至二零二二年三月三十一日及二零二三年三月三十一日止年度，於僱員福利確認以股份支付的開支如下：

千歐元	二零二三年	二零二二年
LOI 股本工具	814	772
LOG股本工具	2,146	6,798
LimeLife工具	–	1,056
社會負擔費用	2,532	983
總計(附註**24**)	**5,492**	**9,609**

於二零二二年三月三十一日，一筆1,056,000歐元的款項於LimeLife非控股股權的以股份支付款項內入賬。

將於日後僱員福利確認的其餘以股份支付的開支總額如下：

千歐元	二零二三年	二零二二年
LOI股本工具	4,069	–
LOG股本工具	2,805	7,230
總計	**6,874**	**7,230**

19.4. 可分派儲備

於二零二三年三月三十一日，L'Occitane International S.A.可分派儲備為672,542,590歐元(於二零二二年三月三十一日為839,965,536歐元)。

19.5. 每股股息

於二零二二年九月二十八日，股東週年大會批准分派股息96,800,000歐元，或每股0.06585歐元(不包括6,829,070股庫存股份)，並已於二零二二年十月二十二日派付。

19.6. 額外實繳資本

額外實繳資本包括：

- 在個別公司財務報表確認的額外實繳資本；
- 以收購代價發行的股份按市價計價的影響；
- 於二零零七年二月二十六日，獲兌換為權益的複合金融工具之賬面值(扣除稅項)與名義金額之差額。

19.7. 匯兌差額

於二零二三年三月三十一日，匯兌差額主要包括以美元、英鎊、盧布、日圓及人民幣作為功能貨幣的附屬公司的匯兌差額，主要來自商譽及若干非流動資產。

20. 借貸

借貸分析如下：

千歐元	二零二三年三月三十一日	二零二二年三月三十一日
二零二二財年定期貸款	300,031	300,354
二零二一財年循環融資	11,132	64,604
二零二零財年NEU CP融資	187,000	282,800
二零一九財年長期貸款	13,587	15,602
二零一二財年銀行借貸	2,860	3,571
其他銀行借貸	4,245	3,996
銀行透支	4	3
總計	**518,859**	**670,930**
二零二二財年定期貸款	(32)	(354)
二零二一財年循環融資	(5)	275
二零二零財年NEU CP融資	(187,000)	(282,800)
二零一九財年長期貸款	(2,037)	(2,018)
二零一二財年銀行借貸	(717)	(714)
其他銀行借貸	(4,245)	(3,997)
銀行透支	(4)	(3)
流動部分總額	**(194,040)**	**(289,611)**
非流動部分總額	**324,819**	**381,319**

20.1. 非流動借貸期限

截至二零二三年及二零二二年三月三十一日止年度，非流動借貸（不包括流動部分）的期限明細如下：

千歐元	**1至2年**	**2至5年**	**超過5年**	總計
二零二二財年定期貸款	300,000	–	–	300,000
二零二一財年循環融資	–	11,127	–	11,127
二零一九財年長期貸款	2,054	6,284	3,211	11,550
二零一二財年銀行借貸	714	1,429	–	2,143
於二零二三年三月三十一日到期	**302,769**	**18,840**	**3,211**	**324,819**
二零二二財年定期貸款	–	300,000	–	300,000
二零二一財年循環融資	–	64,879	–	64,879
二零一九財年長期貸款	2,035	6,223	5,326	13,584
二零一二財年銀行借貸	714	2,142	–	2,856
於二零二二年三月三十一日到期	**2,749**	**373,244**	**5,326**	**381,319**

合併財務報表附註

20. 借貸*(續)*

20.2. 信貸融資協議

二零二三財年雙邊現金池融資

於二零二二年九月三十日，本集團就金額40,000,000美元簽署無擔保的美元雙邊現金池融資，為期一年，另外可選擇按年自動延期。於二零二三年三月三十一日已提取款項為0歐元(歐元等值)

二零二三財年雙邊現金池融資根據合約定期重新定價。利率視乎下列槓桿比率，每年於合併財務報表刊發後計算。利率按比率變動重新定價如下：

槓桿比率	重新定價
比率高於2.5	中間聯邦儲備利率+差額
比率介乎2.0至2.5	中間聯邦儲備利率+差額 − 0.25
比率介乎1.5至2.0	中間聯邦儲備利率+差額 − 0.45
比率介乎1.0至1.5	中間聯邦儲備利率+差額 − 0.55
比率介乎0.5至1.0	中間聯邦儲備利率+差額 − 0.65
比率低0.5	中間聯邦儲備利率+差額 − 0.75

於二零二三年三月三十一日，利率乃基於中間聯邦儲備利率+差額 − 0.65。

倘二零二三財年雙邊現金池融資以美元提取，保證金持續增加15個基點直至二零二二年十二月三十一日，自二零二三年一月起增加35個基點。

二零二三財年雙邊現金池融資須遵守一項財務契諾：倘本公司未能將其槓桿比率維持於低於指定水平，將觸發違約事件及提早償還該貸款。槓桿比率(基於本集團年度合併財務報表)按合併債務淨額除以EBITDA計算。計量該比率時使用以下釋義：

合併債務淨額	即期及非即期借貸(包括融資租賃及其他承擔，但不包括國際財務報告準則第16號範圍內的租賃承擔、長期僱員福利、原材料承擔及向基金會的資助) − 現金及現金等價物
EBITDA	除折舊、攤銷及減值前及除撥備變動淨額前的經營溢利(惟國際財務報告準則第16號之影響除外)

槓桿比率必須低於2.5(在業務合併的情況下可暫時延長至3.0兩次)。於二零二三年三月三十一日，未有超過契諾水平。

20. 借貸(續)

20.2. 信貸融資協議(續)

二零二二財年定期貸款

於二零二一年十二月二十一日，本公司簽訂300,000,000歐元的三年期定期貸款協議。於二零二三年三月三十一日已支取300,000,000歐元(歐元等值)。

二零二二財年定期貸款協議根據合約定期重新定價。利率視乎上述槓桿比率，每年於本集團合併財務報表刊發後計算。利率按比率變動重新定價如下：

槓桿比率	重新定價
比率高於2.5	歐洲銀行同業拆息+差額
比率介乎2.0至2.5	歐洲銀行同業拆息+差額 − 0.25
比率介乎1.5至2.0	歐洲銀行同業拆息+差額 − 0.45
比率介乎1.0至1.5	歐洲銀行同業拆息+差額 − 0.55
比率介乎0.5至1.0	歐洲銀行同業拆息+差額 − 0.65
比率低0.5	歐洲銀行同業拆息+差額 − 0.75

截至二零二三年三月三十一日止年度，利率乃基於歐洲銀行同業拆息+差額 − 0.65

二零二二財年定期貸款協議須遵守一項財務契諾：倘本公司未能將其槓桿比率維持於低於指定水平，將觸發違約事件及提早償還該貸款。槓桿比率(基於本集團年度合併財務報表)按合併債務淨額除以EBITDA計算。計量該比率時使用以下釋義：

合併債務淨額	即期及非即期借貸(包括融資租賃及其他承擔，但不包括國際財務報告準則第16號範圍內的租賃承擔、長期僱員福利、原材料承擔及向基金會的資助) − 現金及現金等價物
EBITDA	除折舊、攤銷及減值前及除撥備變動淨額前的經營溢利(惟國際財務報告準則第16號之影響除外)

槓桿比率必須低於2.5。於二零二三年三月三十一日，未有超過契諾水平。

與發放該二零二二財年定期貸款協議相關的直接應佔交易成本為1,550,000歐元。由於該項融資為定期貸款，故將該費用資本化為遞延費用，並在貸款期間內攤銷。

合併財務報表附註

20. 借貸*(續)*

20.2. 信貸融資協議*(續)*

二零二一財年循環信貸融資

於二零二一年三月三十一日，為對二零一五財年循環信貸融資及二零二一財年循環融資(COVID-19)進行再融資，本公司簽訂金額為600,000,000歐元的無抵押多貨幣循環融資協議，為期五年，並可選擇再延長兩年。第一次延長一年至二零二七年三月三十一日已於二零二二年二月二十八日啟動。於二零二三年三月三十一日已支取11,126,962歐元。

二零二一財年循環信貸融資根據合約定期重新定價。利率視乎每年於本集團刊發合併財務報表後計算的下述槓桿比率而定。利率根據比率變化重新定價如下：

槓桿比率	重新定價
比率高於2.5	歐洲銀行同業拆息+差額
比率介乎2.0至2.5	歐洲銀行同業拆息+差額 − 0.25
比率介乎1.5至2.0	歐洲銀行同業拆息+差額 − 0.45
比率介乎1.0至1.5	歐洲銀行同業拆息+差額 − 0.55
比率介乎0.5至1.0	歐洲銀行同業拆息+差額 − 0.65
比率低於0.5	歐洲銀行同業拆息+差額 − 0.75

截至二零二三年三月三十一日止年度，利率乃基於歐洲銀行同業拆息+差額 − 0.62。

倘循環信貸融資以美元提取，保證金將增加15個基點。

4項企業社會責任(企業社會責任)關鍵績效指標可獲得1個基點的花紅：

- 產品所用植物的可追溯性；
- 使用可再生電力；
- 直接供應商企業社會責任評級；
- 共益企業(B-Corp)認證

於二零二三年三月三十一日，本集團實現四個關鍵績效指標中的三個關鍵績效指標。影響為減少差額0.03個基點。

20. 借貸(續)

20.2. 信貸融資協議(續)

二零二一財年循環信貸融資(續)

二零二一財年循環信貸融資須遵守一項財務契諾：倘本公司未能將其槓桿比率維持於低於指定水平，將觸發違約事件及提早償還該貸款。槓桿比率(基於本集團年度合併財務報表)按合併債務淨額除以EBITDA計算。計量該比率時使用以下釋義：

合併債務淨額	即期及非即期借貸(包括融資租賃及其他承擔，但不包括國際財務報告準則第16號範圍內的租賃承擔、長期僱員福利、原材料承擔及向基金會的資助) − 現金及現金等價物
EBITDA	除折舊、攤銷及減值前及除撥備變動淨額前的經營溢利(惟國際財務報告準則第16號之影響除外)

槓桿比率必須低於2.5(在業務合併的情況下可兩次暫時延長至3.0)。於二零二三年三月三十一日，未有超過契諾水平。

與發放該二零二一財年循環信貸融資協議相關的直接應佔交易成本為3,514,000歐元。由於並無證據顯示有關融資很可能部分或全部獲提取，則將費用資本化為遞延費用撥充資本，並在融資期間內攤銷。

二零二零財年NEU CP融資

於二零一九年十月十七日，本集團簽署於法國銀行(Banque de France)管理的歐元區商業票據市場發行短期有價債務工具(「NEU CP」)的計劃。可用總金額為300,000,000歐元。

多項短期有價債務工具於年內支取。

於二零二三年三月三十一日，初始到期期限介乎5至199日的加權平均比率為3.0%的結餘為187,000,000歐元。

二零一九財年長期貸款

於二零一八年九月四日，本集團簽訂22,500,000歐元的11年期長期貸款協議，有關款項可由M&L Distribution France支取。於二零一八年十月三十一日，銀行借貸已悉數支取。該貸款按季度償還，且於二零二二年六月、二零二二年九月、二零二二年十二月及二零二三年三月作出四次償還，金額分別為501,921歐元、503,138歐元、504,358歐元及505,581歐元。

於二零二三年三月三十一日，未償還款項為13,584,275歐元。

長期貸款利率為0.97%(固定利率)。

二零一九財年長期貸款由位於巴黎的86 Champs Elysées旗艦店之營業資產作抵押。

合併財務報表附註

20. 借貸*(續)*

20.2. 信貸融資協議*(續)*

二零一二財年銀行借貸

於二零一一年六月二十日，本集團簽訂10,000,000歐元的15年期銀行借貸協議。借貸僅可由Laboratoires M&L（前稱L'Occitane S.A.）支取。

該貸款按年度償還，且於二零二一年十二月作出一次償還，金額為714,286歐元。於二零二三年三月三十一日，未償還款項為2,857,143歐元。

銀行借貸利率為三個月歐洲銀行同業拆息＋差額。

二零一二財年銀行借貸由Laboratoires M&L於法國馬諾斯克購入用於興建新物流平台的土地及樓宇作抵押。

20.3. 借貸融資

本集團備有未提取的借貸融資如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
浮息：		
－一年內屆滿	59,650	15,856
－ 一年以上屆滿	401,873	252,321
定息：		
－ 一年內屆滿	–	–
－ 一年以上屆滿	–	–
總計	**461,523**	**268,177**

20.4. 借貸現金流量變化

本集團確認現金流量及非現金變化產生的變化：

千歐元	二零二二年 三月三十一日	現金流量 所得款項	 還款	其他變動 利息開支	 已付利息	二零二三年 三月三十一日
二零二二財年定期貸款	300,354	–	–	30	(354)	300,031
二零二一財年循環融資	64,604	69,443	(123,233)	312	5	11,131
二零二零財年NEU CP 融資	282,800	317,000	(412,800)	–	–	187,000
二零一九財年長期貸款	15,602	–	(2,015)	2	(3)	13,587
二零一二財年銀行借貸	3,571	–	(714)	3	(0)	2,860
其他銀行借貸	3,996	11,869	(11,460)	6	(164)	4,247
銀行透支	3	–	–	4	(3)	4
總計	**670,930**	**398,312**	**(550,222)**	**358**	**(519)**	**518,859**

21. 其他流動及非流動負債

其他流動及非流動負債包括以下各項：

三月三十一日 *千歐元*	二零二三年	二零二二年
退休彌償保證	10,963	12,135
長期僱員福利	1,144	1,068
拆卸及重整成本撥備	8,708	8,390
其他	1,528	1,359
非流動負債總額	**22,343**	**22,952**
向基金會提供資助	74	172
遞延收益 [(a)]	31,920	19,844
ELEMIS非控股股東之出售 [(b)]	–	76,579
拆卸及重整成本撥備	2,475	2,019
已退還貨品的權利	1,996	2,145
流動負債總額	**36,466**	**100,759**

(a) 遞延收益與下列各項有關：(i)於年結的控制權及相關風險仍未轉讓的銷售；及(ii)就任何長期支持計劃而言，獲分配獎勵積分而收取的代價公平值。

(b) 與收購Elemis非控股權益有關的負債已於二零二二年四月一日支付。

21.1. 退休福利撥備

本集團的附屬公司一般向國家退休金計劃作供款，此乃定額供款責任。就該等界定供款計劃確認的開支分類至「僱員福利」中的「社會保障金」(附註24.1)。

除該等界定供款計劃外，法國存在一項界定福利計劃。在僱員年屆退休之齡當日亦會作出一次性款項，就每人獲授款項的金額，是按服務年期及預測最終薪金等因素釐定。本集團並無退休基金資產。

合併財務報表附註

21. 其他流動及非流動負債(續)

21.1. 退休福利撥備(續)

在資產負債表及收益表確認之金額

在資產負債表確認之金額按下列者予以釐定：

三月三十一日 *千歐元*	二零二三年	二零二二年
未出資責任之現值	10,963	12,135
資產負債表之負債	**10,963**	**12,135**

年度界定福利責任的變動如下：

	二零二三年	二零二二年
千歐元		
於四月一日	12,135	13,146
即期服務成本	907	1,634
過往服務成本	–	–
利息成本	148	60
國際會計準則第19號之變動	–	(1,347)
精算(收益)／虧損	(1,884)	(1,073)
匯兌差額	(162)	(34)
支付福利	(182)	(251)
於三月三十一日	**10,963**	**12,135**

在收益表確認之金額如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
即期服務成本	907	1,634
利息成本	148	60
計入僱員福利開支總額(附註24)	**1,055**	**1,694**

21. 其他流動及非流動負債(續)

21.1. 退休福利撥備(續)

主要假設

所用主要精算假設如下：

三月三十一日 %	二零二三年	二零二二年
折現率	3.60	1.80
通脹率	2.10	2.00
未來薪金增幅	3.50	3.00
退休年齡(年齡)	62–65	62–65

折現率乃參考公司債券收益率設定：iBoxx歐元區AA級公司債券+10年。

有關未來死亡率經驗的假設乃根據各地區公佈的統計數據及經驗而按精算意見作出。有關法國(以僱員人數計最為重要的國家)的死亡率假設乃根據Insee TD/TV 2009–11表作出。

有關僱員流動的假設乃根據法國附屬公司過往年度的歷史統計數據作出。

整體退休金責任對主要假設變化的敏感度並不大：折現率上升／下降0.25%將導致界定福利責任增加／減少254,000歐元。

21.2. 拆卸及重整成本撥備

於二零二三年三月三十一日，拆卸及重整成本撥備如下：

		扣自／(計入)收益表				
千歐元	二零二二年 三月三十一日	在收益表 記錄入賬撥備	年內已用	重新分類	匯兌差額	二零二三年 三月三十一日
按租期記錄撥備	4,511	979	(29)	(391)	63	5,133
於租期開始時記錄撥備	5,898	710	(170)	–	(387)	6,051
總計	**10,409**	**1,689**	**(199)**	**(391)**	**(324)**	**11,184**

合併財務報表附註

22. 應付貿易賬款

供應商分別授予生產及分銷附屬公司的信貸期一般介乎80至110天及30至60天。

於二零二三年及二零二二年三月三十一日，應付貿易賬款按到期日劃分的賬齡分析如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
即期及逾期3個月內	208,063	204,349
逾期3至6個月	812	1,272
逾期6至12個月	32	1,093
逾期超過12個月	1,196	3,189
應付貿易賬款	**210,103**	**209,903**

23. 撥備

於二零二三年三月三十一日，撥備之分析如下：

千歐元	二零二二年 三月三十一日	扣自／(計入)收益表 額外撥備	 撥回未用金額	 年內已用	 重新分類	 匯兌差額	二零二三年 三月三十一日
僱員相關糾紛 [(a)]	755	1,259	–	(88)	–	(22)	1,904
商業索償 [(b)]	1,148	404	–	(31)	–	11	1,532
稅務風險	236	12	(90)	–	107	(18)	247
總計	**2,139**	**1,675**	**(90)**	**(119)**	**107**	**(29)**	**3,683**

(a) 僱員相關糾紛主要涉及僱員就員工福利提出的糾紛或社會保障機關提出的潛在索償。

(b) 商業索償主要有關分銷商提出的索償。

管理層認為，經聽取合適的法律意見，有關法律索償的虧損金額並不重大，不會超出各結算日的撥備金額。

預計有關撥備不予付還，故此並無就此確認相關的資產。

未用已撥回撥備主要由於接近適用時效結束時的若干風險。

24. 按性質分類之開支

24.1. 按性質分類之開支明細

按性質分類開支包括下列金額：

三月三十一日 *千歐元*	二零二三年	二零二二年
僱員福利開支[(a)]	503,168	423,705
租金及佔用[(b)]	115,974	109,546
已耗原材料及易耗品	355,994	225,594
製成品及在製品的存貨變動	(61,046)	(23,505)
廣告成本[(c)]	305,758	228,104
核數師酬金[(d)]	2,677	2,531
專業費用[(e)]	205,897	158,011
折舊、攤銷及減值(附註23.4)	156,820	177,863
運輸開支	106,348	99,673
其他開支[(f)]	101,348	87,527
銷售成本、分銷開支、營銷開支、研發開支與一般及行政開支總計	**1,792,938**	**1,489,049**

(a) 僱員福利包括工資、薪金、花紅、以股份支付款項、社會保障金、離職後福利及臨時員工開支。

(b) 於二零二三年三月三十一日租金及佔用費主要包括按銷售額而定的浮動租賃付款67,155,000歐元(截至二零二二年三月三十一日止財政年度為74,119,000歐元)及與短期租賃有關的租金及佔用成本4,021,000歐元(截至二零二二年三月三十一日止財政年度為5,956,000歐元)。截至二零二二年三月三十一日止財政年度，3,423,000歐元租金優惠入賬列為負浮動租金。

(c) 廣告成本亦包括所有派發給客戶的促銷貨品，而客戶沒有任何購買產品的義務。

(d) 核數師酬金涉及核數服務費用2,465,000歐元(於二零二二年三月三十一日為1,918,000歐元)及非審核服務費用212,000歐元(於二零二二年三月三十一日為613,000歐元)，其中2,171,000歐元與PwC核數服務有關(於二零二二年三月三十一日為1,918,000歐元)及212,000歐元與PwC非審核服務有關(於二零二二年三月三十一日為613歐元)。

(e) 專業費用主要包括支付予倉管公司、營銷代理及律師的款項。

(f) 其他開支主要包括旅遊實際開支、資訊科技服務、電話及郵資。

合併財務報表附註

24. 按性質分類之開支(續)

24.2. 員工及僱員福利

僱員福利包括下列金額：

三月三十一日 *千歐元*	二零二三年	二零二二年
工資、薪金及花紅	403,689	332,468
以股份支付款項(附註19.3)	5,492	9,609
社會保障金	85,155	76,117
授予非控股權益合併後服務薪酬(附註6.3)	4,354	501
離職後福利(附註21.1)	1,055	1,694
其他	3,423	3,316
僱員福利總額	**503,168**	**423,705**
員工人數(約當全職人數)	**8,701**	**9,042**

工資、薪金及花紅包括臨時員工成本。

本集團員工人數以報告期末的僱員人數列示。

24.3. 折舊、攤銷及減值明細

折舊、攤銷及減值包括以下各項：

千歐元	二零二三年 三月三十一日	二零二二年 三月三十一日
物業、廠房及設備折舊(附註7.3)	43,324	45,652
物業、廠房及設備減值(附註7.4)	–	3,784
物業、廠房及設備減值撥回(附註7.4)	(918)	(1,185)
使用權資產折舊(附註8.1)	100,512	96,115
使用權資產減值(附註8.1)	418	17,768
無形資產攤銷(附註10)	14,014	15,729
折舊、攤銷及減值	**157,350**	**177,863**

25. 其他經營收入／開支

其他經營收入／開支淨額分析如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
於聯營公司及合營企業的權益百分比變動產生的資本收益（附註11.1）	1,700	25,062
政府撥款[(a)]	1,514	1,044
其他項目	846	–
L'Occitane Inc. 重新綜合入賬／不再綜合入賬	–	12,873
已收購淨資產公平值超過收購成本的差額（負商譽）	–	145
其他經營收入	**4,060**	**39,124**
LimeLife及Melvita商譽減值（附註4）	(75,364)	–
將先前在其他綜合收益確認的費用重分類至收益表（貨幣換算差額）（附註6.1）	(10,805)	–
重分類貨幣換算差額前出售L'Occitane Russia的資本虧損（附註6.1）	(3,632)	–
出售資產虧損（附註30.1）	(288)	(590)
於聯營公司及合營企業的權益百分比變動產生的攤薄虧損（附註11.1）	–	(4,945)
重組開支	–	(1,448)
其他項目	–	(96)
其他經營開支	**(90,089)**	**(7,079)**

(a) 政府撥款即研發成本及僱員溢利分享計劃撥款。

合併財務報表附註

26. 財務收入及財務成本

財務收入及財務成本明細如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
現金及現金等價物利息	2,799	1,908
財務收入	**2,799**	**1,908**
出售L'Occitane Russia的應收款項公平值變動（附註3.3）	(35,901)	–
利息開支	(12,802)	(5,845)
租賃負債的已付／應付利息及財務費用（附註8.2）	(7,609)	(8,857)
其他	–	(1,728)
財務成本	**(56,312)**	**(16,430)**
財務成本淨額	**(53,513)**	**(14,522)**

利息開支乃與銀行借貸、與非控股權益及關聯方的往來賬戶（不包括母公司提供的融資）以及銀行透支有關。

27. 外幣收益／（虧損）

外幣收益／（虧損）明細如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
外匯差額	(7,368)	(1,616)
衍生工具公平值收益／（虧損）（附註17）	1,366	1,308
外幣收益／（虧損）	**(6,002)**	**(308)**

外匯差額主要與下列各項相符：

- 未變現外匯虧損淨額：10,800,000歐元（截至二零二二年三月三十一日止年度為虧損淨額2,200,000歐元）；
- 未變現外匯收益淨額：1,100,000歐元（截至二零二二年三月三十一日止年度為收益淨額1,800,000歐元）。
- 已變現外匯虧損淨額：6,000,000歐元（截至二零二二年三月三十一日止年度為虧損淨額5,000,000歐元）；
- 已變現外匯收益淨額：8,300,000歐元（截至二零二二年三月三十一日止年度為收益淨額3,800,000歐元）。

28. 所得稅開支

28.1. 所得稅開支

所得稅開支明細如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
即期所得稅	(54,792)	(60,160)
遞延所得稅	(6,632)	6,185
所得稅開支總額	**(61,424)**	**(53,975)**

已呈報所得稅開支與利用標準稅率計算所得理論稅項開支的對賬如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
以權益法入賬的除稅前溢利以及分佔合營企業溢利／(虧損)	194,507	289,410
按企業稅率計算所得稅*(於二零二三年及二零二二年三月三十一日的盧森堡稅率為24.94%)*	(48,510)	(72,179)
外國不同稅率的影響	20,105	24,491
稅率變動	1,255	(268)
未確認稅項資產的影響	(12,746)	(3,919)
確認先前未確認稅項資產	366	–
不可扣稅開支[(a)]	(20,706)	(945)
稅務風險撥備	30	(142)
未分派稅項盈利的影響	(1,208)	(916)
最低稅務付款	(10)	(97)
所得稅開支	**(61,424)**	**(53,975)**

(a) 截至二零二三年三月三十一日止年度，不可扣稅開支主要關於LimeLife及Melvita商譽減值虧損及L'Occitane Russia撤資。

合併財務報表附註

28. 所得稅開支(續)

28.2. 遞延所得稅資產及負債的組成部分

遞延所得稅資產及負債的性質

於二零二三年及二零二二年三月三十一日記錄入賬的遞延所得稅淨資產明細如下：

	二零二三年	二零二二年
千歐元		
資產		
存貨的公司間邊際	28,002	31,412
稅基超出物業、廠房及設備賬面值的部分	10,288	14,028
結轉稅務虧損	24,675	22,519
租賃負債	7,047	7,368
僱員福利	5,408	7,110
已支銷宣傳貨品	3,420	3,848
存貨估值	6,767	6,591
長期支持計劃	2,167	2,662
新稅務法規	134	269
向基金會提供資助相關的遞延稅項	1,198	–
其他暫時性差額	12,282	11,298
總資產	**101,388**	**107,105**
12個月後收回	*43,969*	*46,349*
12個月內收回	*57,419*	*60,756*
負債		
業務合併時認定的商標(附註6)	(79,290)	(79,222)
商譽稅項攤銷	(27,939)	(20,825)
未分派盈利所得稅(附註28.4)	(6,728)	(7,718)
衍生金融工具	(298)	(244)
其他暫時性差額	(1,655)	(1,287)
總負債	**(115,910)**	**(109,296)**
12個月後收回	*(108,884)*	*(101,334)*
12個月內收回	*(7,026)*	*(7,962)*
遞延所得稅淨額	**(14,522)**	**(2,191)**
遞延所得稅資產	*84,966*	*94,005*
遞延所得稅負債	*(99,488)*	*(96,196)*

28. 所得稅開支(續)

28.2. 遞延所得稅資產及負債的組成部分(續)

確認遞延所得稅資產

獲確認的遞延所得稅資產限於可能通過未來須課稅溢利而變現之有關利益。

於二零二三年三月三十一日，本集團結轉的稅務虧損為179,008,000歐元，產生的潛在遞延所得稅資產為51,004,000歐元。於二零二二年三月三十一日，該等數字分別為172,811,000歐元及45,266,000歐元。

遞延稅項資產包括23,096,000歐元與以下主要附屬公司的結轉稅務虧損有關：

- LimeLife US佔10,504,000歐元；
- L'Occitane Inc.佔2,798,000歐元；
- ELEMIS US佔9,767,000歐元

該等虧損為該等附屬公司在COVID-19疫情後過去兩個財政年度產生。本集團認為，遞延稅項資產將根據各附屬公司已批准的業務計劃及預算對未來應課稅溢利估計可予收回。預期各附屬公司於二零二四年起產生應課稅溢利。虧損可無限期結轉並且不會過期。

於二零二三年三月三十一日，未確認的遞延所得稅資產為26,329,000歐元(於二零二二年三月三十一日為22,519,000歐元)，主要與巴西有關。

28.3. 遞延稅項資產及負債變動淨額

年內遞延稅項資產及負債淨額變動如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
年初	**(2,191)**	**13,068**
(扣自)／計入收入(附註28.1)	(6,632)	6,185
(扣自)／計入權益(附註28.5)	(474)	(564)
出售L'Occitane Russia(附註6.1)	(3,424)	–
L'Occitane Inc. 重新綜合入賬(附註 6.2)	–	14,078
收購附屬公司(附註6.2)	–	(32,543)
匯兌差額	(1,801)	(2,415)
年終	**(14,522)**	**(2,191)**

合併財務報表附註

28. 所得稅開支*(續)*

28.4. 未分派盈利所得稅

本集團會就其外國附屬公司及聯屬公司未分派盈利的遞延所得稅撥備，除非本集團擬無限期將有關附屬公司盈利作重新投資。在大多司法權區，本集團擬將其外國附屬公司的未分派盈利作無限期重新投資。

本集團不擬將若干附屬公司的未分派盈利作無限期重新投資之司法權區，相關的盈利分派或須繳納稅項。因此，本集團就須課稅的盈利分派之遞延所得稅計提撥備。於二零二三年三月三十一日及二零二二年三月三十一日，相關遞延稅項負債的金額分別為6,728,000歐元及7,718,000歐元。

28.5. 其他綜合收益各組成部分的所得稅

與其他綜合收益各組成部分有關的稅項(費用)／抵免如下：

	二零二三年三月三十一日			二零二二年三月三十一日		
千歐元	除稅前	稅項(費用)／抵免	除稅後	除稅前	稅項(費用)／抵免	除稅後
現金流量對沖公平值收益／(虧損)(附註17)	1,410	–	1,410	1,890	–	1,890
界定福利責任精算收益／(虧損)(附註21.1)	1,884	(474)	1,410	2,398	(564)	1,834
匯兌差額	(650)	–	(650)	50,485	–	50,485
其他綜合收益	**2,644**	**(474)**	**2,170**	**54,773**	**(564)**	**54,209**

29. 每股盈利

本集團應用上文附註2.30所述規管每股盈利之規則。

29.1. 每股基本盈利

每股基本盈利乃以本公司權益擁有人應佔溢利除以期內發行在外普通股加權平均數計算，但不包括本集團購買及持作庫存股份的普通股(附註19.2)。

三月三十一日	二零二三年	二零二二年
本公司權益持有人應佔年內溢利*(千歐元)*	**115,110**	**242,034**
已發行普通股加權平均數 [a]	1,471,609,250	1,470,135,821
每股基本盈利*(每股歐元)*	**0.078**	**0.165**

(a) 庫存股份乃扣自已發行的全部股份，以供計算每股盈利。

29.2. 每股攤薄盈利

本集團有兩類潛在攤薄普通股：購股權及無償股份。就購股權而言，會進行計算以釐定按公平值(按本公司股份的年平均市場股價釐定)可購入的股份數目(根據未行使購股權所附帶認購權的貨幣價值)。按上述方法計算的股份數目與假設行使購股權原應發行的股份數目進行比較。

	二零二三年	二零二二年
本公司權益持有人應佔年內溢利*(千歐元)*	**115,110**	**242,034**
已發行普通股加權平均數 [a]	1,471,609,250	1,470,135,821
就購股權作出調整	2,039,865	3,017,232
用於計算每股已發行股份攤薄盈利的普通股加權平均數	1,473,649,115	1,473,153,053
每股攤薄盈利*(每股歐元)*	**0.078**	**0.164**

(a) 庫存股份乃扣自已發行的全部股份，以供計算每股盈利。

合併財務報表附註

30. 補充披露現金流量資料

30.1. 出售資產所得款項

於合併現金流量表內，出售資產所得款項包括以下各項：

	二零二三年				二零二二年			
三月三十一日		物業、				物業、		
千歐元	無形資產	廠房及設備	使用權資產	總計	無形資產	廠房及設備	使用權資產	總計
出售 – 成本	2,415	24,709	3,703	30,827	5,079	27,874	2,391	35,344
出售 – 累計折舊及攤銷	(1,705)	(22,223)	(2,893)	(26,821)	(4,880)	(26,846)	(1,801)	(33,527)
賬面淨值(附註7及10)	**710**	**2,486**	**810**	**4,006**	**199**	**1,028**	**590**	**1,817**
出售資產溢利／(虧損)(附註25)	5	(284)	(9)	(288)	73	(809)	146	(590)
出售資產所得款項	**715**	**2,202**	**801**	**3,718**	**272**	**219**	**736**	**1,227**

出售資產溢利／(虧損)在合併收益表「其他經營收入／開支」一項中列示(附註25)。

30.2. 撥備及其他負債變動淨額

於合併現金流量表內，計入合併收益表的撥備及其他負債變動淨額包括以下各項：

三月三十一日		二零二三年	二零二二年
千歐元	*附註*		
與僱員有關的爭議	(23)	1,171	(392)
商業索償	(23)	373	723
稅務風險	(23)	(78)	(71)
拆卸及重整成本	(21.2)	1,490	917
退休福利	(21.1)	873	1,443
撥備變動淨額		**3,829**	**2,620**

30.3. 其他非現金項目

本集團已授出附註19.3所述的以股份支付款項。

30. 補充披露現金流量資料(續)

30.4. 匯率波動對現金及現金等價物增加／(減少)淨額的影響

合併現金流量表內所述匯率波動影響包括下列各項：

- 按收盤匯率換算外幣現金及現金等價物；
- 外幣現金及現金等價物由平均匯率變為收盤匯率的匯率影響；
- 未於年結時結算的集團內公司間交易的匯率變動。

30.5. 按淨額基準呈報的現金流量

根據國際會計準則第7.23號，週轉速度迅速、金額龐大且期限短的借貸所得款項及償還借貸在合併現金流量表內按淨額基準呈報。

31. 或然事項

31.1. 法律程序

本集團在日常業務過程中或涉及法律程序、申索、稅項、習俗、與僱員有關及其他的爭議。管理層預期，解決該等其他事宜所需的最終成本，不會對本集團合併財務狀況、收益表或現金流量構成重大不利影響。

31.2. 其他或然負債

本集團在其日常業務過程中產生有關銀行、其他擔保及其他事宜的或然負債。預期或然負債不會產生任何重大負債。本集團提供的所有擔保載於附註31。

合併財務報表附註

32. 承擔

32.1. 資本及其他開支承擔

結算日已訂約但尚未產生的資本及其他開支如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
物業、廠房及設備	4,348	4,746
無形資產	269	20
原材料	5,117	6,717
總計	**9,734**	**11,483**

於二零二三年三月三十一日及二零二二年三月三十一日的金額主要與法國廠房有關。

32.2. 其他承擔

三月三十一日 *千歐元*	二零二三年	二零二二年
物業質押(土地及樓宇)	16,441	19,171
總計	**16,441**	**19,171**

本集團亦承諾向投資基金Truffle Capital投資高達20,000,000歐元(期限為5年，可選擇重續2年)及向投資基金Karista投資3,000,000歐元(期限為5年)。本集團已累計投資18,400,000歐元於Truffle Capital及投資1,416,000歐元於Karista。

於二零二二財年，本集團承諾向Livelihoods Carbon fund Sicav投資總額為5,000,000歐元。Livelihoods於二零零八年在Danone的領導下成立，旨在恢復退化的生態系統、重建當地經濟和應對氣候變化。作為回報，預計在二零三零年前以實物股息的形式獲得碳補償。於二零二三年三月三十一日，資本催繳金額139,000歐元於資產負債表內「其他非流動資產」列賬。

於二零二三財年，本集團承諾向Mirova fund Sicav投資總額為40,000,000歐元。Mirova於二零一二年在Natixis Investment Managers的領導下成立，旨在保護和恢復自然資本，包括可持續農業及可持續林業。作為回報，預計在二零三零年前以實物股息的形式獲得碳補償。於二零二三年三月三十一日，並無資本催繳金額於資產負債表內「其他非流動資產」列賬。

33. 與關聯方的交易

與關聯方的交易載列如下。

33.1. 主要管理人員薪酬

主要管理人員包括董事(本公司董事會執行及非執行成員)及高級管理人員。

董事酬金

董事為董事會成員。年內已支銷董事酬金分析如下：

二零二三年三月三十一日 *千歐元*	薪金及其他實物利益	僱主對退休福利計劃的供款	花紅	董事袍金	以股份支付款項	服務	總計
執行董事							
Reinold Geiger [(a)]	–	–	150	–	–	622	772
André Hoffmann [(b)]	659	–	280	–	–	–	939
Séan Harrington	600	–	674	–	68	–	1,342
Karl Guénard	124	34	68	–	47	–	273
Thomas Levilion [(c)]	124	26	352	–	–	–	502
非執行董事							
Thomas Levilion [(c)]	–	–	–	26	–	–	26
獨立非執行董事							
Mark Broadley	–	–	–	56	10	–	66
Valérie Bernis [(d)]	–	–	–	31	–	–	31
Christèle Hiss Holliger	–	–	–	10	–	–	10
吳植森	–	–	–	50	10	–	60
劉文思	–	–	–	29	–	–	29
總計	**1,507**	**60**	**1,524**	**202**	**135**	**622**	**4,050**

(a) Reinold Geiger為主席

(b) André Hoffman為行政總裁

(c) Thomas Levilion於二零二二年七月一日由執行董事調任為非執行董事，接替Martial Lopez

(d) Valérie Bernis於二零二三年一月一日由劉文思接替

合併財務報表附註

33. 與關聯方的交易(續)

33.1. 主要管理人員薪酬(續)

董事酬金(續)

二零二二年三月三十一日 *千歐元*	薪金及其他實物利益	僱主對退休福利計劃的供款	花紅	董事袍金	以股份支付款項	服務	總計
執行董事							
Reinold Geiger [(a)]	–	–	150	–	–	697	847
André Hoffmann [(b)]	618	–	278	–	–	–	896
Yves Blouin	428	70	115	–	121	–	734
Thomas Levilion	385	94	150	–	127	–	756
Séan Harrington	544	–	805	–	32	–	1,381
Karl Guénard	116	31	120	–	14	–	281
非執行董事							
Martial Lopez	–	–	–	10	–	–	10
獨立非執行董事							
Mark Broadley	–	–	–	45	5	–	50
Pierre Milet [(c)]	–	–	–	18	–	–	18
Valérie Bernis	–	–	–	30	5	–	35
吳植森	–	–	–	39	5	–	44
劉文思 [(c)]	–	–	–	–	–	–	–
Total	**2,091**	**195**	**1,618**	**142**	**309**	**697**	**5,052**

(a) Reinold Geiger為主席

(b) André Hoffman為行政總裁。

(c) Pierre Milet於二零二二年三月一日由劉文思接替

概無董事的界定福利責任。

33. 與關聯方的交易(續)

33.1. 主要管理人員薪酬(續)

董事於交易、安排或合約中的重大權益

於財政年度末或於本年度內任何時間，概無由本公司訂立而且本公司董事在當中擁有直接或間接重大權益的本集團業務相關重大交易、安排或合約。

五名最高薪酬人士

五名最高薪酬人士如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
薪金及其他實物利益	2,640	2,014
僱主對退休福利計劃的供款	65	105
花紅	2,736	1,848
董事袍金	–	–
以股份支付款項	399	182
服務	–	697
總計	**5,840**	**4,846**

三名董事的袍金計入二零二三年及二零二二年三月三十一日的金額。

概無五名最高薪酬人士的界定福利責任。

五名最高薪酬人士之薪酬按下列組別分析如下：

三月三十一日 *人數*	二零二三年	二零二二年
零至700,000歐元	–	–
700,000歐元至800,000歐元	–	1
800,000歐元至900,000歐元	1	2
900,000歐元至1,000,000歐元	2	1
1,000,000歐元以上	2	1
總計	**5**	**5**

年內已支銷高級管理人員薪酬

高級管理人員(終止服務權益者除外)薪酬如下：

三月三十一日 *千歐元*	二零二三年	二零二二年
薪金及其他實物利益	2,642	3,168
僱主對退休福利計劃的供款	170	324
花紅	1,939	1,172
董事袍金	–	–
以股份支付款項	559	1,339
總計	**5,310**	**6,003**

概無高級管理人員的界定福利責任。

合併財務報表附註

33. 與關聯方的交易(續)

33.1. 主要管理人員薪酬(續)

年內已支銷高級管理人員薪酬(續)

高級管理人員(終止服務權益者除外)的薪酬按下列組別分析如下:

三月三十一日 *人數*	二零二三年	二零二二年
零至200,000歐元	–	–
200,000歐元至300,000歐元	3	3
300,000歐元至400,000歐元	–	2
400,000歐元至500,000歐元	3	–
500,000歐元以上	3	7
總計	**9**	**12**

33.2. 產品及服務銷售

三月三十一日 *千歐元*	二零二三年	二零二二年
貨品及服務銷售		
– 向Les Minimes銷售L'Occitane產品[(a)]	50	–
– 向L'Occitane Middle East銷售L'Occitane產品	18,123	10,612
– 向Capsum銷售L'Occitane產品	6	–
– 向L'Occitane Inc.銷售L'Occitane產品	–	13,334
– 向L'Occitane Middle East銷售Erborian產品	3,699	368
– 向L'Occitane Middle East銷售Melvita產品	–	46
– 向L'Occitane Middle East銷售Elemis產品	5,261	–
– 將管理費計入母公司[(b)]	231	231
– 向LOG Investments銷售服務	374	42
– 向L'Occitane Middle East貸款的利息	223	–
產品銷售總額	**27,968**	**24,633**
就上述產品銷售應收關聯方款項		
– 應收母公司款項	418	271
– 應收LOG Investments款項	27	53
– 應收L'Occitane Middle East款項	16,082	6,921
– 應收Cloître des Minimes款項[(a)]	61	–
應收款項總額	**16,588**	**7,245**

(a) 在日常業務過程中,本集團向Les Minimes SAS出售L'Occitane產品。母公司、Reinold Geiger先生及其他股東分別擁有Les Minimes SAS的60.6%、6.6%及32.8%權益

(b) 本公司向母公司開具的管理費發票為231,000歐元(截至二零二二年三月三十一日止財政年度為231,000歐元)。

33. 與關聯方的交易(續)

33.3. 購買貨品及服務

三月三十一日 *千歐元*	二零二三年	二零二二年
向以下各方購買		
— 母公司的服務	–	(109)
— Pierre Hermé的貨品及服務[a]	–	1,468
— Capsum的貨品及服務	2,409	3,489
購買總額	**2,409**	**4,848**
就上述服務應付下列關聯方款項		
— Pierre Hermé的貨品及服務[a]	–	293
— L'Occitane Middle East的貨品	25	51
— Capsum的貨品	759	230
應付款項總額	**784**	**574**

本公司與Pierre Hermé SAS共同運營兩家分別位於巴黎及倫敦的店舖。本公司採購以分享Pierre Hermé SAS的甜品外賣銷售額。Pierre Hermé SAS曾為L'Occitane Group S.A.的聯營公司直至其於二零二一年十二月出售其股份予第三方。自此，Pierre Hermé不再為L'Occitane International S:A:的關聯方

33.4. 來自關聯方的借貸／向關聯方的貸款

三月三十一日 *千歐元*	二零二三年	二零二二年
向關聯方的貸款		
— 應收L'Occitane Middle East款項	7,277	6,945
向關聯方的貸款總額	**7,277**	**6,945**

33.5. 成立合營企業／收購附屬公司額外權益

除附註6所列者外，截至二零二三年三月三十一日及二零二二年三月三十一日止年度，本公司概無與關聯方進行有關成立合營企業或額外收購附屬公司權益之交易。

33.6. 承擔及或然事項

本集團並無就向任何主要管理人員提供的任何貸款作出擔保。

33.7. 與關聯方的其他交易

收購Grown Alchemist

於二零二二年四月一日，L'Occitane International S.A.向LOG Investment(母公司L'Occitane Group S.A.的附屬公司)以5,000,000歐元收購14 Groupe S.A.的49.24%股權(佔76.18%投票權)，該公司持有Grown Alchemist的65%股權及投票權。Grown Alchemist為澳洲品牌，在含有天然成份的護膚品、身體護理、護髮和營養化妝品(補充劑)領域取得跨界成功(附註6.1)。

合併財務報表附註

34. 公司層面資料

34.1. 公司資產負債表

資產 *千歐元*	二零二三年 三月三十一日	二零二二年 三月三十一日
物業、廠房及設備	5	810
使用權資產	220	9,399
無形資產	3,100	24,045
按成本計於附屬公司的投資	1,296,913	1,542,774
按成本計於合營企業及聯營公司的投資	76,200	62,744
按公平值列入其他綜合收益的投資	83	9,162
應收附屬公司其他非流動應收款項	–	4,090
其他非流動應收款項	11,971	10,073
非流動資產	**1,388,492**	**1,663,097**
存貨	–	23,758
應收附屬公司貿易賬款	2,928	162,439
應收貿易賬款	269	15,455
應收附屬公司其他流動資產	–	163,735
其他流動資產	935	19,151
衍生金融工具	–	1,931
現金及現金等價物	12,628	252,414
流動資產	**16,760**	**638,883**
總資產	**1,405,252**	**2,301,980**

權益及負債 *千歐元*	二零二三年 三月三十一日	二零二二年 三月三十一日
股本	44,309	44,309
額外實繳股本	342,851	342,851
保留盈利	342,804	669,481
總權益	**729,964**	**1,056,641**
借貸	-	364,878
租賃負債	124	7,288
遞延所得稅負債	1,656	2,176
其他財務負債	338,650	171,865
非流動負債	**340,430**	**546,207**
應付附屬公司貿易賬款	299	96,375
應付貿易賬款	487	13,797
社會及稅項負債	6,612	28,304
借貸	327,358	475,582
租賃負債	102	3,004
應付附屬公司其他流動負債	–	80,262
衍生金融工具	–	1,208
撥備	–	600
流動負債	**334,858**	**699,132**
權益及負債總額	**1,405,252**	**2,301,980**

34. 公司層面資料(續)

34.2. 公司權益變動表

千歐元	股本	額外實繳股本	保留盈利	總計
於二零二一年三月三十一日的結餘	**44,309**	**342,851**	**735,688**	**1,122,848**
年內溢利	–	–	136,256	136,256
已宣派股息	–	–	(54,141)	(54,141)
僱員購股權：僱員服務的價值	–	–	3,092	3,092
授予非控股權益認沽期權行使價估值估計變動	–	–	3,064	3,064
授予非控股權益的新認沽期權	–	–	(154,534)	(154,534)
現金流量對沖公平值收益／(虧損)	–	–	56	56
於二零二二年三月三十一日的結餘	**44,309**	**342,851**	**669,481**	**1,056,641**
年內溢利	–	–	(65,596)	(65,596)
已宣派股息	–	–	(97,248)	(97,248)
僱員購股權：僱員服務的價值	–	–	5,646	5,646
授予非控股權益認沽期權行使價估值估計變動	–	–	(133,349)	(133,349)
授予非控股權益的新認沽期權	–	–	(33,436)	(33,436)
轉讓至L'Occitane International (Suisse) S.A. *	–	–	(2,694)	(2,694)
於二零二三年三月三十一日的結餘	**44,309**	**342,851**	**342,804**	**729,964**

* *於二零二二年四月一日，L'Occitane International S.A.將其商業活動及部分融資活動轉讓至L'Occitane International (Suisse) S.A.。*

35. 資產負債表後事項

於二零二三年五月十一日，L'Occitane International S.A.收購Group Fourteen Holdings Pty Ltd(Grown Alchemist活動的控股公司)的35%，總代價為10,061,000歐元。此交易後本公司的權益百分比為67%。

於二零二三年五月三十一日，L'Occitane International S.A.以9,427,000歐元參與Good Glamm Group(以權益法入賬)最近一次集資，並增加權益百分比至15.93%。

合併財務報表附註

36. 附屬公司及聯營公司名單

附屬公司及聯營公司名單

使用權益法入賬的附屬公司及投資		註冊成立及營運城市 – 地區／國家	權益百分比 三月三十一日 二零二三年	權益百分比 三月三十一日 二零二二年	綜合方式 三月三十一日 二零二三年	綜合方式 三月三十一日 二零二二年
L'Occitane International S.A.		Luxembourg – Luxembourg（盧森堡 – 盧森堡）	母公司	母公司	全面	全面
L'Occitane International (Suisse) S.A.	*	Plan les Ouates – Switzerland（普朗萊烏特 – 瑞士）	100.0	–	全面	–
Laboratoires M&L	*	Manosque – France（馬諾斯克 – 法國）	100.0	100.0	全面	全面
M&L Distribution France S.a.r.l.	**	Manosque – France（馬諾斯克 – 法國）	100.0	100.0	全面	全面
Café & Retail 86	*	Paris – France（巴黎 – 法國）	100.0	100.0	全面	全面
L'Occitane Inc.	*	New York – USA（紐約 – 美國）	100.0	100.0	全面	全面
L'Occitane (Far East) Limited	*	Hong Kong SAR – China（香港特別行政區 – 中國）	100.0	100.0	全面	全面
L'Occitane Singapore Pte. Limited	**	Singapore – Singapore（新加坡 – 新加坡）	100.0	100.0	全面	全面
L'Occitane Japon K.K.	***	Tokyo – Japan（東京 – 日本）	100.0	100.0	全面	全面
Melvita Japon K.K.	**	Tokyo – Japan（東京 – 日本）	100.0	100.0	全面	全面
L'Occitane Do Brasil	*	Jundjai – Brazil（容迪亞伊 – 巴西）	100.0	100.0	全面	全面
Espaço Do Banho	***	Sao Paulo – Brazil（聖保羅 – 巴西）	100.0	100.0	全面	全面
L'Occitane Ltd.	*	London – UK（倫敦 – 英國）	100.0	100.0	全面	全面
L'Occitane GmbH	*	Villach – Austria（菲拉赫 – 奧地利）	70.0	70.0	全面	全面
L'Occitane GmbH	*	Dusseldorf – Germany（杜塞爾多夫 – 德國）	100.0	100.0	全面	全面
L'Occitane Italia S.r.l.	*	Milan – Italy（米蘭 – 意大利）	100.0	100.0	全面	全面
L'Occitane Australia Pty Ltd	**	Sydney – Australia（悉尼 – 澳洲）	100.0	100.0	全面	全面
L'Occitane (Suisse) S.A.	*	Geneva – Switzerland（日內瓦 – 瑞士）	100.0	100.0	全面	全面
L'Occitane Espana S.L	*	Madrid – Spain（馬德里 – 西班牙）	100.0	100.0	全面	全面
L'Occitane Central Europe s.r.o.	*	Prague – Czech Republic（布拉格 – 捷克）	100.0	100.0	全面	全面
L'Occitane (Taiwan) Limited	***	Taipei – Taiwan Region（台北 – 台灣地區）	100.0	100.0	全面	全面
L'Occitane Belgium Sprl	*	Antwerpen – Belgium（安特衛普 – 比利時）	100.0	100.0	全面	全面
L'Occitane Trading (Shanghai) Co. Limited	**	Shanghai – China（上海 – 中國）	100.0	100.0	全面	全面
L'Occitane (Korea) LLC	**	Seoul – Korea（首爾 – 韓國）	100.0	100.0	全面	全面
L'Occitane Airport Venture LLC	**	Dallas – USA（達拉斯 – 美國）	65.0	65.0	全面	全面
L'Occitane Mexico S.A. de CV	*	Mexico City – Mexico（墨西哥城 – 墨西哥）	99.9	99.9	全面	全面
L'Occitane (China) Limited	**	Hong Kong SAR – China（香港特別行政區 – 中國）	100.0	100.0	全面	全面
L'Occitane Macau Limited	**	Macau SAR – China（澳門特別行政區 – 中國）	100.0	100.0	全面	全面
L'Occitane Rus LLC (Russia)	*	Moscow – Russia（莫斯科 – 俄羅斯）	–	100.0	–	全面
Melvita (International) SAS（前稱Verveina SAS）	**	Manosque – France（馬諾斯克 – 法國）	100.0	100.0	全面	全面
L'Occitane Thailand Ltd.	**	Bangkok – Thailand（曼谷 – 泰國）	100.0	100.0	全面	全面
L'Occitane Ventures (Thailand) Ltd.	**	Bangkok – Thailand（曼谷 – 泰國）	100.0	100.0	全面	全面
L'Occitane Polska Sp.z.o.o	*	Warsaw – Poland（華沙 – 波蘭）	100.0	100.0	全面	全面
L'Occitane Canada Corp	*	Toronto – Canada（多倫多 – 加拿大）	100.0	100.0	全面	全面
L'Occitane India Private Limited	**	New Delhi – India（新德里 – 印度）	51.0	51.0	全面	全面
L'Occitane Nederland B.V.	*	Amsterdam – The Netherlands（阿姆斯特丹 – 荷蘭）	100.0	100.0	全面	全面
L'Occitane Malaysia SDN	**	Kuala Lumpur – Malaysia（吉隆坡 – 馬來西亞）	100.0	100.0	全面	全面
L'Occitane Ireland Ltd	*	Dublin – Ireland（都柏林 – 愛爾蘭）	100.0	100.0	全面	全面
Symbiose Cosmetics France SAS	*	Paris – France（巴黎 – 法國）	97.8	97.8	全面	全面
Symbiose Cosmetics Korea	**	Seoul – Korea（首爾 – 韓國）	97.8	97.8	全面	全面
L'Occitane Nordic AB	*	Stockholm – Sweden（斯德哥爾摩 – 瑞典）	100.0	100.0	全面	全面

36. 附屬公司及聯營公司名單*(續)*

附屬公司及聯營公司名單*(續)*

使用權益法入賬的附屬公司及投資		註冊成立及營運城市 – 地區／國家	權益百分比 三月三十一日 二零二三年	權益百分比 三月三十一日 二零二二年	綜合方式 三月三十一日 二零二三年	綜合方式 三月三十一日 二零二二年
L'Occitane South Africa	*	Johannesburg – South Africa (約翰內斯堡 – 南非)	100.0	100.0	全面	全面
L'Occitane International GMBH	*	Dusseldorf – Germany (杜塞爾多夫 – 德國)	–	100.0	–	全面
L'Occitane Portugal Unipessoal LDA	*	Lisbon – Portugal (里斯本 – 葡萄牙)	100.0	100.0	全面	全面
L'Occitane Norge AS	*	Oslo – Norway (奧斯陸 – 挪威)	100.0	100.0	全面	全面
L'Occitane Distribution Asia Pte. Ltd.	**	Singapore – Singapore (新加坡 – 新加坡)	100.0	100.0	全面	全面
L'Occitane Opera Industria e Comercio de Cosmeticos LTDA	***	Sao Paulo – Brazil (聖保羅 – 巴西)	100.0	100.0	全面	全面
LimeLife Co-Invest Sarl	**	Luxembourg – Luxembourg (盧森堡 – 盧森堡)	58.0	58.0	全面	全面
Limelife USA LLC	**	New York – USA (紐約 – 美國)	58.0	58.0	全面	全面
LimeLife Canada Ltd	**	Toronto – Canada (多倫多 – 加拿大)	58.0	58.0	全面	全面
Comercio De Cosmeticos e Produtos De Perfumaria LTDA	**	Sao Paulo – Brazil (聖保羅 – 巴西)	58.0	58.0	全面	全面
LimeLife Servicos de Cobranca Ltda	**	Sao Paulo – Brazil (聖保羅 – 巴西)	–	58.0	–	全面
LimeLife Gesta de sistema de franquia Eireli	**	Sao Paulo – Brazil (聖保羅 – 巴西)	–	58.0	–	全面
LimeLife France SAS	**	Paris – France (巴黎 – 法國)	58.0	58.0	全面	全面
LimeLife by Alcone UK Ltd	**	London – UK (倫敦 – 英國)	58.0	58.0	全面	全面
LimeLife Deutschland GMBH	**	Berlin – Germany (柏林 – 德國)	58.0	58.0	全面	全面
LimeLife Italia S.P.A.	**	Milan – Italy (米蘭 – 意大利)	58.0	58.0	全面	全面
LimeLife by Alcone Espana S.L.	**	Madrid – Spain (馬德里 – 西班牙)	58.0	58.0	全面	全面
Limelife Australia Pty Ltd	**	Sydney – Australia (悉尼 – 澳洲)	58.0	58.0	全面	全面
Limelife by Alcone Ireland Ltd (branch of UK) (英國分部)	**	Dublin – Ireland (都柏林 – 愛爾蘭)	58.0	58.0	全面	全面
Limelife Japan KK	**	Tokyo – Japan (東京 – 日本)	58.0	58.0	全面	全面
LimeLife Fempire Fund LLC	**	New York – USA (紐約 – 美國)	58.0	58.0	全面	全面
LOI Participations SARL	*	Luxembourg – Luxembourg (盧森堡 – 盧森堡)	100.0	100.0	全面	全面
L'Occitane Innovation Lab	*	Manosque – France (馬諾斯克 – 法國)	100.0	100.0	全面	全面
LOI ELEMIS SARL	*	Luxembourg – Luxembourg (盧森堡 – 盧森堡)	98.6	98.6	全面	全面
ELEMIS Ltd USA	**	Coral Gables – USA (科勒爾蓋布爾斯 – 美國)	98.6	98.6	全面	全面
Elemis SPS LLC	**	Wilmington – USA (威爾明頓 – 美國)	98.6	98.6	全面	全面
ELEMIS Ltd UK	**	Bristol – UK (布裡斯托爾 – 英國)	98.6	98.6	全面	全面
Elemis Spa Ltd (UK)	**	Bristol – UK (布裡斯托爾 – 英國)	–	98.6	–	全面
Elemis Asia Pacific Limited	**	Hong Kong SAR – China (香港特別行政區 – 中國)	98.6	98.6	全面	全面
Duolab International SARL	*	Plan les Ouates – Switzerland (普朗萊烏特 – 瑞士)	100.0	100.0	全面	全面
Duolab UK Limited	**	London – UK (倫敦 – 英國)	100.0	100.0	全面	全面
Capsum S.A.	*	Marseille – France (馬賽 – 法國)	26.0	26.0	權益	權益
Caspum Inc.	*	Texas – US (德薩斯 – 美國)	26.0	26.0	權益	權益
Sanghvi Beauty & Technology Private Limited (Good Glam Group)	*	Pune – India (浦那 – 印度)	15.5	15.5	權益	權益

合併財務報表附註

36. 附屬公司及聯營公司名單*(續)*

附屬公司及聯營公司名單*(續)*

使用權益法入賬的附屬公司及投資		註冊成立及營運城市 – 地區／國家	權益百分比 三月三十一日 二零二三年	權益百分比 三月三十一日 二零二二年	綜合方式 三月三十一日 二零二三年	綜合方式 三月三十一日 二零二二年
LOC SOL Holding Inc.	*	Dover Kent County – USA (多佛肯特縣 – 美國)	100.0	100.0	全面	全面
LOC SOL Owners Inc.	**	Dover Kent County – USA (多佛肯特縣 – 美國)	83.0	83.0	全面	全面
LOC SOL Target Inc.	**	Dover Kent County – USA (多佛肯特縣 – 美國)	83.0	83.0	全面	全面
Sol de Janeiro Holding Inc.	**	Dover Kent County – USA (多佛肯特縣 – 美國)	83.0	83.0	全面	全面
Sol de Janeiro USA Inc.	**	Dover Kent County – USA (多佛肯特縣 – 美國)	83.0	83.0	全面	全面
Sol de Janeiro SAS	**	Paris – France (巴黎 – 法國)	83.0	83.0	全面	全面
Sol de Janeiro IP Inc.	**	Dover Kent County – USA (多佛肯特縣 – 美國)	83.0	83.0	全面	全面
L'Occitane Middle East FZCO JV	*	Dubai – UAE (杜拜 – 阿聯酋)	51.0	51.0	權益	權益
L'Occitane Arabia	**	Jeddah – KSA (吉達 – 沙特阿拉伯)	51.0	51.0	權益	權益
L'Occitane Emirates LLC	**	Dubai – UAE (杜拜 – 阿聯酋)	51.0	51.0	權益	權益
14 Group S.A.	*	Luxembourg – Luxembourg (盧森堡 – 盧森堡)	32.0	–	全面	–
Group Fourteen Holdings Australia Pty Ltd	**	Melbourne – Australia (墨爾本–澳洲)	32.0	–	全面	–
Group Fourteen LLC	**	Wilmington – USA (威爾明頓 – 美國)	32.0	–	全面	–
Group Fourteen Operations Pty Ltd	**	Melbourne – Australia (墨爾本–澳洲)	32.0	–	全面	–
Group Fourteen IP Pty Ltd	**	Melbourne – Australia (墨爾本–澳洲)	32.0	–	全面	–
Grown Alchemist Ltd	**	London – UK (倫敦 – 英國)	32.0	–	全面	–
Grown Alchemist Europe BV	**	Amsterdam – The Netherlands (阿姆斯特丹 – 荷蘭)	32.0	–	全面	–
Group Fourteen Europe Pty Ltd	**	Melbourne – Australia (墨爾本–澳洲)	32.0	–	全面	–
Grown Alchemist Pty Ltd	**	Melbourne – Australia (墨爾本–澳洲)	32.0	–	全面	–

* *本公司直接持有*

** *本公司間接持有*

*** *本公司直接及間接持有*

所佔權益百分比代表投票權，原因為股份並不附帶多重投票權。於批准財務報表日期，有關百分比並無變動。

附屬公司及聯營公司名單的主要變動披露於附註6。

36. 附屬公司及聯營公司名單(續)

使用權益法入賬的附屬公司及投資資料

使用權益法入賬的附屬公司及投資註冊成立日期、股本及主要業務如下：

使用權益法入賬的附屬公司及投資		註冊成立及營運城市 – 地區／國家	註冊成立日期	股本	主要業務
L'Occitane International S.A.		Luxembourg – Luxembourg (盧森堡 – 盧森堡)	二零零零年	44,308,950歐元	持股及分銷
L'Occitane International (Suisse) S.A.		Plan les Ouates – Switzerland (普朗萊烏特 – 瑞士)	二零二二年	100,000瑞士法郎	分銷
Laboratoires M&L	*	Manosque – France (馬諾斯克 – 法國)	一九七六年	8,126,409歐元	生產
M&L Distribution France S.a.r.l.	**	Manosque – France (馬諾斯克 – 法國)	一九九四年	4,790,949歐元	分銷
Café & Retail 86	*	Paris – France (巴黎 – 法國)	二零二零年	1 622 443,00歐元	分銷
L'Occitane Inc.	*	New York – USA (紐約 – 美國)	一九九五年	1美元	分銷
L'Occitane (Far East) Limited	*	Hong Kong SAR – China (香港特別行政區 – 中國)	一九九二年	8,000,000港元	持股及分銷
L'Occitane Singapore Pte. Limited	**	Singapore – Singapore (新加坡 – 新加坡)	一九九七年	500,000新加坡元	分銷
L'Occitane Japon K.K.	***	Tokyo – Japan (東京 – 日本)	一九九八年	100,000,000 日圓	分銷
Melvita Japon K.K.	**	Tokyo – Japan (東京 – 日本)	二零一零年	50,000,000日圓	分銷
L'Occitane Do Brasil	*	Jundjai – Brazil (容迪亞伊 – 巴西)	一九九九年	8,700,000巴西雷亞爾	分銷
Espaço Do Banho	***	Sao Paulo – Brazil(聖保羅 – 巴西)	一九九六年	450,242,000巴西雷亞爾	分銷
L'Occitane Ltd.	*	London – UK(倫敦 – 英國)	一九九六年	1,398,510.75英鎊	分銷
L'Occitane GmbH	*	Villach – Austria(菲拉赫 – 奧地利)	二零零零年	70,000歐元	分銷
L'Occitane GmbH	*	Dusseldorf – Germany (杜塞爾多夫 – 德國)	二零零四年	25,000 歐元	分銷
L'Occitane Italia S.r.l.	*	Milan – Italy (米蘭 – 意大利)	二零零一年	80,000歐元	分銷
L'Occitane Australia Pty Ltd	**	Sydney – Australia (悉尼 – 澳洲)	二零零零年	5,000,000澳元	分銷
L'Occitane (Suisse) S.A.	*	Geneva – Switzerland (日內瓦 – 瑞士)	二零零二年	100,000瑞士法郎	分銷
L'Occitane Espana S.L	*	Madrid – Spain (馬德里 – 西班牙)	二零零三年	6,459,650.10歐元	分銷
L'Occitane Central Europe s.r.o.	*	Prague – Czech Republic (布拉格 – 捷克)	二零零四年	9,361,000 捷克克朗	分銷
L'Occitane (Taiwan) Limited	***	Taipei – Taiwan Region (台北 – 台灣地區)	二零零五年	28,500,000台幣	分銷
L'Occitane Belgium Sprl	*	Antwerpen – Belgium (安特衛普 – 比利時)	二零零五年	20,000歐元	分銷
L'Occitane Trading (Shanghai) Co. Limited	**	Shanghai – China (上海 – 中國)	二零零五年	1,400,000美元	分銷
L'Occitane (Korea) LLC	**	Seoul – Korea (首爾 – 韓國)	二零零五年	2,505,000,000韓圜	分銷
L'Occitane Airport Venture LLC	**	Dallas – USA (達拉斯 – 美國)	二零零六年	10,000美元	分銷
L'Occitane Mexico S.A. de CV	*	Mexico City – Mexico (墨西哥城 – 墨西哥)	二零零六年	28,250,000墨西哥比索	分銷
L'Occitane (China) Limited	**	Hong Kong SAR – China (香港特別行政區 – 中國)	二零零六年	10,000港元	分銷
L'Occitane Macau Limited	**	Macau SAR – China (澳門特別行政區 – 中國)	二零零七年	25,000澳門元	分銷
Melvita (International) SAS (formely Verveina SAS)	**	Manosque – France (馬諾斯克 – 法國)	二零零八年	60,390,831歐元	持股及分銷
L'Occitane Thailand Ltd.	**	Bangkok – Thailand (曼谷 – 泰國)	二零零八年	100,232,000泰銖	分銷
L'Occitane Ventures (Thailand) Ltd.	**	Bangkok – Thailand (曼谷 – 泰國)	二零一二年	451,700泰銖	分銷
L'Occitane Polska Sp.z.o.o	*	Warsaw – Poland (華沙 – 波蘭)	二零零九年	3,754,000茲羅提	分銷
L'Occitane Canada Corp	*	Toronto – Canada (多倫多 – 加拿大)	二零零九年	6,000,000加元	分銷
L'Occitane India Private Limited	**	New Delhi – India (新德里 – 印度)	二零零九年	17,500,000盧比	分銷
L'Occitane Nederland B.V.	*	Amsterdam – the Netherlands (阿姆斯特丹 – 荷蘭)	二零一零年	200,000歐元	分銷
L'Occitane Malaysia SDN	**	Kuala Lumpur – Malaysia (吉隆坡 – 馬來西亞)	二零一一年	76,000林吉特	分銷
L'Occitane Ireland Ltd	*	Dublin – Ireland (都柏林 – 愛爾蘭)	二零一二年	1,103歐元	分銷
Symbiose Cosmetics France SAS	*	Paris – France (巴黎 – 法國)	二零一二年	140,000歐元	分銷
Symbiose Cosmetics Korea	**	Seoul – Korea (首爾 – 韓國)	二零一三年	200,000,000韓圜	生產
L'Occitane Nordic AB	*	Stockholm – Sweden (斯德哥爾摩 – 瑞典)	二零一二年	50,000瑞典克朗	分銷
L'Occitane South Africa	*	Johannesburg – South Africa (約翰內斯堡 – 南非)	二零一三年	750蘭特	分銷
L'Occitane Portugal Unipessoal LDA	*	Lisbon – Portugal (里斯本 – 葡萄牙)	二零一三年	50,000歐元	分銷

合併財務報表附註

36. 附屬公司及聯營公司名單*(續)*

使用權益法入賬的附屬公司及投資資料*(續)*

使用權益法入賬的附屬公司及投資		註冊成立及營運城市 – 地區／國家	註冊成立日期	股本	主要業務
L'Occitane Norge AS	*	Oslo – Norway(奧斯陸 – 挪威)	二零一四年	129,000克朗	分銷
L'Occitane Distribution Asia Pte. Ltd.	**	Singapore(新加坡)	二零一六年	10,000新加坡元	一般倉存
L'Occitane Opera Industria e Comercio de Cosmeticos LTDA	***	Sao Paulo – Brazil(聖保羅 – 巴西)	二零一七年	1,000,000巴西雷亞爾	生產
LimeLife Co-Invest Sarl	**	Luxembourg – Luxembourg (盧森堡 – 盧森堡)	二零一八年	42,229,729美元	持股
Limelife USA LLC	**	New York – USA(紐約 – 美國)	二零一七年	5,830,313美元	分銷
LimeLife Canada Ltd	**	Toronto – Canada (多倫多 – 加拿大)	二零一七年	529,310加元	分銷
Comercio De Cosmeticos e Produtos De Perfumaria LTDA	**	Sao Paulo – Brazil(聖保羅 – 巴西)	二零一七年	11,279,388巴西雷亞爾	分銷
LimeLife France SAS	**	Paris - France(巴黎 – 法國)	二零一八年	333,400歐元	分銷
LimeLife by Alcone UK Ltd	**	London - UK(倫敦 – 英國)	二零一七年	300,880英鎊	分銷
LimeLife Deutschland GMBH	**	Berlin - Germany(柏林 – 德國)	二零一八年	30,000歐元	分銷
LimeLife Italia S.P.A.	**	Milan - Italy(米蘭 – 意大利)	二零一八年	50,000歐元	分銷
LimeLife by Alcone Espana S.L.	**	Madrid - Spain(馬德里 – 西班牙)	二零一九年	30,000歐元	分銷
Limelife Australia	**	Sydney - Australia(悉尼 – 澳洲)	二零一九年	40,000澳元	分銷
Limelife by Alcone Ireland Ltd (branch of UK) (英國分部)	**	Dublin - Ireland(都柏林 – 愛爾蘭)	二零一八年	0歐元	分銷
Limelife Japan KK	**	Tokyo - Japan(東京 – 日本)	二零一九年	5,000,000日圓	分銷
LimeLife Fempire Fund LLC	**	New York - USA(紐約 – 美國)	二零二一年	2,000,000美元	投資
LOI Participations SARL	*	Luxembourg - Luxembourg(盧森堡 – 盧森堡)	二零一七年	113,919,000歐元	持股
L'Occitane Innovation Lab	*	Manosque - France(馬諾斯克 – 法國)	二零一七年	5,000,000歐元	投資
LOI ELEMIS SARL	*	Luxembourg - Luxembourg(盧森堡 – 盧森堡)	二零一九年	12,000歐元	持股
ELEMIS Ltd USA	**	Coral Gables - USA(科勒爾蓋布爾斯 – 美國)	二零一九年	178,850,000美元	分銷
ELEMIS SPS LLC	**	Wilmington - USA(威爾明頓 – 美國)	二零零二年	100美元	分銷
ELEMIS Ltd UK	**	Bristol - UK(布裡斯托爾 – 英國)	一九八八年	795,000英鎊	分銷
Duolab International SARL	*	Plan les Ouates - Switzerland(普朗萊烏特 – 瑞士)	二零一九年	272,000歐元	開發、生產、分銷
Duolab UK Limited	**	London - UK(倫敦 – 英國)	二零一九年	50,000英鎊	分銷
Elemis Asia Pacific Limited	**	Hong Kong SAR - China (香港特別行政區 – 中國)	二零一九年	1港元	分銷
Capsum S.A.	*	Marseille - France(馬賽 – 法國)	二零零八年	556,940歐元	生產、分銷
Caspum Inc.	*	Texas - USA(德薩斯 – 美國)	二零一五年	22,194,186美元	生產
Sanghvi Beauty & Technologies Private Limited (Good Glamm Group)	*	Pune - India(浦那 – 印度)	二零一五年	1,598,520,613盧比	持股、投資、分銷
LOC SOL Holding Inc.	*	Dover Kent County - USA(多佛肯特縣 – 美國)	二零二一年	379,392美元	持股、分銷
LOC SOL Owners Inc.	**	Dover Kent County - USA(多佛肯特縣 – 美國)	二零二一年	457,896美元	分銷
LOC SOL Target Inc.	**	Dover Kent County - USA(多佛肯特縣 – 美國)	二零二一年	457,896美元	分銷
Sol de Janeiro Holding Inc.	**	Dover Kent County - USA(多佛肯特縣 – 美國)	二零一九年	2,674美元	持股、分銷
Sol de Janeiro USA Inc.	**	Dover Kent County - USA(多佛肯特縣 – 美國)	二零一九年	1美元	分銷
Sol de Janeiro SAS	**	Paris - France(巴黎 – 法國)	二零二零年	0歐元	分銷
Sol de Janeiro IP Inc.	**	Dover Kent County - USA(多佛肯特縣 – 美國)	二零一九年	1美元	分銷
L'Occitane Middle East FZCO JV	*	Dubai - UAE(杜拜 – 阿聯酋)	二零二零年	27,000美元	分銷
L'Occitane Arabia	**	Jeddah - KSA(吉達 – 沙特阿拉伯)	二零二一年	30,000,000沙特里亞爾	分銷
L'Occitane Emirates LLC	**	Dubai - UAE(杜拜 – 阿聯酋)	二零二一年	300,000迪拉姆	分銷
14 Group S.A.	*	Luxembourg - Luxembourg(盧森堡 – 盧森堡)	二零二二年	30,000歐元	持股
Group Fourteen Holdings Australia Pty Ltd	**	Melbourne - Australia(墨爾本–澳洲)	二零一六年	10,723,000澳元	持股

36. 附屬公司及聯營公司名單*(續)*

使用權益法入賬的附屬公司及投資資料*(續)*

使用權益法入賬的附屬公司及投資		註冊成立及營運城市 – 地區／國家	註冊成立日期	股本	主要業務
Group Fourteen LLC	**	Wilmington - USA(威爾明頓 – 美國)	二零一七年	1,000美元	分銷
Group Fourteen Operations Pty Ltd	**	Melbourne - Australia(墨爾本–澳洲)	二零零八年	1,100,000澳元	分銷
Group Fourteen IP Pty Ltd	**	Melbourne - Australia(墨爾本–澳洲)	二零一六年	1澳元	分銷
Grown Alchemist Ltd	**	London - UK(倫敦 – 英國)	二零二零年	2英鎊	分銷
Grown Alchemist Europe BV	**	Amsterdam - The Netherlands(阿姆斯特丹 – 荷蘭)	二零一五年	100歐元	分銷
Group Fourteen Europe Pty Ltd	**	Melbourne - Australia(墨爾本–澳洲)	二零一六年	0澳元	暫無業務
Grown Alchemist Pty Ltd	**	Melbourne - Australia(墨爾本–澳洲)	二零一五年	100澳元	暫無業務

* *本公司直接持有*

** *本公司間接持有*

*** *本公司直接及間接持有*

**** *本公司不再直接或間接持有*

附屬公司及聯營公司名單的主要變動披露於附註6。

免責聲明：在表格內呈列的部分資料已四捨五入至最接近的整數或最接近的小數點。因此，欄內數字的總和未必與該欄所示的總數完全一致。此外，表格內呈列的部分百分比反映在四捨五入前根據相關資料計算所得結果，故未必與假使相關結果乃以經四捨五入的數字計算而得出的百分比完全一致。

財務概要

最後五個財政年度的本集團合併業績及資產、負債、股權及少數股東權益概要載列如下。

截至三月三十一日止年度	二零二三年 *千歐元*	二零二二年 *千歐元*	經重列 二零二一年 *千歐元*	二零二零年 *千歐元*	二零一九年 *千歐元*
銷售淨額	**2,134,689**	1,781,358	1,537,845	1,644,083	1,426,874
毛利	**1,718,141**	1,463,415	1,277,134	1,341,231	1,186,973
毛利率	**80.5%**	82.2%	83.0%	81.6%	83.2%
經營溢利	**239,132**	310,714	216,836	187,263	150,747
經營溢利率	**11.2%**	17.4%	14.1%	11.4%	10.6%
年內溢利	**118,193**	241,909	153,637	115,240	117,569
下列人士應佔：					
本公司權益擁有人	**115,110**	242,034	151,180	116,288	118,186
非控股權益	**3,083**	(125)	2,457	(1,048)	(617)
總資產	**2,816,428**	3,009,074	2,489,539	2,408,359	1,964,011
總負債	**1,629,427**	1,694,468	1,218,002	1,233,024	879,779
本公司權益擁有人應佔之權益	**1,138,964**	1,270,028	1,192,838	1,098,480	1,017,768
非控股權益	**48,037**	44,578	78,699	76,855	66,464

本集團就其所經營業務按照國際會計準則委員會頒佈的與歐盟所採納者相若的國際財務報告準則編製合併財務報表。

上述概要並不構成合併財務報表的一部分。

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L'OCCITANE

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L'OCCITANE INTERNATIONAL S.A.

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R.C.S. Luxembourg: B80359

(Incorporated under the laws of Luxembourg with limited liability)

(Stock code: 973)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2024

HIGHLIGHTS

- The Group's net sales grew 24.1% at constant rates and exceeded the €2.5 billion milestone to reach €2,541.9 million in FY2024. The growth in FY2024 was driven by the strong performance of Sol de Janeiro and steady performance of L'OCCITANE en Provence.
- Reported operating profit was €233.1 million, representing an operating margin of 9.2%, mainly due to increased marketing investments allocated for the main brands in strategic markets and channels.
- On a management basis, i.e. excluding the exceptional impacts of the impairments and share of profit/loss of associates, the operating profit in FY2024 was €308.4 million, representing an operating profit margin of 12.1% compared to 15.8% last year.

ANNUAL RESULTS

The board (the "**Board**") of directors (the "**Directors**") of L'Occitane International S.A. (the "**Company**" or "**L'Occitane**") is pleased to announce the audited consolidated annual results of the Company and its subsidiaries (the "**Group**") for the year ended 31 March 2024 ("**FY2024**") together with comparative figures for the year ended 31 March 2023 ("**FY2023**"). The following financial information, including the comparative figures, has been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board and as adopted by the European Union.

CONSOLIDATED STATEMENT OF INCOME

For the year ended 31 March	Notes	2024 € '000	2023 € '000	% Change
Net sales	2	**2,541,941**	**2,134,689**	**19.1**
Cost of sales		(525,630)	(416,548)	26.2
Gross profit		**2,016,311**	**1,718,141**	**17.4**
% of net sales		*79.3%*	*80.5%*	
Distribution expenses		(857,682)	(784,702)	9.3
Marketing expenses		(578,346)	(367,709)	57.3
Research and development expenses		(26,153)	(22,481)	16.3
General and administrative expenses		(259,529)	(201,498)	28.8
Other operating income	4	18,032	4,060	344.1
Other operating expenses	5	(64,740)	(90,089)	-28.1
Share of profit/(loss) from associates and joint ventures accounted for using the equity method	3	(14,807)	(16,590)	-10.7
Operating profit	6	**233,086**	**239,132**	**-2.5**
Finance income	7	6,949	2,799	148.3
Finance costs	7	(47,309)	(56,312)	-16.0
Foreign currency gains/(losses)		(3,516)	(6,002)	-41.4
Profit before income tax		**189,210**	**179,617**	**5.3**
Income tax expense	8	(87,387)	(61,424)	42.3
Profit for the year		**101,823**	**118,193**	**-13.9**
Attributable to:				
Equity owners of the Company		93,893	115,110	-18.4
Non-controlling interests		7,930	3,083	157.2
Total		**101,823**	**118,193**	**-13.9**
Effective tax rate		46.2%	34.2%	
Earnings per share attributable to the equity owners of the Company during the year *(expressed in euros per share)*				
Basic		0.064	0.078	-18.6
Diluted		0.064	0.078	-18.6
Number of shares used in earnings per share calculation				
Basic	9	1,474,862,900	1,471,609,250	0.2
Diluted	9	1,476,347,642	1,473,649,115	0.2

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at	Notes	31 March 2024 € '000	31 March 2023 € '000
ASSETS			
Property, plant and equipment		137,636	125,234
Right-of-use assets		292,177	271,656
Goodwill		957,017	893,542
Intangible assets		488,271	490,188
Deferred income tax assets		78,569	84,966
Investments accounted for using the equity method		38,133	66,124
Other non-current assets		73,506	76,636
Non-current assets		**2,065,309**	**2,008,346**
Inventories	11	450,273	317,197
Trade receivables	12	305,344	256,553
Other current assets		152,978	84,740
Derivatives financial instruments		1,612	2,337
Cash and cash equivalents		139,519	147,255
Current assets		**1,049,726**	**808,082**
TOTAL ASSETS		**3,115,035**	**2,816,428**
EQUITY AND LIABILITIES			
Share capital		44,309	44,309
Additional paid-in capital		342,851	342,851
Other reserves		(698,474)	(368,342)
Retained earnings		1,167,991	1,120,146
Capital and reserves attributable to the equity owners of the Company		**856,677**	**1,138,964**
Non-controlling interests		54,835	48,037
Total equity		**911,512**	**1,187,001**
Borrowings		11,934	324,819
Lease liabilities		213,088	193,309
Other financial liabilities		684,839	338,650
Other non-current liabilities		39,076	22,343
Deferred income tax liabilities		115,698	99,488
Non-current liabilities		**1,064,635**	**978,609**
Trade payables	13	308,987	210,103
Payroll and tax liabilities		124,522	98,461
Current income tax liabilities		21,561	25,424
Borrowings		562,128	194,040
Lease liabilities		89,017	82,393
Derivative financial instruments		859	248
Provisions		3,514	3,683
Other current liabilities		28,300	36,466
Current liabilities		**1,138,888**	**650,818**
TOTAL EQUITY AND LIABILITIES		**3,115,035**	**2,816,428**
NET CURRENT (LIABILITIES)/ASSETS		**(89,163)**	**157,264**
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,976,147**	**2,165,610**

NOTES

1. Basis of preparation and changes in accounting principles

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards ("**IFRS**") as issued by the International Accounting Standards Board and as adopted by the European Union. IFRS are available on the European Commission's website.

The consolidated financial statements have been prepared on a historical cost basis, as modified by the revaluation of certain financial assets and financial liabilities (including derivative financial instruments) at fair value.

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from these estimates.

New and amended standards

The Group has applied the following new and amended standards that are effective for the first time for the Group for the financial period beginning 1 April 2023:

- International Tax Reform — Pillar Two Model Rules — these amendments to IAS 12 provides temporary relief from requirement to recognize and disclose information about deferred taxes assets and liabilities related to Pillar Two model rules and targeted requirements for affected entities. The Group is within the scope of the OECD Pillar two model rules. Since the Pillar Two legislation was not effective at the reporting date, the Group did not record any related current tax expense. Under the legislation, the Group is liable to pay a top-up tax for the difference between their GloBE effective tax rate per jurisdiction and the 15% minimum rate. For the Group, the Pillar Two model rules should be applicable as from FY2025. As at 31 March 2024 based on a preliminary assessment, the impact on the Group by the International Tax reform considered as not material, is disclosed in the Note 27.6 of the consolidated financial statements in Annual Report. The Group applies the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

- Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction — this amendment to IAS 12 requires companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases recognized by lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities. In its consolidated financial statements as at 31 March 2024, the Group disclosed separately the deferred tax assets on lease liabilities and the deferred tax liabilities on right-of-use assets.

Other new and amended standards

Several other amendments became effective for annual reporting periods beginning on or after 1 April 2023, but do not have a material impact on the consolidated financial statements:

- Disclosure of Accounting Policies — this amendment to IAS 1 requires entities to disclose their "material accounting policy information" rather than their significant accounting policies. The amendments define what material accounting policy information is and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed and that if it is disclosed, it should not obscure material accounting policy information.

- Definition of Accounting Estimates — this amendment to IAS 8 clarifies how companies should distinguish between changes in accounting policies and changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events, as well as the current period.

2. Net Sales and Segment Information

The Chairman and the CEO primarily review the Group's internal reporting in order to assess performance and allocate resources from a brand perspective. Four operating segments have been identified:

- L'OCCITANE en Provence — the sale of fragrances, skincare, haircare and body and bath ranges from the L'OCCITANE en Provence brand.

- Sol de Janeiro — the sale of fragrances, skincare, haircare and bodycare from Sol de Janeiro brand. Sales are mainly driven by consumers through its website ("Retail" and "Online" channels) and through various premium retailers, marketplaces and department stores ("Wholesale & other" channel).

- ELEMIS — the sale of skincare products by ELEMIS, a brand for distribution and innovation in the beauty and skincare sectors. Sales are mainly driven through wholesale, e-commerce, department stores, QVC, professional spas and maritime sales ("Wholesale & other" channel).

- Other brands — the sale of Erborian, L'OCCITANE au Brésil, Grown Alchemist, LimeLife, Dr. Vranjes Firenze and Melvita skincare, makeup, floral water, beauty oils and other products. These brands mostly have the same economic characteristics, primarily in terms of type of product, customer, distribution channel ("Retail", "Online" channels and "Wholesale & other" channel), and financial performance, and they do not individually or cumulatively exceed the quantitative criteria defined in IFRS 8.

2.1. Sales and segment information

31 March 2024

€'000	**L'OCCITANE en Provence**	**Sol de Janeiro**	**ELEMIS**	**Other brands**	**Total**
Net sales	**1,388,910**	**686,051**	**252,987**	**213,993**	**2,541,941**
In % of total	*54.6%*	*27.0%*	*10.0%*	*8.4%*	*100.0%*
Gross profit	**1,173,738**	**503,718**	**186,808**	**152,047**	**2,016,311**
% of net sales	*84.5%*	*73.4%*	*73.8%*	*71.1%*	*79.3%*
Distribution expenses	(587,303)	(112,696)	(71,120)	(86,563)	(857,682)
Marketing expenses	(271,937)	(168,036)	(72,807)	(65,566)	(578,346)
Research & development expenses	(16,857)	(4,157)	(2,476)	(2,663)	(26,153)
General and administrative expenses	(154,948)	(57,205)	(20,794)	(26,582)	(259,529)
Share of profit/(loss) from associates and joint ventures accounted for using the equity method	(14,807)	–	–	–	(14,807)
Other operating income	7,546	–	–	10,486	18,032
Other operating expenses	(3,695)	–	–	(61,045)	(64,740)
Operating profit/(loss)	**131,737**	**161,624**	**19,611**	**(79,886)**	**233,086**
% of net sales	*9.5%*	*23.6%*	*7.8%*	*(37.3%)*	*9.2%*

31 March 2023

€'000	**L'OCCITANE en Provence**	**Sol de Janeiro**	**ELEMIS**	**Other brands**	**Total**
Net sales	**1,421,214**	**266,989**	**255,945**	**190,541**	**2,134,689**
In % of total	*66.6%*	*12.5%*	*12.0%*	*8.9%*	*100.0%*
Gross profit	**1,201,277**	**190,369**	**186,730**	**139,766**	**1,718,141**
% of net sales	*84.5%*	*71.3%*	*73.0%*	*73.4%*	*80.5%*
Distribution expenses	(596,614)	(43,094)	(58,334)	(86,660)	(784,702)
Marketing expenses	(208,184)	(61,529)	(52,959)	(45,037)	(367,709)
Research & development expenses	(15,544)	(1,267)	(2,236)	(3,434)	(22,481)
General and administrative expenses	(144,682)	(18,815)	(21,523)	(16,478)	(201,498)
Share of profit/(loss) from associates and joint ventures accounted for using the equity method	(16,590)	–	–	–	(16,590)
Other operating income	3,211	–	64	785	4,060
Other operating expenses	(14,709)	–	(39)	(75,341)	(90,089)
Operating profit/(loss)	**208,165**	**65,664**	**51,703**	**(86,399)**	**239,132**
% of net sales	*14.6%*	*24.6%*	*20.2%*	*(45.3%)*	*11.2%*

2.2. Performance by geographic area

From a geographical perspective, the management assesses the performance of different geographic areas. Net sales are allocated based on the geographic area of the invoicing subsidiary.

	FY2024 *€ 'million*	**FY2023** *€ 'million*	**Growth at reported rates** *%*	**Growth at constant rates** *%*
APAC	884.2	896.2	(1.3)	6.3
Americas	1,092.5	695.0	57.2	63.0
EMEA	565.2	543.4	4.0	4.0
Total	**2,541.9**	**2,134.7**	**19.1**	**24.1**

3. Share of profit/(loss) from associates and joint ventures accounted for using the equity method

	FY2024 *€ '000*	**FY2023** *€ '000*
Good Glamm Group	(17,464)	(9,419)
L'Occitane Middle East	2,189	(7,024)
CAPSUM	468	(147)
Total	(14,807)	(16,590)

4. Other operating income

	FY2024 *€ '000*	FY2023 *€ '000*
Net gain on disposal of Grown Alchemist	10,486	–
Capital gain arising from the change in the percentage of interests in associates and joint ventures (Good Glamm Group)	4,750	1,700
Government grants	1,448	1,514
Net gain on disposal of Duolab	1,320	–
Other items	28	846
Total	**18,032**	**4,060**

5. Other operating expenses

	FY2024 *€ '000*	FY2023 *€ '000*
Impairment of Melvita and LimeLife goodwill	(61,045)	(75,364)
Net loss on disposal of CAPSUM	(1,993)	–
Loss on sale of assets	(1,700)	(288)
Other items	(2)	–
Reclassification to income statement of the charge previously in other comprehensive income (currency translation differences)	–	(10,805)
Capital loss from the sale of L'Occitane Russia before reclassification of currency translation differences	–	(3,632)
Total	**(64,740)**	**(90,089)**

6. Operating profit

	FY2024 *€ '000*	FY2023 *€ '000*
Employee benefit expenses	566,380	503,168
Rent and occupancy	119,059	115,974
Raw materials and consumables used	516,140	355,994
Change in inventories of finished goods and work in progress	(138,278)	(61,046)
Advertising costs	494,673	305,758
Auditor's remuneration	3,812	2,677
Professional fees	282,887	205,897
Depreciation, amortisation and impairment *	155,391	157,415
Transportation expenses	126,347	106,348
Other expenses	120,929	100,753
Total cost of sales, distribution expenses, marketing expenses, research and development expenses and general and administrative expenses	**2,247,340**	**1,792,938**

* included amortisation of right-of-use assets under IFRS 16

7. Finance costs, net

	FY2024 *€ '000*	FY2023 *€ '000*
Interest on cash and cash equivalents	6,949	2,799
Finance income	**6,949**	**2,799**
Change in the fair value of the receivable from the sale of L'Occitane Russia	(8,645)	(35,901)
Interest expense	(28,976)	(12,802)
Interest and finance expenses paid/payable for lease liabilities	(9,688)	(7,609)
Finance costs	**(47,309)**	**(56,312)**
Finance costs, net	**(40,360)**	**(53,513)**

8. Income tax expense

	FY2024 *€ '000*	FY2023 *€ '000*
Current income tax	(66,363)	(54,792)
Deferred income tax	(21,024)	(6,632)
Total income tax expense	**(87,387)**	**(61,424)**
Profit before income tax and share of profit/(loss) from associates and joint ventures accounted for using the equity method	199,735	194,507
Income tax calculated at corporate tax rate *(Luxembourg tax rate of 24.94% as at 31 March 2024 and 31 March 2023)*	(49,814)	(48,510)
Effect of different tax rates in foreign countries	5,525	20,105
Changes in tax rates	1,150	1,255
Effect of unrecognised tax assets	(11,859)	(12,746)
Recognition of previously unrecognised tax assets	37	366
Expenses not deductible for taxation purposes	(14,711)	(20,706)
Impairment of previously recognised tax assets	(9,444)	–
Effect of unremitted tax earnings	(8,291)	(1,208)
Provision for tax risks	–	30
Minimum tax payments	20	(10)
Income tax expense	**(87,387)**	**(61,424)**

9. Earnings per share

The calculation of basic and diluted earnings per share is based on the profit attributable to equity owners of the Company of €93.9 million for FY2024 (€115.1 million for FY2023) and the weighted average number of shares in issue of 1,474,862,900 (basic) and 1,476,347,642 (diluted) for the year ended 31 March 2024 and 1,471,609,250 (basic) and 1,473,649,115 (diluted) for the year ended 31 March 2023.

10. Dividends

The Board has recommended that no distribution would be made from the profits of the year ended 31 March 2024 due to the proposed privatisation announced on 29 April 2024.

11. Inventories

As at 31 March

	2024 *€ '000*	2023 *€ '000*
Raw materials and supplies	80,238	55,104
Finished goods and work in progress	398,355	285,379
Inventories, gross	478,593	340,483
Less: allowance	(28,320)	(23,286)
Inventories, net	**450,273**	**317,197**

12. Trade receivables

Ageing analysis of trade receivables, net from due date at the respective balance sheet date is as follows:

As at 31 March

	2024 *€ '000*	2023 *€ '000*
Current and past due within 3 months	280,563	235,152
Past due from 3 to 6 months	12,152	14,718
Past due from 6 to 12 months	8,130	3,129
Past due over 12 months	4,499	3,554
Trade receivables, net	**305,344**	**256,553**

For retails sales, no credit terms are granted to the end customers. For customers in the Sell-in distribution channel, sales are made with credit terms generally from 60 to 90 days.

13. Trade payables

Ageing analysis of trade payables from due date at the respective balance sheet date is as follows:

As at 31 March

	2024 *€ '000*	2023 *€ '000*
Current and past due within 3 months	306,915	208,063
Past due from 3 to 6 months	335	812
Past due from 6 to 12 months	263	32
Past due over 12 months	1,474	1,196
Trade payables	**308,987**	**210,103**

MANAGEMENT DISCUSSION & ANALYSIS

Summary:

	FY2024 Management[1] *€ million or %*	FY2024 Reported *€ million or %*	FY2023 Management[2] *€ million or %*	FY2023 Reported *€ million or %*
Net sales	2,541.9	2,541.9	2,134.7	2,134.7
Operating profit	308.4	233.1	336.8	239.1
Profit for the year	n/a	101.8	n/a	118.2
Gross profit margin	79.3%	79.3%	80.5%	80.5%
Operating profit margin	12.1%	9.2%	15.8%	11.2%
Net profit margin	n/a	4.0%	n/a	5.5%

(1) Management FY2024 — reported results excluding one-off items, namely the impairment for LimeLife brand and share of profit/loss in associates (Good Glamm Group and CAPSUM) were also excluded for proper comparison. A loss from CAPSUM participation disposal was also excluded from other operating expenses. The management considers these costs to be accounting adjustments and material one-off items that should be excluded when comparing to the management results of the same period last year.

(2) Management FY2023 — reported results excluding exceptional items, including the impacts of the Group's divestiture of its business in Russia, namely the other operating loss of €14.4 million, arising from a capital loss at the time of divestiture in June 2022. Other one-off items, namely the impairment for the Melvita and LimeLife brands and share of losses in associates (Good Glamm Group and CAPSUM) were also excluded for proper comparison. The management considered these costs to be accounting adjustments and material one-off items that should be excluded to represent a truer vision of FY2023 performance.

Definitions:

Comparable Stores means existing retail stores which have been opened before the start of the previous financial year, including Company owned e-commerce websites.

Same Store Sales Growth represents a comparison between Comparable Store Sales for two financial periods. Unless otherwise indicated, discussion of Same Store Sales Growth excludes foreign currency translation effects.

Overall Growth means the total worldwide net sales growth for the financial period(s) presented excluding foreign currency translation effects.

REVENUE ANALYSIS

The Group sustained its solid sales momentum and exceeded net sales in FY2023, amounting to €2,541.9 million. As compared to the reported net sales of €2,134.7 million in FY2023, the sales growth was 19.1% at reported rates and 24.1% at constant rates. The growth was mainly driven by the continued outperformance of Sol de Janeiro and the steady performance of L'OCCITANE en Provence, a result of continued steady growth in China.

The Company's total number of retail locations increased from 2,774 as at 31 March 2023 to 3,040 as at 31 March 2024, an increase of 266 or 9.6%. The number of own retail stores increased from 1,362 as at 31 March 2023 to 1,363 as at 31 March 2024, representing a net increase of 1. At the end of March 2024, the breakdown of the 1,363 own stores by brand and change over last year were as follows: L'OCCITANE en Provence (1,221; -15), L'OCCITANE au Brésil (75; +10), Melvita (32; -3), Erborian (2; nil), ELEMIS (24; nil) and Dr. Vranjes Firenze (9; +9).

Performance by Brand

The following table presents the net sales and net sales growth by brand for the periods indicated:

	FY2024 *€ 'million*	FY2023 *€ 'million*	Growth at reported rates *%*	Growth at constant rates *%*
L'OCCITANE en Provence	1,388.9	1,421.2	-2.3	2.7
ELEMIS	253.0	255.9	-1.2	1.3
Sol de Janeiro[(1)]	686.1	267.0	157.0	167.1
Others[(2)]	214.0	190.5	12.3	14.7
Total	**2,541.9**	**2,134.7**	**19.1**	**24.1**

(1) Sol de Janeiro's quarterly sales in FY2023 were modified 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.

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

L'OCCITANE en Provence performed steadily with 2.7% growth at constant rates, mainly driven by a double-digit sales growth in China. In FY2024, China delivered double-digit sales growth in all channels, attributed to the additional marketing investments to drive new traffic to online stores, the brand's agile product strategy focusing on high valued body moisturizers to boost the average ticket which helped compensate for the reduced traffic in offline channels and newly launched marketplace channel, Douyin in China. Excluding Russia, from which the Group divested in June 2022, the brand posted sales growth of 3.2% at constant rates in FY2024.

ELEMIS sales saw a decrease in FY2024 Q4 and ended FY2024 flat at constant rates. The UK saw a slowdown in FY2024 Q4 from the double-digit sales growth in the FY2024 Q3 driven by phasing between the two quarters ending FY2024 with an increase of 8.2% at constant rates, mainly driven by e-commerce and wholesale businesses. This was offset by the sales decline in the US, caused by the stock rebalancing programme of its customer in the maritime channel. Excluding the maritime channel, the US domestic business grew 15.7% in FY2024. This growth was mainly driven by double-digit sales growth in online channel, with the key driver being success at one of the web partners through successful campaigns, consumer targeting and the halo effect of increased marketing activity. ELEMIS sales in China showed high double-digit growth in FY2024, thanks to accelerated marketing investments on social media channels and successful marketing campaigns such as the Rose Campaign in FY2024 Q4.

Sol de Janeiro continued its sales momentum with 167.1% growth at constant rates to reach €686.1 million. The growth was contributed by the successful launch of new products, continued strategic expansion of distributions including the entrance into a significant multi-brand partner in the US and overperformance of wholesale channels.

Other brands together delivered a nice growth of 14.7% at constant rates for FY2024. Erborian and L'OCCITANE au Brésil performed particularly well and ended with 35.5% and 37.2% growth respectively at constant rates in FY2024. Melvita had a consistent improvement quarter over quarter and ended with single-digit sales growth. LimeLife was lackluster and continued to perform below expectations, declining by high-teens in FY2024.

Performance by Region

The following table presents the net sales, net sales growth and same store sales growth by region for the periods indicated:

	FY2024 *€ 'million*	FY2023 *€ 'million*	Growth at reported rates *%*	Growth at constant rates *%*	Same store sales growth *%*
APAC	884.2	896.2	-1.3	6.3	4.5
Americas	1,092.5	695.0	57.2	63.0	14.4
EMEA	565.2	543.4	4.0	4.0	4.8
Total	**2,541.9**	**2,134.7**	**19.1**	**24.1**	**7.6**

The Group's regional sales mix changed slightly compared with last year as the Americas became the largest region, accounting for 43.0% of net sales and exceeded €1 billion in FY2024. APAC was the second largest region at 34.8% of net sales while EMEA accounted for the remaining 22.2% of sales. In terms of single markets, the US was the largest market and accounted for 38.0% of the Group's net sales, a strong increase of 10.8% compared with FY2023, mainly due to triple-digit sales growth from Sol de Janeiro in the US. The second largest market was China at 12.9% of the Group's net sales, followed by the UK at 7.7%.

The Americas remained the fastest-growing region with 63.0% growth at constant rates in FY2024, thanks to the accelerated growth of Sol de Janeiro. APAC showed a decent growth of 6.3% at constant rates in FY2024, mainly contributed by the strong 19.3% growth at constant rates in China, thanks to L'OCCITANE en Provence and the continued development of ELEMIS. EMEA grew 4.0% at constant rates in FY2024, mainly due to the highly encouraging results of Erborian and Sol de Janeiro. Excluding Russia, EMEA grew 6.0% at constant rates.

Performance by Channel

The following table presents the net sales and net sales growth by channel for the periods indicated:

	FY2024 *€ 'million*	FY2023 *€ 'million*	Growth at reported rates *%*	Growth at constant rates *%*
Retail	745.2	761.5	-2.1	3.0
Online channels	784.9	657.6	19.4	25.2
Wholesale & others	1,011.8	715.6	41.4	45.7
Total	**2,541.9**	**2,134.7**	**19.1**	**24.1**

Wholesale & others led the growth with 45.7% at constant rates in FY2024, with dynamic growth in wholesale chains, international distribution and travel retail. This channel accounted for 39.8% of the Group's net sales, a slight increase from 33.5% in FY2023, mainly due to Sol de Janeiro, which has a higher wholesale sales mix.

Online channels posted a growth of 25.2% at constant rates in FY2024, mainly driven by the strong performance of Sol de Janeiro, ELEMIS and the launch of L'OCCITANE en Provence on Douyin in China. Retail sales maintained a steady growth of 3.0% at constant rates, which was contributed mostly by China.

PROFITABILITY ANALYSIS

COST OF SALES AND GROSS PROFIT

The reported cost of sales increased by 26.2%, or €109.1 million, to €525.6 million in FY2024. The gross profit margin decreased by 1.2 points to 79.3% as compared to FY2023. The decrease is attributable to the following factors:

- Unfavourable brand mix for 1.6 points, mostly due to the increase in share of Sol de Janeiro which has a higher wholesale mix;
- Unfavourable foreign currency exchange ("**FX**") impact for 0.5 points;
- Higher obsolescence due to increase of slow movers for 0.3 points; and
- Unfavourable channel mix from higher sell-in proportion for 0.1 points.

The decrease in gross profit margin was partly offset by:

- Price increase for 0.5 points;
- Industrial cost decrease on raw materials and packaging for 0.4 points;
- Decrease of freight and duties costs thanks to positive volume and price impact (reduction compared with last year) and airfreight reduction for 0.3 points; and
- One-off items, mainly on inventory revaluation, restatements and others for 0.1 points.

DISTRIBUTION EXPENSES

The reported distribution expenses increased by 9.3%, or €73.0 million, to €857.7 million in FY2024. As a percentage to net sales, distribution expenses decreased by 3.1 points to 33.7%. This improvement is attributable to a combination of:

- Favourable brand mix, mainly from the increase in share of the Sol de Janeiro and Erborian brands which have a lower level of distribution costs for 3.7 points; and
- Efficiencies thanks to retail network rationalization and fewer renovations, decrease of freight costs and leverage of fixed costs on higher sales for 1.1 points.

This improvement was partly offset by:

- Higher investment in organisation and staff, inflation on warehousing costs, increase in travel and entertainment ("**T&E**") costs and increase in depreciation for the maritime channel, One Spa World, for 1.5 points; and
- One-off items mainly from new North America distribution center start up costs as well as COVID-19 subsidies from governments and rent concessions last year for 0.2 points;

MARKETING EXPENSES

The reported marketing expenses increased by 57.3%, or €210.6 million, to €578.3 million in FY2024. As a percentage of net sales, marketing expenses increased by 5.6 points to 22.8%. The increase is attributable to:

- Higher marketing investments in both traditional and social media, as well as marketing events for 4.0 points, of which:
    - 2.5 points were for strategic investments behind L'OCCITANE en Provence, mainly in China (Douyin launch), the US and Japan through influencers, digital media and outdoor advertising, focusing on key products categories; and
    - 1.5 points were for other brands, of which 0.7 points were for Sol de Janeiro and 0.5 points were for ELEMIS focusing on China.
- Brand mix for 1.2 points, mainly driven by Sol de Janeiro and Erborian which have a higher marketing ratio;
- Staffing in marketing organisations for 0.2 points; and
- Increase in promotional tools inventory for 0.2 points.

RESEARCH & DEVELOPMENT EXPENSES

The reported research and development ("**R&D**") expenses increased by 16.3%, or €3.7 million, to €26.2 million in FY2024. As a percentage to net sales, R&D expenses decreased to 1.0% mostly because of higher sales leverage.

GENERAL AND ADMINISTRATIVE EXPENSES

The reported general and administrative expenses increased by 28.8%, or €58.0 million, to €259.5 million in FY2024. As a percentage of net sales, general and administrative expenses increased by 0.8 points to 10.2%. The increase is attributable to:

- Higher investment in organisation and staff for new recruitments and salary increases, and IT costs for 0.8 points;
- Higher bonus and long-term incentives mostly linked to the performance of Sol de Janeiro for 0.7 points;
- Higher operating costs such as T&E increase, recruitment and legal fees as well as inflation for 0.6 points;
- One-off items and others mostly linked to the acquisition costs for Dr. Vranjes Firenze, for 0.4 points; and
- Unfavorable FX impact for 0.2 points.

The increase was partly offset by:

- Favourable brand mix and higher sales leverage for 1.9 points.

SHARE OF PROFIT/(LOSS) FROM ASSOCIATES AND JOINT VENTURES ACCOUNTED FOR USING THE EQUITY METHOD

Details of the €14.8 million net losses from associates and joint ventures accounted for using the equity method in FY2024 are shown below:

- Loss of €17.5 million by Good Glamm Group;
- Profit of €2.2 million by L'Occitane Middle East; and
- Profit of €0.5 million by CAPSUM.

OTHER OPERATING INCOME

Details of the €18.0 million other operating income in FY2024 are shown below:

- Net gain of €10.5 million arising from the disposal of Grown Alchemist as of 28 March 2024;
- Capital gain arising from the change in the percentage of interest in associates and joint ventures (Good Glamm Group) for €4.8 million;
- Net gain of €1.3 million arising from disposal of Duolab; and
- Government grants on research and development for €1.4 million.

OTHER OPERATING EXPENSES

Details of the €64.7 million other operating expenses in FY2024 are shown below:

- Impairment loss on LimeLife goodwill for €61.0 million;
- Net loss of €2.0 million arising from disposal of CAPSUM; and
- Loss on sale of assets for €1.7 million.

OPERATING PROFIT

Reported operating profit decreased by 2.5%, or €6.0 million, to €233.1 million. The reported operating profit margin dropped by 2.0 points of net sales to 9.2%.

The decrease in operating profit margin is explained by a combination of:

- Increase in marketing investments to sustain the development of the brands for 4.0 points;
- Increase in operating costs, one-off items and others for 1.5 points; and
- Higher bonus and long-term incentives for 0.7 points.

This decrease was partly offset by the following:

- Exceptional items for 2.5 points; and
- Brand mix and growth for 1.7 points.

On a management basis, the operating profit margin this year is 12.1% (excluding one-off items namely LimeLife impairment, share of profit/loss from associates as well as loss on CAPSUM equity investment disposal for 2.0 points) as compared to the operating profit margin of 15.8% last year (excluding one-off items including the divestiture of the Group's business in Russia, impairment of Melvita and LimeLife and share of losses in associates for 4.6 points).

The following table presents the Group's management operating profit and the reconciliation to reported operating profit for FY2024 and FY2023.

	FY2024		**FY2023**	
Reported Net sales	**2,541.9**		**2,134.7**	
Net sales	**2,541.9**		**2,134.7**	
Cost of sales	(525.6)	-20.7%	(416.5)	-19.5%
Gross profit	**2,016.3**	**79.3%**	**1,718.1**	**80.5%**
Distribution expenses	(857.7)	-33.7%	(784.7)	-36.8%
Marketing expenses	(578.3)	-22.8%	(367.7)	-17.2%
Research & development expenses	(26.2)	-1.0%	(22.5)	-1.1%
General and administrative expenses	(259.5)	-10.2%	(201.5)	-9.4%
Share of profit/(loss) from joint venture accounted for using the equity method	2.2	0.1%	(7.0)	-0.3%
Other operating income/(expenses)	11.6	0.5%	2.1	0.1%
Management operating profit[(1)]	**308.4**	**12.1%**	**336.8**	**15.8%**
Russia divestiture	–		(14.4)	
Impairment loss of LimeLife brand (FY2023: LimeLife and Melvita brands)	(61.0)		(75.4)	
Good Glamm Group & CAPSUM's valuation and share of profit/(loss)	(14.2)		(7.9)	
Reported operating profit	**233.1**	**9.2%**	**239.1**	**11.2%**

(1) Management FY2024 — reported results excluding one-off items, namely the impairment for LimeLife brand and share of profit/loss in associates (Good Glamm Group and CAPSUM) were also excluded for proper comparison. A loss from CAPSUM participation disposal was also excluded from other operating expenses. The management considers these costs to be accounting adjustments and material one-off items that should be excluded when comparing to the management results of the same period last year.

Management FY2023 — reported results excluding exceptional items, including the impacts of the Group's divestiture of its business in Russia, namely the other operating loss of €14.4 million, arising from a capital loss at the time of divestiture in June 2022. Other one-off items, namely the impairment for the Melvita and LimeLife brands and share of losses in associates (Good Glamm Group and CAPSUM) were also excluded for proper comparison. The management believes that this management version provides a true view of the operation of performance in FY2023.

FINANCE COSTS, NET

Net finance costs were €40.4 million in FY2024, which consisted of interest income on cash and cash equivalents of €6.9 million and the following expense items:

- Change in the fair value of the receivable from the sale of L'Occitane Russia for €8.6 million;
- IFRS 16 lease liabilities related interest and finance expenses of €9.7 million; and
- Interest expenses related to bank borrowings, revolving facilities and external financing of €29.0 million.

As compared to FY2023, net finance costs decreased by €13.2 million, which was explained by lower impact on change in fair value of L'Occitane Russia receivable, partially offset by higher net interest expenses.

FOREIGN CURRENCY GAINS/LOSSES

Net foreign currency losses amounted to €3.5 million in FY2024 (FY2023: €6.0 million) and were comprised of €5.2 million realised losses, €2.1 million unrealised gains and €0.4 million losses related to IFRS 16.

INCOME TAX EXPENSE

The effective tax rate increased from 34.2% in FY2023 to 46.2% in FY2024, an increase of 12.0 points. This increase is due primarily to the following unfavourable factors:

- Impairment of LimeLife US tax losses for 5.1 points;
- Unremitted tax earnings, mainly in the US, for 3.7 points;
- Increase in some local tax rates for 3.3 points; and
- Unfavourable country mix effect for 2.0 points.

And partly offset by the following favourable effect:

- Lower non-deductible expenses, mainly impairment loss on LimeLife goodwill and net gain from disposal of Grown Alchemist for 2.1 points.

PROFIT FOR THE YEAR

For the aforementioned reasons, net profit for FY2024 was €101.8 million, a decrease of 13.9% or €16.4 million as compared to FY2023 (€118.2 million). Basic and diluted earnings per share in FY2024 were €0.064 and €0.064 respectively (FY2023: basic €0.078 and diluted €0.078), a decrease of 18.6%. The numbers of basic and diluted shares used in the calculations of earnings per share in FY2024 were 1,474,862,900 and 1,476,347,642 respectively (FY2023: basic 1,471,609,250 and diluted 1,473,649,115).

BALANCE SHEET AND CASH-FLOW REVIEW

LIQUIDITY AND CAPITAL RESOURCES

As at 31 March 2024, the Group had cash and cash equivalents of €139.5 million as compared to €147.3 million as at 31 March 2023. As at 31 March 2024, total borrowings, including term loans, revolving facilities, bank borrowings, bank overdraft amounted to €574.1 million. As at 31 March 2024, the aggregate amount of undrawn borrowing facilities was €425.6 million.

SUMMARISED CASH-FLOW STATEMENT

For the year ended 31 March	**2024**	**2023**
	€ '000	*€ '000*
Profit before tax, adjusted for non-cash items	431,943	491,008
Changes in working capital	(95,146)	(121,190)
Income tax paid	(76,254)	(69,610)
Net cash inflow from operating activities	260,543	300,208
Net cash outflow for capital expenditures	(66,274)	(46,335)
Free cash flow[(1)]	**194,269**	**253,873**
Net cash (outflow) from investment in new ventures and financial assets	(109,243)	(35,725)
Net cash (outflow) from financing activities	(124,905)	(436,795)
Effect of exchange rate changes	10,153	5,003
Net (decrease) in cash, cash equivalents and bank balances	**(29,726)**	**(213,644)**

(1) Free cash flow generated for FY2024 was €194.3 million, as compared to €253.9 million in FY2023. The decrease was due to the impacts of group structure changes, higher tax paid due to an increased tax rate in some countries, strong profits in certain brands and investments in store network.

CAPITAL EXPENDITURES

Net cash used in capital expenditures was €66.3 million in FY2024, as compared to €46.3 million in FY2023, representing an increase of €20.0 million. The capital expenditures for FY2024 were primarily related to:

- Leasehold improvements and other tangible assets related to point of sales for €21.8 million, mainly on L'OCCITANE en Provence and ELEMIS;
- Investment in production line, warehouses and offices for €24.3 million, representing an increase of €12.1 million as compared to FY2023 due to new US warehouse and increased investments at France factory/ warehouse;
- IT equipment, software and projects for €15.8 million; and
- Investment in the Mirova fund Sicav for € 4.4 million.

INVESTMENT IN SUBSIDIARIES, ASSOCIATES AND FINANCIAL ASSETS

Net cash outflow from investment in subsidiaries, associates and financial assets was €109.2 million in FY2024, as compared to €35.7 million in last year. The outflow this year was mainly for the acquisition of Dr. Vranjes Firenze Group for a net amount of €116.7 million, the additional investment in Good Glamm Group associates for €9.4 million, partially offset by the disposal of CAPSUM for €25.0 million. In FY2023, the main outflow was mainly for the acquisition of Grown Alchemist for €3.5 million and the increase of interests in L'Occitane Middle East for €13.4 million.

FINANCING ACTIVITIES

Financing activities in FY2024 ended with a net cash outflow of €124.9 million (FY2023: outflow of €436.8 million). Net cash outflow during the year mainly reflected the following:

- Principal components of lease proceeds of €104.7 million under IFRS 16;
- Payment of dividend for €46.4 million; and

- Transactions with ELEMIS and Grown Alchemist non-controlling interests for €11.6 million.

This was partly offset by the following cash inflow:

- Net bank borrowing proceeds for €32.2 million; and
- Net settlement of share options for €5.6 million.

INVENTORIES

The following table sets out a summary of average inventory days for the periods indicated:

	FY2024	FY2023
Average inventory turnover days[(1)]	267	255

(1) Average inventory turnover days equals to average inventory divided by cost of sales and multiplied by 365. Average inventory equals to the average of net inventory at the beginning and end of a given period.

Inventory net value was €450.3 million as at 31 March 2024, an increase of 42.0%, or €133.1 million as compared to 31 March 2023. The increase in inventory net value was due mainly to the expansion of Sol de Janeiro.

Average inventory turnover increased by 12 days in FY2024, as a result of the growth in sales and thus increase in cost of sales as compared to last year combined with the expansion of Sol de Janeiro. The increase in inventory turnover days by 12 days was attributable to the following:

- Increase in finished goods of comparable brands for +13 days;
- Increase in raw materials and work in progress for +5 days; and
- Increase in inventory provision for +3 days;

which was partly offset by:

- Decrease in mini products and pouches of comparable brands for -8 days; and
- Favourable FX impact for -1 day;

TRADE RECEIVABLES

The following table sets out a summary of turnover days of trade receivables for the periods indicated:

	FY2024	FY2023
Turnover days of trade receivables[(1)]	41	40

(1) Turnover days of trade receivables equals to average trade receivables divided by net sales and multiplied by 365. Average trade receivables equals to the average of net trade receivables at the beginning and end of a given period.

Turnover days of trade receivables increased by 1 day to 41 days for FY2024 as compared to FY2023. The increase was a net result of higher sell-in sales from Sol de Janeiro partly offset by ELEMIS and L'OCCITANE en Provence and lower turnover days from sell-out channels.

TRADE PAYABLES

The following table sets out a summary of average trade payables days for the periods indicated:

	FY2024	FY2023
Turnover days of trade payables[1]	63	67

(1) Turnover days of trade payables equals to the average trade payables divided by expenses (including cost of sales but excluding amortisation, impairment and employee benefits) and multiplied by 365. Average trade payables equals to the average of trade payables at the beginning and end of a given period. FY2023 was updated to reflect the current calculation method.

The reduction of 4 days was mainly explained by the increase in expenses by 33%. Excluding Sol de Janeiro, the decrease was mainly 12 days for trade payables and 2 days for the accrued expenses which would have led to a reduction of 14 days. On the other hand, Sol de Janeiro's rapid expansion drove a global increase in turnover days by 10 days.

BALANCE SHEET RATIOS

Return on capital employed in FY2024 was 7.5%, a decrease of 0.9 points as compared to FY2023, as a result of a decrease in net operating profit after tax by 13.9% accompanied by a decrease of 10.1% in capital employed mainly due to the significant increase of the valuation of the put option granted to Sol de Janeiro non-controlling interests, linked to the growth of the brand.

The capital and reserves attributable to the equity owners decreased by €282.3 million in FY2024, being a net result of comprehensive income for the year, dividend distribution and decrease in other reserves from the significant increase of the Sol de Janeiro non-controlling interests put option.

The Group's gearing ratio slightly changed from 28.2% in FY2023 to 28.1% in FY2024. If the impacts of IFRS 16 were excluded, gearing ratio in FY2024 would be 20.3%.

	Reported FY2024	Reported FY2023
Profitability		
EBITDA[1]	446,006	465,973
Net operating profit after tax (NOPAT)[2]	123,543	153,406
Capital employed[3]	1,648,160	1,834,307
Return on capital employed (ROCE)[4]	7.5%	8.4%
Return on equity (ROE)[5]	11.0%	10.1%
Liquidity		
Current ratio (times)[6]	0.9	1.2
Quick ratio (times)[7]	0.5	0.8
Capital adequacy		
Gearing ratio[8]	28.1%	28.2%
Debt to equity ratio[9]	80.8%	54.5%

(1) Earnings before interest, taxes, depreciation, amortisation and impairment

(2) (Operating profit + foreign currency net gains or losses) x (1 – effective tax rate)

(3) Non-current assets – (deferred tax liabilities + other financial liabilities + other non-current liabilities) + working capital. Note that working capital excludes financial liabilities such as dividends.

(4) NOPAT/capital employed

(5) Net profit attributable to equity owners of the Company/shareholders' equity at year end excluding non-controlling interest

(6) Current assets/current liabilities

(7) (Current assets – inventories)/current liabilities

(8) Total debt/total assets

(9) Net debt/(total assets – total liabilities)

FOREIGN EXCHANGE RISK MANAGEMENT

The Company enters into forward exchange contracts and currency options to hedge forecast transactions, as well as receivables and payables not denominated in its presentation currency, the Euro, for periods consistent with its identified exposures. As at 31 March 2024, the Company had foreign exchange derivatives net assets of €0.8 million in the form of forward exchange contracts (in accordance with fair market valuation requirements under IFRS). The notional principal amounts of outstanding forward exchange derivatives as at 31 March 2024 were primarily sale of Chinese yuan for an equivalent amount of €91.7 million, Hong Kong dollar for €31.5 million, Japanese yen for €19.8 million, US dollar for €15.7 million, Brazilian reals for €10.2 million, Australian dollar for €9.1 million, Great British pound for €8.1 million, Mexican peso for €6.4 million and Swiss francs for €5.6 million.

DIVIDENDS

At the Board meeting held on 26 June 2023, the Board recommended a gross dividend distribution of €0.03129 per share for a total amount of €46.0 million or 40.0% of the net profit attributable to the equity owners of the Company for FY2023. The amount of the final dividend was based on 1,471,665,650 shares in issue as at 26 June 2023 excluding 5,299,241 treasury shares. The shareholders of the Company (the "**Shareholders**") approved this dividend at a meeting held on 27 September 2023. The dividend was duly paid on 20 October 2023.

The Company has confirmed on 29 April 2024 in the joint announcement released on the same day, it has (a) not declared any dividend or distribution which remains unpaid; and (b) no plan to declare, recommend, or pay any dividends or make any other distributions until the close of the share offer.

EVENTS SUBSEQUENT TO THE END OF FINANCIAL YEAR

Following the engagement letter signed on 15 March 2024, L'Occitane International S.A. took part in a fund raising round carried out by Good Glamm Group (accounted for using the equity method) on 7 April 2024, contributing €8,036 thousand and reaching its percentage interest to 15.83%. As at 31 March 2024, this engagement was a derivative recognized at fair value, for which the amount is nil.

On 2 April 2024, L'Occitane International S.A. purchased Dr. Vranjes Japan KK for €6.8 million. Dr. Vranjes Japan KK is a company managing Dr. Vranjes brand stores in Japan.

On 29 April 2024, the Board announced that L'Occitane Groupe S.A. offered to acquire all shares in the Company that it does not already own, with the intention to privatise and delist the Company from The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**"). The rationale is to allow the current management team, which would remain in place, to continue operations of the Company's business as it is and invest in long-term sustainable growth initiatives as a privately held company.

STRATEGIC REVIEW

In FY2024, the Group saw solid momentum, with sales growing by 24.1% at constant rates, exceeding €2.5 billion. This growth was achieved despite ongoing macroeconomic challenges, including weak general consumption trends in EMEA and APAC. Growth was driven by the strong performance of Sol de Janeiro and the steady performance of L'OCCITANE en Provence, particularly in China where it outperformed in a difficult market.

The Group's operating profit margin was 12.1% on a management basis, in line with the management's expectations. This followed a conscious decision to increase marketing investments in key markets and channels to sustain its brands' sales growth, capture new premiumisation trends and solidify its position as a competitive multi-brand, generationally appealing and geographically balanced group, delivering against the triple bottom line – people, planet and profit.

The Group's omni-channel strategy continued to deliver a more balanced channel mix and refine the customer journey on- and offline. Expanded contributions from Sol de Janeiro, which has a higher wholesale mix, saw the wholesale & others channel become the Group's largest channel. It contributed nearly 40.0% of total net sales and grew by 45.7% at constant rates in FY2024. Meanwhile, Online channels posted 25.2% growth at constant rates, mainly driven by Sol de Janeiro, ELEMIS, as well as L'OCCITANE en Provence's newly launched marketplace channel on Douyin in China. Retail sales globally grew 3.0% at constant rates, mostly contributed by the relative improvement of the retail environment in China compared to FY2023.

By brand, L'OCCITANE en Provence underperformed relative to the Group's other brands in terms of global growth and profitability, despite receiving the largest portion of the marketing budget to capture growth opportunities and maintain market shares in an increasingly competitive environment. Sol de Janeiro focused on expanding its distribution channels and entering new product categories to develop a full body regimen geared towards high-replenishment, high-frequency subcategories to maintain its growth track record. Meanwhile, ELEMIS continued to focus on its premiumisation strategy, while also accelerating marketing investments to drive expansion of all channels and build a foundation for sustainable growth.

L'OCCITANE en Provence pursues efforts to seize opportunities and preserve market share

L'OCCITANE en Provence is continuing its efforts to elevate its brand positioning, investing in strengthening brand equity, packaging redesign, and upgrading retail and digital experiences. In FY2024, L'OCCITANE en Provence invested heavily in China, but also in the US, Japan and the travel retail channel, to maintain and expand market shares. Although the operating profit margin was not favourable in FY2024, these significant marketing investments drove a steady growth of 2.7% at constant rates, mainly contributed by double-digit sales growth in China.

In China, the brand's expanded marketing efforts delivered above-market growth, despite muted consumption growth in the overall economy. Major campaigns for Double 11 in 2023 maximised the desirability of L'OCCITANE en Provence's *Almond* and *Shea Butter* ranges. Both ranges saw positive growth, maintaining the brand's No. 1 leadership position in the hand cream and body wash categories in terms of social media searches and sales.

Holiday campaigns in China for Christmas and Chinese New Year capitalised on the brand's unique gifting equity. Social media content featuring celebrities and was complemented by national roadshows that provided a unique experience to offline consumers. As a result, the brand saw double-digit sales growth in China in December 2023. Meanwhile, the Chinese New Year campaign helped propel the *Immortelle Divine Cream* to become the No. 1 face cream across online and offline channels.

In other key markets, L'OCCITANE en Provence saw high-single-digit growth in the US in FY2024 following successful social media strategies and increased marketing spending with key partners such as Amazon, Sephora and Nordstrom, that resulted in sustained growth in sell-in sales. Propelled by its iconic *Shea Butter Hand Cream* going viral on social media, L'OCCITANE en Provence became a top 10 brand in earned media value in the US.

In Japan, two consecutive TV campaigns for the *Immortelle Overnight Reset Oil-In-Serum* successfully drove new recruitments by 155%, in addition to a two-place improvement in sales ranking in the face care category during the last quarter in FY2024 compared to first half of FY2024. In addition, L'OCCITANE en Provence's *Anti-Hair Loss Advanced Scalp Treatment* won multiple awards, becoming one of the top 3 hair care SKUs in the country.

In the travel retail channel, L'OCCITANE en Provence experienced a single-digit percentage decline that was largely attributed to the challenges faced in the China market. Strict implementation of regulatory compliance in FY2024 Q3 resulted in orders being put on hold, but the Company was able to comply with the requirement and restore its travel retail sales pipeline in China. To further propel the Group's brands onto the global stage and drive continued growth and success in the premium beauty travel retail sector, the Group has formed a new travel retail team, including the appointments of key global and regional positions.

Sol de Janeiro sustains strong performance

Sol de Janeiro continued to perform strongly, growing 167.1% at constant rates in FY2024 and delivering triple-digit growth across all geographies. It is now the Group's second-largest brand and the largest contributor to its profitability, with an operating margin of 23.6%.

The brand's performance was driven by the ongoing success of the *Brazilian Bum Bum Cream* and blockbuster launches in the fragrance mist category. This was further boosted by the release of limited collections, such as the brand's first fall fragrance mist, and new products such as the *Delicia Drench Body Butter* and *Cheirosa 59* fragrance ranges, the success of which established the brand's year-round appeal. It also recently released new growth drivers, including the *Rio Radiance* SPF 50 Collection.

Sol de Janeiro also successfully expanded its distribution channels and markets. The brand has established itself as a preferred partner for major beauty retailers in key markets. It is currently the No. 1 skincare brand in Sephora in the US, Douglas in Germany and Mecca in Australia. It was also the No. 1 skincare brand in Sephora in Southeast Asia at launch. The brand also further penetrated its home market in the US through the launch with Ulta in January 2024.

In the travel retail segment, it implemented a strategy of strong visual merchandising to attract the attention of travellers at airports which paid off with triple-digit sales growth compared with the internal plan.

ELEMIS continues to implement premiumisation strategy

In FY2024, ELEMIS's sales were flat following marked sales declines in the UK and US in FY2024 Q4, a result that was in line with management's expectations as it continued to implement its premiumisation strategy, reducing discounting depth and frequency to strengthen its position as a skin wellness and anti-ageing expert.

In the UK, sales were further impacted by sales phasing with some web partners. The overall sales decline in the US was mainly caused by a stock rebalancing programme by a customer in the maritime channel. However, sell-out sales in the channel for the full year was up 32.0%. Excluding the maritime channel, the US domestic business grew 15.7% in FY2024. As of the end of FY2024, all direct discounts on ELEMIS's US website had ceased as part of its accelerated premiumisation strategy.

Notably, ELEMIS delivered double-digit growth in China. Accelerated marketing investments on social media channels highlighting its global bestsellers such as the *Pro-Collagen Cleansing Balm*, alongside KOL livestreaming via Douyin supported the brand's sales growth. It also continued to explore marketing and business development opportunities on Little Red Book.

Despite the slower overall sales momentum, successful holiday campaigns, stepped-up marketing investments and new product launches placed ELEMIS among the top 5 face care brands in the UK and the top 15 face care brands in the US, with No. 1 and No. 2 earned media value rankings respectively in these two markets.

ELEMIS expanded its distribution by launching into 90 doors of Sephora in the US in February 2024, accompanied by one of its largest marketing campaigns in this market to date. In addition, ELEMIS is due to open its first standalone store in London as part of its premiumisation strategy, with plans for more selective store openings in the UK.

Acquisition of Dr. Vranjes Firenze and Melvita's repositioning strengthen the Group's multi-brand model

In recent years, accelerated M&A activity has seen the Group expand its portfolio of leading premium beauty and fragrance brands, making it more geographically balanced and appealing to Millennial and Gen Z consumers.

In March 2024, the Group acquired the Italian luxury home fragrance brand Dr. Vranjes Firenze. The brand combines Florentine artisanship with the innovation of fragrance science. This acquisition marks another step in the Group's strategy to build a balanced brand portfolio. Dr. Vranjes Firenze's combination of artisanship and innovation along with its capable management team, profitable financial performance, and focus on sustainability, makes it accretive to the Group's brand portfolio while strengthening its position in the niche home diffusers market.

At the same time, many of the Group's other brands delivered healthy growth in FY2024, led by L'OCCITANE au Brésil and Erborian which saw sales growth of over 35.0% at constant rates. Although it was still loss making, Melvita's performance also significantly improved with a successful rebrand, achieving around 3.0% growth by year-end, as compared to a sales decline in the first half of the year. The brand repositioned itself at the vanguard of organic and efficacious beauty while attracting a younger audience with a new, vibrant, and fresh brand image. Those performances were partially set off by the underperformance of LimeLife. The brand has narrowed its sales decline compared to last year, but the performance remained unsatisfactory.

Organisation primed for growth after management transition

To position the Group for future growth and geographical expansion, it has concluded an evolution in its leadership. On 1 April 2024, Laurent Marteau, former Managing Director, succeeded André Joseph Hoffmann as the Group's Chief Executive Officer. The Group would like to sincerely thank Mr. Hoffmann for his valuable contribution during his tenure as Chief Executive Officer, steering the Company towards its strategic objectives, including geographical expansion and the successful acquisition of new brands. He will remain an executive Director and member of the Board. Further, effective from 30 June 2023, Samuel Antunes has been promoted to Chief Financial Officer. He has significant corporate finance experience and has been with the Group since 2010.

B Corporation™ enhances commitment to triple bottom line

The Group has a clear focus on delivering against the triple bottom line — people, planet and profit. In 2023, the Group became a certified B Corporation™, a unique marker of leadership for a company of its size and scale. This milestone builds on the Group's commitments to empowering communities, preserving biodiversity and mitigating climate change. Each B Corp must recertify every three years, encouraging the Group to continuously enhance the way it operates and seek to raise its high standards across all areas. The Group is committed to ensuring its newly acquired brands, Sol de Janeiro and Dr. Vranjes Firenze, achieve B Corp certification by 2026.

The Group set itself the ambition to pay each team member worldwide a living wage by FY2026. Furthermore, the Group continued to work on reducing its carbon footprint and plastic pollution, promoting a circular economy for plastics, and strengthening its collaboration with suppliers to ensure responsible social and environmental impact management throughout its value chain. Regarding biodiversity, the Group is progressing well towards the traceability of plant-based raw materials. Currently, 81% of plants in L'OCCITANE en Provence and Melvita's raw materials are traceable to the plant's country of origin with the target to reach 90% by FY2026.

OUTLOOK

Looking ahead, the Group remains cautiously optimistic about its performance in FY2025. However, the Group's additional investments in marketing, store refurbishment, IT infrastructure and attracting talent will continue to weigh on its profit margins in the months and years ahead. These investments remain necessary for building upon the existing strengths of all of its brands – each of which requires brand-tailored and geography-specific strategies to grow or maintain their market position as competition in the global skincare and cosmetics industry continues to intensify with the entry of new international and local brands.

On 29 April 2024, the Board received a proposal from L'Occitane Groupe S.A. (the "**Offeror**"), the controlling shareholder of the Company and ultimately controlled by its Chairman, Reinold Geiger, expressing its intention to acquire all issued and outstanding shares in the Company that the Offeror does not already own, with the intention to delist the Company from the Hong Kong Stock Exchange and fully privatise the Group. The proposal is driven by the Offeror's vision to accelerate the Group's transformation and growth. By transitioning into a privately-owned business, the Group would gain increased autonomy in pursuing strategic investments and implement strategies more efficiently.

AUDIT COMMITTEE

As required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), the Company has an Audit Committee comprising of three non-executive Directors, two of whom are independent non-executive Directors. The Audit Committee together with an external auditor has reviewed the accounting principles and practices adopted by the Group and has also discussed auditing, internal controls and financial reporting matters including the review of the consolidated results and the consolidated financial statements of the Group for FY2024. This annual results announcement is based on the Group's audited consolidated financial statements for the year ended 31 March 2024.

CORPORATE GOVERNANCE

The Board reviews its corporate governance practices regularly in order to meet the rising expectations of Shareholders, to comply with increasingly stringent regulatory requirements and to fulfil its commitment to excellence in corporate governance. The Board is committed to maintaining a high standard of corporate governance practices and business ethics in the firm belief that they are essential for maintaining Shareholders' return.

The Company has complied with all of the applicable code provisions of the Corporate Governance Code set out in Appendix C1 to the Listing Rules throughout FY2024.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by the Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules as the code of conduct for dealing in the securities of the Company by the Directors. Having made specific enquiry of all Directors, they have confirmed that they have complied with the Model Code during FY2024.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During FY2024, the Company transferred out of treasury a total of 3,253,650 shares held in treasury pursuant to the employees' free share and share option plans of the Company. The Company held 2,101,991 shares in treasury on 31 March 2024. Save as disclosed above, neither the Company nor its subsidiaries have purchased, sold or redeemed any of the Company's listed securities during FY2024.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 20 September 2024 to Wednesday, 25 September 2024, both days inclusive, during which period no share transfers can be registered. The record date to determine which Shareholders will be eligible to attend and vote at the forthcoming annual general meeting of the Company (the "**AGM**") will be Wednesday, 25 September 2024. All transfers accompanied by the relevant share certificate(s) must be lodged with the Company's Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 19 September 2024.

PUBLICATION OF FINAL RESULTS AND FY2024 ANNUAL REPORT

The final results announcement of the Company is published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (group.loccitane. com). The annual report will be sent to the Shareholders and will be available on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (group.loccitane.com) in due course.

ANNUAL GENERAL MEETING

The AGM will be held on 25 September 2024. A notice convening the AGM will be published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (group.loccitane.com) and will be sent to the Shareholders in due course.

BOARD OF DIRECTORS

As at the date of this announcement, the Directors are:

Executive Directors
Reinold Geiger *(Chairman)*
Laurent Marteau *(Chief Executive Officer)*
André Hoffmann
Karl Guénard *(Company Secretary)*
Séan Harrington *(Chief Executive Officer of ELEMIS)*

Non-executive Director
Thomas Levilion

Independent Non-executive Directors
Christèle Hiss Holliger
Charles Mark Broadley
Betty Liu
Jackson Chik Sum Ng

By Order of the Board
L'Occitane International S.A.
Reinold Geiger
Chairman

Luxembourg, 24 June 2024

Disclaimer

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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L'OCCITANE INTERNATIONAL S.A.

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R.C.S. Luxembourg: B80359
（根據盧森堡法律註冊成立的有限公司）
（股份代號：973）

截至二零二四年三月三十一日止年度
全年業績公告

摘要

- 本集團的銷售淨額於二零二四財年按固定匯率計算增加24.1%，突破二十五億歐元的里程碑，達到2,541,900,000歐元。二零二四財年的增長是由Sol de Janeiro的強勁表現及L'OCCITANE en Provence的穩定表現推動。
- 匯報經營溢利達233,100,000歐元，經營利潤率為9.2%，主要是由於增加分配到主要品牌在戰略性市場及渠道中的營銷投資。
- 在管理基礎上，即撇除減值及分佔聯營公司溢利／虧損的特殊影響，二零二四財年經營溢利達308,400,000歐元，經營利潤率為12.1%，去年則為15.8%。

全年業績

L'Occitane International S.A.（「**本公司**」或「**L'Occitane**」）董事（「**董事**」）會（「**董事會**」）欣然公佈，本公司及其附屬公司（「**本集團**」）截至二零二四年三月三十一日止年度（「**二零二四財年**」）的經審核合併全年業績連同截至二零二三年三月三十一日止年度（「**二零二三財年**」）的比較數字。以下財務資料（包括比較數字）乃根據歐盟所採納並由國際會計準則理事會頒佈的國際財務報告準則（「**國際財務報告準則**」）編製。

合併收益表

截至三月三十一日止年度	附註	二零二四年 *千歐元*	二零二三年 *千歐元*	% 變動
銷售淨額	2	**2,541,941**	**2,134,689**	**19.1**
銷售成本		(525,630)	(416,548)	26.2
毛利		**2,016,311**	**1,718,141**	**17.4**
佔銷售淨額百分比		*79.3%*	*80.5%*	
分銷開支		(857,682)	(784,702)	9.3
營銷開支		(578,346)	(367,709)	57.3
研發開支		(26,153)	(22,481)	16.3
一般及行政開支		(259,529)	(201,498)	28.8
其他經營收入	4	18,032	4,060	344.1
其他經營開支	5	(64,740)	(90,089)	-28.1
使用權益法入賬的分佔聯營公司及合營企業溢利╱(虧損)	3	(14,807)	(16,590)	-10.7
經營溢利	6	**233,086**	**239,132**	**-2.5**
財務收入	7	6,949	2,799	148.3
財務成本	7	(47,309)	(56,312)	-16.0
匯兑收益╱(虧損)		(3,516)	(6,002)	-41.4
除所得稅前溢利		**189,210**	**179,617**	**5.3**
所得稅開支	8	(87,387)	(61,424)	42.3
年內溢利		**101,823**	**118,193**	**-13.9**
下列人士應佔：				
本公司權益擁有人		93,893	115,110	-18.4
非控股權益		7,930	3,083	157.2
總計		**101,823**	**118,193**	**-13.9**
實際稅率		46.2%	34.2%	
年度本公司權益擁有人應佔每股盈利 *(以每股歐元列示)*				
基本		0.064	0.078	-18.6
攤薄		0.064	0.078	-18.6
計算每股盈利所用股份數目				
基本	9	1,474,862,900	1,471,609,250	0.2
攤薄	9	1,476,347,642	1,473,649,115	0.2

合併財務狀況表

於	附註	二零二四年 三月三十一日 *千歐元*	二零二三年 三月三十一日 *千歐元*
資產			
物業、廠房及設備		137,636	125,234
使用權資產		292,177	271,656
商譽		957,017	893,542
無形資產		488,271	490,188
遞延所得稅資產		78,569	84,966
使用權益法入賬的投資		38,133	66,124
其他非流動資產		73,506	76,636
非流動資產		**2,065,309**	**2,008,346**
存貨	11	450,273	317,197
應收貿易賬款	12	305,344	256,553
其他流動資產		152,978	84,740
衍生金融工具		1,612	2,337
現金及現金等價物		139,519	147,255
流動資產		**1,049,726**	**808,082**
總資產		**3,115,035**	**2,816,428**
權益及負債			
股本		44,309	44,309
額外實繳股本		342,851	342,851
其他儲備		(698,474)	(368,342)
保留盈利		1,167,991	1,120,146
本公司權益擁有人應佔股本及儲備		**856,677**	**1,138,964**
非控股權益		54,835	48,037
總權益		**911,512**	**1,187,001**
借貸		11,934	324,819
租賃負債		213,088	193,309
其他財務負債		684,839	338,650
其他非流動負債		39,076	22,343
遞延所得稅負債		115,698	99,488
非流動負債		**1,064,635**	**978,609**
應付貿易賬款	13	308,987	210,103
薪金及稅項負債		124,522	98,461
流動所得稅負債		21,561	25,424
借貸		562,128	194,040
租賃負債		89,017	82,393
衍生金融工具		859	248
撥備		3,514	3,683
其他流動負債		28,300	36,466
流動負債		**1,138,888**	**650,818**
權益及負債總額		**3,115,035**	**2,816,428**
流動(負債)／資產淨額		**(89,163)**	**157,264**
總資產減流動負債		**1,976,147**	**2,165,610**

附註

1. 編製基準及會計原則變動

本集團的合併財務報表乃按照國際會計準則理事會頒佈及歐盟所採納的國際財務報告準則會計準則(「**國際財務報告準則**」)編製。國際財務報告準則可在歐洲聯盟委員會網站查閱。

合併財務報表根據歷史成本基準編製，惟若干以公平值列值的財務資產及財務負債(包括衍生金融工具)已重估列值。

根據國際財務報告準則編製的財務報表需要採納若干重要會計估計，亦需要管理層在應用本集團的會計政策時作出判斷。儘管該等估計乃根據管理層對現行事件及行動的最佳了解而作出，惟最終實際結果可能有別於該等估計。

新訂及經修訂準則

本集團已採用下列於二零二三年四月一日開始的財政期間對本集團首次生效的新訂及經修訂準則：

- 國際稅務改革 — 第二支柱規則範本 — 國際會計準則第12號之修訂為確認及披露第二支柱規則範本相關遞延稅項資產及負債的資料要求及受影響實體的針對性要求提供臨時減免。本集團屬於經合組織第二支柱規則範本所述範圍。由於截至報告日期，第二支柱法例尚未生效，故本集團並無錄得相關即期稅項開支。根據該法例，本集團有責任根據每個司法管轄區的GloBE實際稅率與15%最低稅率之間的差額繳納補充稅。就本集團而言，第二支柱規則範本應自二零二五財年起適用。於二零二四年三月三十一日，根據初步評估，國際稅務改革對本集團的影響被視為不重大，已於年報合併財務報表附註27.6披露。根據二零二三年五月發佈的國際會計準則第12號之修訂所規定，本集團就確認及披露第二支柱規則範本相關遞延稅項資產及負債的資料應用例外情況。

- 與單一交易產生的資產及負債相關的遞延稅項 — 國際會計準則第12號之修訂要求公司就初始確認時產生相等的應課稅及可扣稅暫時差異的交易確認遞延稅項。其一般適用於承租人確認的租賃及退役義務等交易，並需要確認額外的遞延稅項資產及負債。於二零二四年三月三十一日的合併財務報表中，本集團分別披露有關租賃負債的遞延稅項資產及有關使用權資產的遞延稅項負債。

其他新訂及經修訂準則

數項其他修訂於二零二三年四月一日或之後開始的年度報告期間生效，但並無對合併財務報表構成重大影響：

- 會計政策披露 — 國際會計準則第1號之修訂要求實體披露其「重大會計政策資料」，而非其重大會計政策。該等修訂界定重大會計政策資料的意思，並解釋如何識別會計政策資料何時屬於重大。其進一步釐清，不重大會計政策資料無需披露，且如披露，不應掩蔽重大會計政策資料。

- 會計估計定義 — 國際會計準則第8號之修訂釐清公司應如何區分會計政策變動及會計估計變動。區分有關變動十分重要，原因乃會計估計變動預期應用於未來交易及其他未來事件，而會計政策變動一般追溯應用於過往交易及其他過往事件以及目前期間。

2. 銷售淨額及分部資料

主席及行政總裁主要審閱本集團的內部報告以便從品牌角度評估業績及分配資源。已識別四個經營分部：

- L'OCCITANE en Provence — 銷售L'OCCITANE en Provence品牌下各類香氛、護膚品、護髮產品及沐浴產品。
- Sol de Janeiro — 銷售Sol de Janeiro品牌下各類香氛、護膚品、護髮產品及身體護理產品。銷售主要透過消費者通過其網站(「零售」及「線上」渠道)及多家優質零售商、網上商城及百貨店(「批發及其他」渠道)驅動。
- ELEMIS — 銷售ELEMIS護膚產品，其為於美容及護膚領域分銷及創新的品牌。銷售主要透過批發、電商、百貨商場、QVC、專業水療及海運銷售(「批發及其他」渠道)驅動。
- 其他品牌 — 銷售Erborian、L'OCCITANE au Brésil、Grown Alchemist、LimeLife、Dr. Vranjes Firenze及Melvita的護膚品、化妝品、花水、美容油及其他產品。該等品牌大致上具有相同的經濟特點，主要體現於產品類別、客戶類別、分銷渠道(「零售」、「線上」渠道及「批發及其他」渠道)，及財務表現，且個別及匯總計算均未超出國際財務報告準則第8號的量化標準。

2.1. 銷售及分部資料

二零二四年三月三十一日

千歐元	**L'OCCITANE en Provence**	**Sol de Janeiro**	**ELEMIS**	**其他品牌**	**總計**
銷售淨額	**1,388,910**	**686,051**	**252,987**	**213,993**	**2,541,941**
佔總計百分比	*54.6%*	*27.0%*	*10.0%*	*8.4%*	*100.0%*
毛利	**1,173,738**	**503,718**	**186,808**	**152,047**	**2,016,311**
佔銷售淨額百分比	*84.5%*	*73.4%*	*73.8%*	*71.1%*	*79.3%*
分銷開支	(587,303)	(112,696)	(71,120)	(86,563)	(857,682)
營銷開支	(271,937)	(168,036)	(72,807)	(65,566)	(578,346)
研發開支	(16,857)	(4,157)	(2,476)	(2,663)	(26,153)
一般及行政開支	(154,948)	(57,205)	(20,794)	(26,582)	(259,529)
使用權益法入賬的分佔聯營公司及合營企業溢利╱(虧損)	(14,807)	–	–	–	(14,807)
其他經營收入	7,546	–	–	10,486	18,032
其他經營開支	(3,695)	–	–	(61,045)	(64,740)
經營溢利╱(虧損)	**131,737**	**161,624**	**19,611**	**(79,886)**	**233,086**
佔銷售淨額百分比	*9.5%*	*23.6%*	*7.8%*	*(37.3%)*	*9.2%*

二零二三年三月三十一日

千歐元	**L'OCCITANE en Provence**	**Sol de Janeiro**	**ELEMIS**	**其他品牌**	**總計**
銷售淨額	**1,421,214**	**266,989**	**255,945**	**190,541**	**2,134,689**
佔總計百分比	*66.6%*	*12.5%*	*12.0%*	*8.9%*	*100.0%*
毛利	**1,201,277**	**190,369**	**186,730**	**139,766**	**1,718,141**
佔銷售淨額百分比	*84.5%*	*71.3%*	*73.0%*	*73.4%*	*80.5%*
分銷開支	(596,614)	(43,094)	(58,334)	(86,660)	(784,702)
營銷開支	(208,184)	(61,529)	(52,959)	(45,037)	(367,709)
研發開支	(15,544)	(1,267)	(2,236)	(3,434)	(22,481)
一般及行政開支	(144,682)	(18,815)	(21,523)	(16,478)	(201,498)
使用權益法入賬的分佔聯營公司及合營企業溢利╱(虧損)	(16,590)	–	–	–	(16,590)
其他經營收入	3,211	–	64	785	4,060
其他經營開支	(14,709)	–	(39)	(75,341)	(90,089)
經營溢利╱(虧損)	**208,165**	**65,664**	**51,703**	**(86,399)**	**239,132**
佔銷售淨額百分比	*14.6%*	*24.6%*	*20.2%*	*(45.3%)*	*11.2%*

2.2. 按地區劃分之表現

從地理角度而言，管理層評估不同地區的表現。銷售淨額乃根據發單附屬公司所在的地區而分配。

	二零二四財年 *百萬歐元*	**二零二三財年** *百萬歐元*	**按匯報匯率計算的增長** *%*	**按固定匯率計算的增長** *%*
亞太地區	884.2	896.2	(1.3)	6.3
美洲	1,092.5	695.0	57.2	63.0
歐洲、中東及非洲	565.2	543.4	4.0	4.0
總計	**2,541.9**	**2,134.7**	**19.1**	**24.1**

3. 使用權益法入賬的分佔聯營公司及合營企業溢利╱(虧損)

	二零二四財年 *千歐元*	**二零二三財年** *千歐元*
Good Glamm Group	(17,464)	(9,419)
L'Occitane Middle East	2,189	(7,024)
CAPSUM	468	(147)
總計	(14,807)	(16,590)

4. 其他經營收入

	二零二四財年 *千歐元*	二零二三財年 *千歐元*
出售Grown Alchemist之收益淨額	10,486	–
聯營公司及合營企業權益百分比變動產生的資本收益 (Good Glamm Group)	4,750	1,700
政府補助	1,448	1,514
出售Duolab之收益淨額	1,320	–
其他項目	28	846
總計	**18,032**	**4,060**

5. 其他經營開支

	二零二四財年 *千歐元*	二零二三財年 *千歐元*
Melvita及LimeLife商譽減值	(61,045)	(75,364)
出售CAPSUM之虧損淨額	(1,993)	–
出售資產虧損	(1,700)	(288)
其他項目	(2)	–
將先前在其他綜合收益的費用重分類至收益表(貨幣換算差額)	–	(10,805)
重分類貨幣換算差額前出售L'Occitane Russia的資本虧損	–	(3,632)
總計	**(64,740)**	**(90,089)**

6. 經營溢利

	二零二四財年 *千歐元*	二零二三財年 *千歐元*
僱員福利開支	566,380	503,168
租金及佔用	119,059	115,974
已耗原材料及易耗品	516,140	355,994
製成品及在製品的存貨變動	(138,278)	(61,046)
廣告成本	494,673	305,758
核數師酬金	3,812	2,677
專業費用	282,887	205,897
折舊、攤銷及減值*	155,391	157,415
運輸開支	126,347	106,348
其他開支	120,929	100,753
銷售成本、分銷開支、營銷開支、研發開支與一般及行政開支總額	**2,247,340**	**1,792,938**

* 包括根據國際財務報告準則第16號計算的使用權資產攤銷

7. 財務成本淨額

	二零二四財年 *千歐元*	二零二三財年 *千歐元*
現金及現金等價物利息	6,949	2,799
財務收入	**6,949**	**2,799**
出售L'Occitane Russia的應收款項公平值變動	(8,645)	(35,901)
利息開支	(28,976)	(12,802)
租賃負債的已付╱應付利息及財務費用	(9,688)	(7,609)
財務成本	**(47,309)**	**(56,312)**
財務成本淨額	**(40,360)**	**(53,513)**

8. 所得稅開支

	二零二四財年 *千歐元*	二零二三財年 *千歐元*
即期所得稅	(66,363)	(54,792)
遞延所得稅	(21,024)	(6,632)
所得稅開支總額	**(87,387)**	**(61,424)**
除所得稅前溢利及使用權益法入賬的分佔聯營公司及合營企業溢利╱(虧損)	199,735	194,507
按企業稅率計算所得稅*(於二零二四年三月三十一日及二零二三年三月三十一日的盧森堡稅率為24.94%)*	(49,814)	(48,510)
外國不同稅率的影響	5,525	20,105
稅率變動	1,150	1,255
未確認稅項資產的影響	(11,859)	(12,746)
確認先前未確認稅項資產	37	366
不可扣稅開支	(14,711)	(20,706)
先前已確認稅項資產減值	(9,444)	–
未分派稅項盈利的影響	(8,291)	(1,208)
稅務風險撥備	–	30
最低稅務付款	20	(10)
所得稅開支	**(87,387)**	**(61,424)**

9. 每股盈利

每股基本及攤薄盈利乃以二零二四財年本公司權益擁有人應佔溢利93,900,000歐元(二零二三財年則為115,100,000歐元)以及截至二零二四年三月三十一日止年度已發行股份加權平均數1,474,862,900股(基本)及1,476,347,642股(攤薄)以及截至二零二三年三月三十一日止年度1,471,609,250股(基本)及1,473,649,115股(攤薄)為基準計算。

10. 股息

由於二零二四年四月二十九日公佈的私有化建議，董事會不建議就截至二零二四年三月三十一日止年度的溢利作出分派。

11. 存貨

於三月三十一日

	二零二四年 *千歐元*	二零二三年 *千歐元*
原材料及供應物料	80,238	55,104
製成品及在製品	398,355	285,379
存貨總額	478,593	340,483
減：撥備	(28,320)	(23,286)
存貨淨額	**450,273**	**317,197**

12. 應收貿易賬款

於各結算日應收貿易賬款淨額自到期日的賬齡分析如下：

於三月三十一日

	二零二四年 *千歐元*	二零二三年 *千歐元*
即期及逾期3個月內	280,563	235,152
逾期3至6個月	12,152	14,718
逾期6至12個月	8,130	3,129
逾期超過12個月	4,499	3,554
應收貿易賬款淨額	**305,344**	**256,553**

就零售銷售而言，不授予終端客戶任何信貸期。就轉售分銷渠道的客戶而言，銷售的信貸期一般介乎60至90天。

13. 應付貿易賬款

於各結算日應付貿易賬款自到期日的賬齡分析如下：

於三月三十一日

	二零二四年 *千歐元*	二零二三年 *千歐元*
即期及逾期3個月內	306,915	208,063
逾期3至6個月	335	812
逾期6至12個月	263	32
逾期超過12個月	1,474	1,196
應付貿易賬款	**308,987**	**210,103**

管理層討論與分析

概要：

	二零二四財年 管理層[1] *百萬歐元* *或%*	二零二四財年 匯報 *百萬歐元* *或%*	二零二三財年 管理層[2] *百萬歐元* *或%*	二零二三財年 匯報 *百萬歐元* *或%*
銷售淨額	2,541.9	2,541.9	2,134.7	2,134.7
經營溢利	308.4	233.1	336.8	239.1
年內溢利	不適用	101.8	不適用	118.2
毛利率	79.3%	79.3%	80.5%	80.5%
經營溢利率	12.1%	9.2%	15.8%	11.2%
淨利潤率	不適用	4.0%	不適用	5.5%

(1) 管理層二零二四財年 — 將匯報業績撇除一次性項目，即LimeLife品牌減值以及分佔聯營公司(Good Glamm Group及CAPSUM)溢利╱虧損亦已撇除以進行合適比較。CAPSUM參與出售的虧損亦已從其他經營開支中撇除。管理層認為該等成本屬於會計調整及重大一次性項目，與去年同期的管理層業績相比應予以剔除。

(2) 管理層二零二三財年 — 將匯報業績剔除特殊項目，包括本集團在俄羅斯的業務撤資的影響，即二零二二年六月撤資時的資本虧損產生的其他經營虧損14,400,000歐元。其他一次性項目，即Melvita及LimeLife品牌減值以及分佔合營企業(Good Glamm Group及CAPSUM)虧損，亦已撇除以進行合適比較。管理層認為該等成本屬於會計調整及重大一次性項目應予以剔除以更真實地反映二零二三財年的營運表現。

釋義：

可比較店舖指於上一財政年度開始前已開設的現有零售店(包括本公司所擁有的電子商務網站)。

同店銷售增長指兩個財政期間內可比較店舖銷售的比較。除另有指明者外，有關同店銷售增長的討論均撇除外匯換算的影響。

整體增長指所示財政期間內全球總銷售淨額增長(撇除外匯換算影響)。

收益分析

本集團保持強勁的銷售勢頭，超越二零二三財年的銷售淨額，達到2,541,900,000歐元。與二零二三財年的匯報銷售淨額2,134,700,000歐元相比，按匯報匯率計算銷售增長為19.1%，按固定匯率計算則為24.1%。增長乃主要受Sol de Janeiro的持續領先表現及L'OCCITANE en Provence的穩定表現(乃中國市場持續穩定增長所致)帶動。

本公司的零售地點總數由二零二三年三月三十一日的2,774個增至二零二四年三月三十一日的3,040個，增加266個或9.6%。自營零售店數量由二零二三年三月三十一日的1,362個增至二零二四年三月三十一日的1,363個，淨增加1間。於二零二四年三月底，1,363間自營店按品牌劃分的明細及與去年相比的變動如下：L'OCCITANE en Provence(1,221間；-15)、L'OCCITANE au Brésil(75間；+10)、Melvita(32間；-3)、Erborian(2間；無)、ELEMIS(24間；無)及Dr. Vranjes Firenze(9間；+9)。

按品牌劃分之表現

下表呈列於所示期間按品牌劃分的銷售淨額及銷售淨額增長：

	二零二四財年 *百萬歐元*	二零二三財年 *百萬歐元*	按匯報匯率計算的增長 *%*	按固定匯率計算的增長 *%*
L'OCCITANE en Provence	1,388.9	1,421.2	-2.3	2.7
ELEMIS	253.0	255.9	-1.2	1.3
Sol de Janeiro[(1)]	686.1	267.0	157.0	167.1
其他[(2)]	214.0	190.5	12.3	14.7
總計	**2,541.9**	**2,134.7**	**19.1**	**24.1**

(1) Sol de Janeiro於二零二三財年的季度銷售修訂如下：第一季42,600,000歐元(+1,800,000歐元)、第二季56,000,000歐元(+2,100,000歐元)、第三季68,300,000歐元(+4,100,000歐元)，乃由於重新分類網上商城渠道中的銷售額以適當記錄直銷銷售價值。

(2) 其他包括LimeLife、Melvita、Erborian、L'OCCITANE au Brésil及Grown Alchemist品牌。

L'OCCITANE en Provence表現穩定，按固定匯率計算增長2.7%，主要由中國的雙位數銷售增長推動。於二零二四財年，中國所有渠道均實現雙位數銷售增長，乃由於額外營銷投資吸引了新的線上店舖流量及在中國新推出的網上商城渠道抖音，該品牌針對高價值身體保濕產品的靈活產品策略提高平均每宗銷售額，有助於彌補線下渠道的人流下降。撇除本集團於二零二二年六月在俄羅斯撤資，該品牌於二零二四財年按固定匯率計算錄得3.2%銷售增長。

ELEMIS銷售額於二零二四財年第四季有所下降，在二零二四財年結束時按固定匯率計算則持平。英國二零二四財年第四季的銷售增長較二零二四財年第三季的雙位數銷售增長有所放緩，原因是二零二四財年止兩個季度之間階段性的影響按固定匯率計算增長8.2%，主要受電商及批發業務推動。其被海運渠道客戶的庫存重新平衡計劃導致美國銷售下跌所抵銷。撇除海運渠道，二零二四財年美國國內業務增長15.7%。此增長主要是由線上渠道的雙位數銷售增長推動，關鍵驅動因素是網絡合作夥伴之一透過成功的銷售活動、消費者定位及增加營銷活動的光環效應而取得成功。二零二四財年ELEMIS在中國的銷售實現高雙位數增長，乃由於加快社交媒體渠道的營銷投資以及如二零二四年第四季玫瑰銷售活動(Rose Campaign)等成功的營銷活動。

Sol de Janeiro維持其銷售勢頭，按固定匯率計算增長167.1%至686,100,000歐元。增長乃受惠於成功推出新產品、持續策略性擴張分銷(包括進入美國重要的多品牌合作夥伴)以及批發渠道表現出色。

於二零二四財年，其他品牌按固定匯率計算合共錄得14.7%的良好增長。Erborian及L'OCCITANE au Brésil表現尤其出色，於二零二四財年分別按固定匯率計算增長35.5%及37.2%。Melvita按季表現持續改善，收報單位數銷售增長。LimeLife表現平淡，表現持續低於預期，二零二四財年錄得高雙位數跌幅。

按地區劃分之表現

下表呈列於所示期間按地區劃分的銷售淨額、銷售淨額增長及同店銷售增長：

	二零二四財年 *百萬歐元*	二零二三財年 *百萬歐元*	按匯報匯率計算的增長 *%*	按固定匯率計算的增長 *%*	同店銷售增長 *%*
亞太地區	884.2	896.2	-1.3	6.3	4.5
美洲	1,092.5	695.0	57.2	63.0	14.4
歐洲、中東及非洲	565.2	543.4	4.0	4.0	4.8
總計	**2,541.9**	**2,134.7**	**19.1**	**24.1**	**7.6**

本集團的地區銷售組合較去年輕微變動，美洲成為最大地區，佔銷售淨額43.0%，在二零二四財年突破10億歐元。亞太地區為第二大地區，佔銷售淨額34.8%，而歐洲、中東及非洲則佔銷售額餘下22.2%。就單一市場而言，美國為最大市場，佔本集團銷售淨額的38.0%，較二零二三財年強勁增長10.8%，主要由於Sol de Janeiro在美國錄得三位數銷售增長。第二大市場為中國，佔本集團銷售淨額的12.9%，其次為英國，佔7.7%。

於二零二四財年，美洲繼續按固定匯率計算以63.0%增長作為增長最快地區，乃受惠於Sol de Janeiro加快增長。亞太地區在二零二四財年按固定匯率計算實現6.3%可觀增長，主要是由於中國市場按固定匯率計算強勁增長19.3%，其乃受惠於L'OCCITANE en Provence以及ELEMIS的持續發展。歐洲、中東及非洲於二零二四財年按固定匯率計算增長4.0%，主要是由於Erborian及Sol de Janeiro業績極為理想。撇除俄羅斯，歐洲、中東及非洲按固定匯率計算增長6.0%。

按渠道劃分之表現

下表呈列於所示期間按渠道劃分的銷售淨額及銷售淨額增長：

	二零二四財年 *百萬歐元*	二零二三財年 *百萬歐元*	按匯報匯率計算的增長 *%*	按固定匯率計算的增長 *%*
零售	745.2	761.5	-2.1	3.0
線上渠道	784.9	657.6	19.4	25.2
批發及其他	1,011.8	715.6	41.4	45.7
總計	**2,541.9**	**2,134.7**	**19.1**	**24.1**

批發及其他於二零二四財年帶領增長，按固定匯率計算增長45.7%，批發鏈、國際分銷及旅遊零售均有強勁增長。此渠道佔本集團銷售淨額的39.8%，較二零二三財年的33.5%輕微增加，主要由於Sol de Janeiro批發銷售組合較高。

線上渠道於二零二四財年按固定匯率計算增長25.2%，主要由Sol de Janeiro及ELEMIS的強勁表現以及L'OCCITANE en Provence在中國的抖音上推出。零售銷售按固定匯率計算穩定增長3.0%，貢獻主要來自中國。

盈利能力分析

銷售成本及毛利

匯報銷售成本增加26.2%或109,100,000歐元至二零二四財年的525,600,000歐元。毛利率較二零二三財年減少1.2個百分點至79.3%。減少乃歸因於以下因素：

- 不利的品牌組合，佔1.6個百分點，主要由於Sol de Janeiro的銷售佔比增加，其批發銷售佔比較高；
- 不利的匯兑(「**匯兑**」)影響，佔0.5個百分點；
- 因流轉緩慢的產品增加導致報廢增加，佔0.3個百分點；及
- 轉售比例較高的不利渠道組合，佔0.1個百分點。

毛利率減少被以下各項部分抵銷：

- 提升價格，佔0.5個百分點；
- 原料及包裝工業成本下降，佔0.4個百分點；
- 由於正面的數量及價格影響(較去年減少)及空運減少導致運費及關稅成本下降，佔0.3個百分點；及
- 一次性項目，主要是存貨重估列值、重列及其他，佔0.1個百分點。

分銷開支

匯報分銷開支增加9.3%或73,000,000歐元至二零二四財年的857,700,000歐元。按佔銷售淨額百分比計算，分銷開支減少3.1個百分點至33.7%。此改善乃由於以下各項的綜合影響：

- 有利的品牌組合，佔3.7個百分點，主要由於分銷成本較低的Sol de Janeiro及Erborian品牌的份額增加；及
- 效率改善，此乃受益於零售網絡優化及較少翻新、運費成本減少及銷售額上升的固定成本槓桿，佔1.1個百分點。

此改善被以下各項部分抵銷：

- 組織及員工投資上升、倉儲成本上漲、差旅及應酬(「**差旅及應酬**」)費用增加以及海運渠道One Spa World折舊增加，佔1.5個百分點；及
- 一次性項目，主要來自北美新配送中心的啟用成本以及去年的政府COVID-19補貼及租金優惠，佔0.2個百分點；

營銷開支

匯報營銷開支增加57.3%或210,600,000歐元至二零二四財年的578,300,000歐元。按佔銷售淨額百分比計算，營銷開支增加5.6個百分點至22.8%。增加乃歸因於以下因素：

- 加大對傳統及社交媒體的營銷投資，以及營銷活動，佔4.0個百分點，其中：
  - 2.5個百分點乃由於L'OCCITANE en Provence主要專注於主要產品類別在中國(推出抖音)、美國及日本透過網絡紅人、數碼媒體及戶外廣告進行戰略投資；及
  - 1.5個百分點乃由於其他品牌，其中0.7個百分點為Sol de Janeiro及0.5個百分點為ELEMIS(集中在中國)。
- 品牌組合，佔1.2個百分點，主要由營銷率較高的Sol de Janeiro及Erborian帶動；
- 營銷組織人員配備，佔0.2個百分點；及
- 促銷工具庫存增加，佔0.2個百分點。

研發開支

匯報研發(「**研發**」)開支增加16.3%或3,700,000歐元至二零二四財年的26,200,000歐元。按佔銷售淨額百分比計算，研發開支減少至1.0%，主要由於銷售槓桿增加。

一般及行政開支

匯報一般及行政開支增加28.8%或58,000,000歐元至二零二四財年的259,500,000歐元。按佔銷售淨額百分比計算，一般及行政開支增加0.8個百分點至10.2%。增加乃歸因於以下因素：

- 組織及員工就新招聘及加薪的投資上升以及資訊科技成本，佔0.8個百分點；
- 花紅及長期激勵增加，主要關於Sol de Janeiro的表現，佔0.7個百分點；
- 差旅及應酬增加、招聘及法律費用以及通脹等經營成本上升，佔0.6個百分點；
- 一次性項目及其他，主要關於Dr. Vranjes Firenze收購成本，佔0.4個百分點；及
- 不利的匯兑影響，佔0.2個百分點。

增加被以下各項部分抵銷：

- 有利的品牌組合及銷售上升的槓桿效應，佔1.9個百分點。

使用權益法入賬的分佔聯營公司及合營企業溢利╱(虧損)

於二零二四財年使用權益法入賬的分佔聯營公司及合營企業虧損淨額14,800,000歐元詳情如下：

- Good Glamm Group的虧損17,500,000歐元；
- L'Occitane Middle East的溢利2,200,000歐元；及
- CAPSUM的溢利500,000歐元。

其他經營收入

於二零二四財年其他經營收入18,000,000歐元詳情如下：

- 截至二零二四年三月二十八日出售Grown Alchemist產生的收益淨額10,500,000歐元；
- 於聯營公司及合營企業(Good Glamm Group)的權益百分比變動導致資本收益4,800,000歐元；
- 出售Duolab產生的收益淨額1,300,000歐元；及
- 政府研發補助1,400,000歐元。

其他經營開支

於二零二四財年其他經營開支64,700,000歐元詳情如下：

- LimeLife商譽減值虧損61,000,000歐元；
- 出售CAPSUM產生的虧損淨額2,000,000歐元；及
- 出售資產虧損1,700,000歐元。

經營溢利

匯報經營溢利減少2.5%或6,000,000歐元至233,100,000歐元。按照銷售淨額計算的匯報經營利潤率下跌2.0個百分點至9.2%。

經營利潤率減少是由於以下因素所致：

- 增加營銷投資以維持品牌發展，佔4.0個百分點；
- 經營成本、一次性項目及其他增加，佔1.5個百分點；及
- 花紅及長期激勵增加，佔0.7個百分點。

此減少被以下因素部分抵銷：

- 特殊項目，佔2.5個百分點；及
- 品牌組合及增長，佔1.7個百分點。

在管理基礎上，本年度的經營利潤率為12.1%(不包括一次性項目，即LimeLife減值、分佔聯營公司溢利╱虧損以及CAPSUM股本投資出售的虧損，佔2.0個百分點)，而去年的經營利潤率為15.8%(不包括一次性項目，即本集團在俄羅斯的業務撤資、Melvita及LimeLife減值以及分佔聯營公司虧損，佔4.6個百分點)。

下表呈列本集團二零二四財年及二零二三財年管理層經營溢利及匯報經營溢利之對賬。

	二零二四財年		二零二三財年	
匯報銷售淨額	**2,541.9**		**2,134.7**	
銷售淨額	**2,541.9**		**2,134.7**	
銷售成本	(525.6)	-20.7%	(416.5)	-19.5%
毛利	**2,016.3**	**79.3%**	**1,718.1**	**80.5%**
分銷開支	(857.7)	-33.7%	(784.7)	-36.8%
營銷開支	(578.3)	-22.8%	(367.7)	-17.2%
研發開支	(26.2)	-1.0%	(22.5)	-1.1%
一般及行政開支	(259.5)	-10.2%	(201.5)	-9.4%
使用權益法入賬的分佔合營企業溢利╱(虧損)	2.2	0.1%	(7.0)	-0.3%
其他經營收入╱(開支)	11.6	0.5%	2.1	0.1%
管理層經營溢利[1]	**308.4**	**12.1%**	**336.8**	**15.8%**
俄羅斯撤資	–		(14.4)	
LimeLife品牌減值虧損(二零二三財年：LimeLife及Melvita品牌)	(61.0)		(75.4)	
Good Glamm Group及CAPSUM的估值及分佔溢利╱(虧損)	(14.2)		(7.9)	
匯報經營溢利	**233.1**	**9.2%**	**239.1**	**11.2%**

(1) 管理層二零二四財年 — 將匯報業績撇除一次性項目，即LimeLife品牌減值以及分佔聯營公司(Good Glamm Group及CAPSUM)溢利╱虧損亦已撇除以進行合適比較。CAPSUM參與出售的虧損亦已從其他經營開支中撇除。管理層認為該等成本屬於會計調整及重大一次性項目，與去年同期的管理層業績相比應予以剔除。

管理層二零二三財年 — 將匯報業績剔除特殊項目，包括本集團在俄羅斯的業務撤資的影響，即二零二二年六月撤資時的資本虧損產生的其他經營虧損14,400,000歐元。其他一次性項目，即Melvita及LimeLife品牌減值以及分佔聯營公司(Good Glamm Group及CAPSUM)虧損，亦已撇除以進行合適比較。管理層認為此管理層版本真實地反映二零二三財年的營運表現。

財務成本淨額

於二零二四財年，財務成本淨額為40,400,000歐元，包括現金及現金等價物的利息收入6,900,000歐元及以下開支項目：

- 出售L'Occitane Russia的應收款項公平值變動8,600,000歐元；
- 國際財務報告準則第16號租賃負債相關利息及財務開支9,700,000歐元；及
- 與銀行借貸、循環貸款及外部融資有關的利息開支29,000,000歐元。

與二零二三財年相比，財務成本淨額減少13,200,000歐元，乃由於對L'Occitane Russia的應收款項公平值變動的影響降低，部分被淨利息開支增加所抵銷。

外幣收益╱虧損

於二零二四財年，外幣虧損淨額為3,500,000歐元(二零二三財年：6,000,000歐元)，包括已變現虧損5,200,000歐元、未變現收益2,100,000歐元及與國際財務報告準則第16號有關的虧損400,000歐元。

所得稅開支

實際稅率由二零二三財年的34.2%增加12.0個百分點至二零二四財年的46.2%。此增加主要由於以下不利因素：

- LimeLife美國稅項虧損減值，佔5.1個百分點；
- 未分派稅項盈利(主要在美國)，佔3.7個百分點；
- 部分當地稅率增加，佔3.3個百分點；及
- 不利的國家組合影響，佔2.0個百分點。

部分被以下有利影響抵銷：

- 不可扣減開支減少(主要為LimeLife商譽減值虧損)及出售Grown Alchemist的收益淨額，佔2.1個百分點。

年內溢利

由於前述原因，二零二四財年的純利為101,800,000歐元，較二零二三財年(118,200,000歐元)減少13.9%或16,400,000歐元。二零二四財年的每股基本及攤薄盈利分別為0.064歐元及0.064歐元(二零二三財年：基本0.078歐元及攤薄0.078歐元)，減少18.6%。用於計算二零二四財年每股盈利的基本及攤薄股份數目分別為1,474,862,900股及1,476,347,642股(二零二三財年：基本1,471,609,250股及攤薄1,473,649,115股)。

資產負債表及現金流量回顧

流動資金及資本資源

於二零二四年三月三十一日，本集團的現金及現金等價物為139,500,000歐元，而二零二三年三月三十一日則為147,300,000歐元。於二零二四年三月三十一日，借貸總額(包括定期貸款、循環貸款、銀行借貸、銀行透支)達574,100,000歐元。於二零二四年三月三十一日，未提取借貸融資總額為425,600,000歐元。

現金流量表概要

截至三月三十一日止年度	二零二四年 *千歐元*	二零二三年 *千歐元*
除税前溢利(經調整非現金項目)	431,943	491,008
營運資金變動	(95,146)	(121,190)
已付所得税	(76,254)	(69,610)
經營活動產生的現金流入淨額	260,543	300,208
資本開支產生的現金流出淨額	(66,274)	(46,335)
自由現金流量[(1)]	**194,269**	**253,873**
投資於新業務及金融資產產生的現金(流出)淨額	(109,243)	(35,725)
融資活動產生的現金(流出)淨額	(124,905)	(436,795)
匯率變動的影響	10,153	5,003
現金、現金等價物及銀行結餘(減少)淨額	**(29,726)**	**(213,644)**

(1) 二零二四財年產生的自由現金流量為194,300,000歐元，而二零二三財年則為253,900,000歐元。減少乃由於集團架構變動的影響、部分國家税率提高導致已付税款增加、若干品牌利潤強勁及對門店網絡的投資。

資本開支

於二零二四財年，資本開支所用現金淨額為66,300,000歐元，較二零二三財年的46,300,000歐元增加20,000,000歐元。二零二四財年的資本開支主要與以下各項有關：

- 租賃物業裝修及其他有關銷售點的有形資產(主要為L'OCCITANE en Provence及ELEMIS)21,800,000歐元；
- 投資生產線、倉庫及辦公室24,300,000歐元，較二零二三財年增加12,100,000歐元，乃由於新的美國倉庫以及於法國工廠／倉庫投資增加；
- 資訊科技設備、軟件及項目15,800,000歐元；及
- 於Mirova fund Sicav的投資4,400,000歐元。

投資附屬公司、聯營公司及金融資產

於二零二四財年，投資附屬公司、聯營公司及金融資產的現金流出淨額為109,200,000歐元，而去年為35,700,000歐元。本年度的流出主要用於收購Dr. Vranjes Firenze Group淨額116,700,000歐元、於Good Glamm Group聯營公司的額外投資9,400,000歐元，部分被出售CAPSUM的25,000,000歐元所抵銷。於二零二三財年，主要流出主要與收購Grown Alchemist的3,500,000歐元及於L'Occitane Middle East的權益增加13,400,000歐元有關。

融資活動

於二零二四財年，融資活動的現金流出淨額為124,900,000歐元(二零二三財年：流出436,800,000歐元)。年內現金流出淨額主要反映以下各項：

- 根據國際財務報告準則第16號，租賃所得款項的主要組成部分104,700,000歐元；
- 派付股息46,400,000歐元；及

- 與ELEMIS及Grown Alchemist非控股權益的交易11,600,000歐元。

此部分被以下現金流入抵銷：

- 銀行借貸所得款項淨額32,200,000歐元；及
- 償付購股權淨額5,600,000歐元。

存貨

下表概述於所示期間的平均存貨天數：

	二零二四財年	二零二三財年
平均存貨周轉天數(1)	267	255

(1) 平均存貨周轉天數等於平均存貨除以銷售成本，再乘以365。平均存貨等於某一期間期初及期終存貨淨額的平均值。

於二零二四年三月三十一日，存貨淨值為450,300,000歐元，較二零二三年三月三十一日增加42.0%或133,100,000歐元。存貨淨值增加主要源於Sol de Janeiro擴張。

二零二四財年平均存貨周轉天數增加12天，乃由於與去年相比銷售增長及銷售成本因而增加以及Sol de Janeiro擴張。存貨周轉天數增加12天乃歸因於以下各項：

- 可比較品牌製成品增加，佔+13天；
- 原材料及在製品增加，佔+5天；及
- 存貨撥備增加，佔+3天；

被以下因素部分抵銷：

- 可比較品牌的迷你產品及包裝袋減少，佔-8天；及
- 有利匯兑影響，佔-1天；

應收貿易賬款

下表概述於所示期間的應收貿易賬款周轉天數：

	二零二四財年	二零二三財年
應收貿易賬款周轉天數(1)	41	40

(1) 應收貿易賬款周轉天數等於平均應收貿易賬款除以銷售淨額，再乘以365。平均應收貿易賬款等於某一期間期初及期終應收貿易賬款淨額的平均值。

二零二四財年的應收貿易賬款周轉天數較二零二三財年增加1天至41天。增加乃Sol de Janeiro的轉售銷售增加的淨結果，部分被ELEMIS及L'OCCITANE en Provence以及直銷渠道周轉天數減少所抵銷。

應付貿易賬款

下表概述於所示期間的平均應付貿易賬款天數：

	二零二四財年	二零二三財年
應付貿易賬款周轉天數[1]	63	67

[1] 應付貿易賬款周轉天數等於平均應付貿易賬款除以開支(包括銷售成本，但不包括攤銷、減值及僱員福利)，再乘以365。平均應付貿易賬款等於某一期間期初及期終應付貿易賬款的平均值。二零二三財年已更新以反映目前的計算方法。

減少4天主要是由於開支增加33%。撇除Sol de Janeiro，減少主要乃應付貿易賬款減少12天及應計開支減少2天，導致減少14天。另一方面，Sol de Janeiro迅速擴張帶動全球周轉天數增加10天。

資產負債表比率

二零二四財年已動用資本回報為7.5%，較二零二三財年減少0.9個百分點，乃由於除税後經營溢利淨額減少13.9%，而已動用資本減少10.1%，乃主要由於授予Sol de Janeiro非控股權益的認沽期權的估值大幅增加，此與該品牌增長有關。

於二零二四財年，權益擁有人應佔資本及儲備減少282,300,000歐元，即年內綜合收益、股息分派及Sol de Janeiro非控股權益的認沽期權大幅增加而其他儲備減少的淨結果。

本集團資產負債比率由二零二三財年的28.2%輕微減少至二零二四財年的28.1%。倘撇除國際財務報告準則第16號的影響，二零二四財年資產負債比率為20.3%。

	匯報 二零二四財年	匯報 二零二三財年
盈利能力		
未計利息、税項、折舊及攤銷之盈利[1]	446,006	465,973
除税後經營溢利淨額[2]	123,543	153,406
已動用資本[3]	1,648,160	1,834,307
已動用資本回報[4]	7.5%	8.4%
股權回報[5]	11.0%	10.1%
流動資金		
流動比率(倍)[6]	0.9	1.2
速動比率(倍)[7]	0.5	0.8
資本充足		
資產負債比率[8]	28.1%	28.2%
債權比率[9]	80.8%	54.5%

[1] 未計利息、税項、折舊、攤銷及減值之盈利

[2] (經營溢利 + 外匯淨收益或虧損) x (1 – 實際税率)

[3] 非流動資產 – (遞延税項負債 + 其他財務負債 + 其他非流動負債) + 營運資金。請注意，營運資金不包括股息等財務負債。

[4] 除税後經營溢利淨額／已動用資本

[5] 年末本公司權益擁有人應佔純利／股東股權(不包括非控股權益)

(6) 流動資產／流動負債

(7) (流動資產–存貨)／流動負債

(8) 總負債／總資產

(9) 債項淨額／(總資產–總負債)

外匯風險管理

本公司訂立遠期外匯合約及貨幣期權，目的是就與已識別風險一致的各期間為預期交易以及並非以呈列貨幣(即歐元)列值的應收款項及應付款項進行對沖。於二零二四年三月三十一日，根據國際財務報告準則的公平市場估值規定，本公司有遠期外匯合約的外匯衍生資產淨額為800,000歐元。於二零二四年三月三十一日，未結算的遠期外匯衍生工具的名義本金額主要為出售91,700,000歐元等值人民幣元、31,500,000歐元等值港元、19,800,000歐元等值日圓、15,700,000歐元等值美元、10,200,000歐元等值巴西雷亞爾、9,100,000歐元等值澳元、8,100,000歐元等值英鎊、6,400,000歐元等值墨西哥披索及5,600,000歐元等值瑞士法郎。

股息

於二零二三年六月二十六日舉行的董事會會議上，董事會建議分派總股息每股0.03129歐元，總金額達46,000,000歐元，或二零二三財年本公司權益擁有人應佔純利的40.0%。末期股息金額按於二零二三年六月二十六日已發行的1,471,665,650股股份(不包括5,299,241股庫存股份)計算。本公司股東(「**股東**」)已於二零二三年九月二十七日舉行的會議上批准該股息。股息已於二零二三年十月二十日派付。

本公司已於二零二四年四月二十九日於同日發佈的聯合公告中確認，在股份要約結束之前，其(a)並無宣派任何尚未支付的股息或分派；及(b)並無計劃宣派、建議或支付任何股息或進行任何其他分派。

財政年度結束後事項

於二零二四年三月十五日簽訂契約函後，L'Occitane International S.A.於二零二四年四月七日參與由Good Glamm Group進行的一輪集資(使用權益法入賬)，出資8,036,000歐元，權益百分比達15.83%。於二零二四年三月三十一日，該契約為按公平值確認的衍生工具，其金額為零。

於二零二四年四月二日，L'Occitane International S.A.以6,800,000歐元收購Dr. Vranjes Japan KK。Dr. Vranjes Japan KK為一間在日本管理Dr. Vranjes品牌門店的公司。

於二零二四年四月二十九日，董事會宣佈，L'Occitane Groupe S.A.提呈收購其並未擁有的本公司的全部股份，旨在私有化本公司並從香港聯合交易所有限公司(「**香港聯交所**」)除牌。原因是讓現有管理團隊(將會留任)繼續按照原樣經營本公司業務，並以私營公司投資於長期可持續增長計劃。

策略回顧

於二零二四財年，本集團發展勢頭穩健，銷售額按固定匯率計算增長24.1%，超過25億歐元。儘管宏觀經濟面臨持續挑戰，包括歐洲、中東及非洲以及亞太地區整體消費趨勢疲軟，但仍實現了增長。增長乃受到Sol de Janeiro的強勁表現及L'OCCITANE en Provence的穩定表現所帶動，尤其是在嚴峻的中國市場中表現出色。

在管理的基礎上，本集團的經營利潤率為12.1%，與管理層的期望一致。在此之前，本公司有悉心考慮決定增加對關鍵市場和渠道的營銷投資，以維持其品牌的銷售增長、把握新高端化趨勢，並鞏固其作為具競爭力的多品牌、具有吸引力及地理平衡的集團地位，從而實現「員工、地球及盈利能力」三重收益。

本集團的全渠道策略持續帶來更平衡的渠道組合並完善客戶線上線下的購物體驗。批發銷售佔比較高的Sol de Janeiro貢獻擴大，批發及其他渠道成為本集團的最大渠道。其為總銷售淨額貢獻近40.0%，於二零二四財年按固定匯率計算增長45.7%。同時，線上渠道按固定匯率計算增長25.2%，主要由Sol de Janeiro、ELEMIS以及L'OCCITANE en Provence在中國抖音上新推出的網上商城渠道所推動。全球零售銷售額按固定匯率計算增長3.0%，主要來自中國零售環境較二零二三財年相對改善。

按品牌劃分，儘管在競爭日益激烈的環境中獲得最大部分的營銷預算以把握增長機會並保持市場份額，L'OCCITANE en Provence在全球增長及盈利能力方面相對於本集團其他品牌表現落後。Sol de Janeiro專注於擴大分銷渠道並進入新產品類別，開發針對高補充、高使用頻率子類別的全身護理產品，以維持其增長往績。同時，ELEMIS繼續專注於高端化策略，同時亦加快營銷投資，推動所有渠道擴張並為可持續增長奠定基礎。

L'OCCITANE en Provence努力把握機會並維持市場份額

L'OCCITANE en Provence正持續努力提升其品牌定位，投資加強品牌價值、重新設計包裝以及升級零售和數碼體驗。於二零二四財年，L'OCCITANE en Provence在中國以及美國、日本和旅遊零售渠道進行大量投資，以維持和擴大市場份額。儘管二零二四財年經營利潤率不理想，但此等重大營銷投資推動了按固定匯率計算穩定增長2.7%，主要由於中國的雙位數銷售增長。

在中國，儘管整體經濟消費增長乏力，但該品牌加強營銷工作，實現了高於市場水平的增長。於二零二三年「雙十一」的主要銷售活動提高了L'OCCITANE en Provence的*杏仁(Almond)*和*乳木果(Shea Butter)*系列的受歡迎程度。兩個系列均實現正增長，在社交媒體搜尋和銷售方面維持品牌在護手霜和沐浴露類別中排名第一的領導地位。

在中國的聖誕節和農曆新年假期活動充分利用該品牌獨特的禮品價值。社交媒體以名人為主題，並輔以全國路演，為線下消費者提供獨特體驗。因此，二零二三年十二月，該品牌在中國的銷售額實現雙位數增長。同時，農曆新年活動有助推動*蠟菊極致修護精華霜(Immortelle Divine Cream)*成為線上線下渠道面霜第一位。

在其他主要市場，L'OCCITANE en Provence在成功的社交媒體策略以及與亞馬遜、絲芙蘭和Nordstrom等主要合作夥伴增加營銷支出後，二零二四財年在美國實現高單位數增長，使得轉售銷售持續增長。在其標誌性*乳木果護手霜(Shea Butter Hand Cream)*在社交媒體上走紅下，L'OCCITANE en Provence在美國贏得媒體價值排名前十位的品牌地位。

在日本，*蠟菊煥活雙效精華(Immortelle Overnight Reset Oil-In-Serum)*的連續兩場電視宣傳活動成功推動新用家增長155%，而二零二四財年最後一季在面部護理類別的銷售額排名亦較二零二四財年上半年提升兩位。此外，L'OCCITANE en Provence的*草本療法防掉髮頭皮護理精華(Anti-Hair Loss Advanced Scalp Treatment)*榮獲多項大獎，成為全國排名前三的護髮庫存單位之一。

在旅遊零售渠道，L'OCCITANE en Provence錄得單位數跌幅，主要是由於在中國市場面臨的挑戰。二零二四財年第三季嚴格執行監管合規導致訂單被擱置，但本公司能夠遵守要求並恢復其在中國的旅遊零售銷售管道。為進一步將本集團品牌推向全球舞台並推動優質美容旅遊零售領域的持續增長及成功，本集團組建新的旅遊零售團隊，包括委任全球及地區的重要職位。

Sol de Janeiro保持強勁表現

Sol de Janeiro持續表現強勁，於二零二四財年按固定匯率計算增長167.1%，並在所有地區實現三位數增長。現為本集團第二大品牌，亦為盈利最大貢獻因素，經營利潤率為23.6%。

該品牌的表現受*Brazilian Bum Bum Cream*持續取得成功，以及香水噴霧類別的重磅產品推出所帶動。其受限量系列發佈所進一步推動，例如該品牌的首款秋季香水噴霧，以及*Delicia Drench Body Butter*及*Cheirosa 59*香水系列等新產品，此等產品的成功奠定了該品牌全年的吸引力。該品牌近期亦發佈新的增長動力，包括*Rio Radiance* SPF 50系列。

Sol de Janeiro亦成功拓展分銷渠道及市場。該品牌已成為關鍵市場主要美容零售商的首選合作夥伴。目前是美國絲芙蘭、德國Douglas及澳洲Mecca第一大護膚品牌。推出之初亦為絲芙蘭在東南亞市場排名第一的護膚品牌。該品牌亦於二零二四年一月透過與Ulta合作進一步滲透其於美國的本土市場。

在旅遊零售領域，該品牌實行成效強勁的視覺行銷策略，吸引機場旅客的注意力，與內部計劃相比實現了三位數的銷售增長。

ELEMIS持續實施高端化策略

繼二零二四財年第四季英國和美國銷售額顯著下降後，二零二四財年ELEMIS銷售額持平，情況符合管理層預期，原因是其持續實施高端化策略、減少折扣深度和頻率，以加強其護膚和抗衰老專家地位。

在英國，銷售受到部分網路合作夥伴分階段銷售的進一步影響。美國整體銷售下降主要是由於海運渠道客戶的庫存重新平衡計劃。然而，渠道的直銷銷售全年上升了32.0%。撇除海運渠道，二零二四財年美國國內業務增長15.7%。截至二零二四財年底，作為加快高端化策略的一部分，ELEMIS美國網站上已停止提供所有直接折扣。

值得注意的是，ELEMIS在中國實現雙位數增長。加快社交媒體渠道營銷投資去突顯其*骨膠原卸妝膏(Pro-Collagen Cleansing Balm)*等全球暢銷產品，加上抖音上的KOL直播支持了品牌的銷售增長。其亦繼續探索小紅書的營銷和業務發展機會。

儘管整體銷售勢頭放緩，成功的節日活動、加大營銷投資以及新產品推出使ELEMIS躋身英國前5名面部護理品牌及美國前15名面部護理品牌之列，並分別在該兩個市場贏得媒體價值排名第一和第二位。

ELEMIS在二零二四年二月在美國絲芙蘭的90家門市推出，擴大了其分銷範圍，同時亦在該市場開展迄今為止規模最大的營銷活動之一。此外，作為其高端化策略的一部分，ELEMIS將於倫敦開設第一家獨立商店，並計劃在英國開設更多特選門店。

收購Dr. Vranjes Firenze及Melvita重新定位加強本集團的多品牌模式

近年，加快併購活動使本集團擴大其領先的高端美容品牌組合，在地域上更加平衡，對千禧一代和Z世代消費者更具吸引力。

於二零二四年三月，本集團收購意大利奢華家居香氛品牌Dr. Vranjes Firenze。該品牌結合佛羅倫薩工藝與香水科學的創新。此收購標誌著本集團建構均衡品牌組合策略又邁進一步。Dr. Vranjes Firenze將工藝與創新相結合，加上精幹的管理團隊、具盈利的財務業績以及著重可持續發展，使其豐富了本集團的品牌組合，同時鞏固其在利基家用擴香器市場的地位。

同時，本集團多個其他品牌在二零二四財年實現穩健增長，其中以L'OCCITANE au Brésil和Erborian按固定匯率計算銷售增長逾35.0%領先。儘管Melvita依然虧損，但透過成功的品牌重塑其表現亦顯著改善，對比上半年度的銷售下跌，於年底實現約3.0%增長。該品牌重新定位為有機和有效美容的先鋒，同時以全新、充滿活力和清新的品牌形象吸引年輕受眾。此等表現部分被LimeLife的欠佳表現抵銷。該品牌銷售跌幅較去年收窄，但表現仍不理想。

組織在管理層換屆後已為增長做好準備

為使本集團為未來增長及地域擴張做好準備，其已完成領導層改革。於二零二四年四月一日，前董事總經理Laurent Marteau接替André Joseph Hoffmann擔任本集團行政總裁。本集團謹此衷心感謝Hoffmann先生在擔任行政總裁期間作出的寶貴貢獻，彼指導本公司實現其策略目標，包括地理擴張及成功收購新品牌。彼將留任執行董事及董事會成員。此外，自二零二三年六月三十日起，Samuel Antunes已晉升為財務總監。彼擁有豐富的企業融資經驗，自二零一零年起加入本集團。

共益企業™加強對三重收益的承諾

本集團明確專注於「員工、地球及盈利能力」三重收益。於二零二三年，本集團成為獲認證的共益企業™，乃同等規模公司的獨特領導力標誌。此里程碑建基於本集團致力賦權社區保護生物多樣性和減緩氣候變化的承諾。每個共益企業必須每三年重新認證一次，鼓勵本集團不斷改進其營運方式並尋求提高所有領域的高標準。本集團致力確保其新收購的品牌Sol de Janeiro及Dr. Vranjes Firenze在二零二六年前獲得共益企業認證。

本集團的目標是在二零二六財年前向全球每位團隊成員支付生活工資。此外，本集團繼續致力於減少碳足跡及塑膠污染，促進塑膠循環經濟，並加強與供應商合作，確保在整個價值鏈中進行負責任的社會和環境影響管理。在生物多樣性方面，本集團在植物原料的可追溯性方面進展順利。目前，L'OCCITANE en Provence和Melvita的植物原料中的81%可追溯至植物原產國，目標是在二零二六財年前達致90%。

前景

展望未來，本集團對二零二五財年的表現持審慎樂觀態度。然而，本集團在營銷、門店翻新、資訊科技基礎設施和吸引人才方面進行額外投資，將在未來幾個月和幾年繼續影響其利潤率。隨著新的國際和本地品牌加入，全球護膚品和化妝品行業的競爭繼續加劇，此等投資對於鞏固其所有品牌的現有優勢仍然是必要的，每個品牌都需要針對品牌和特定地理位置的策略來發展或維持其市場地位。

於二零二四年四月二十九日，董事會接獲L'Occitane Groupe S.A.(「**要約人**」，本公司的控股股東並由其主席Reinold Geiger最終控制)的建議，表示擬收購要約人並未擁有的本公司的全部已發行及發行在外股份，旨在將本公司從香港聯交所除牌並將本集團完全私有化。該建議由要約人加快本集團轉型及增長的願景所推動。透過轉型為私營企業，本集團將獲得更大的策略投資自主權並更有效地實施策略。

審核委員會

根據香港聯合交易所有限公司證券上市規則(「**上市規則**」)的規定，本公司已成立由三名非執行董事(其中兩名為獨立非執行董事)組成的審核委員會。審核委員會與外聘核數師已共同審閱本集團採用的會計原則及慣例，並已討論審核、內部監控及財務申報事宜，包括審閱本集團於二零二四財年的合併業績及合併財務報表。本年度業績公告基於本集團截至二零二四年三月三十一日止年度的經審核合併財務報表。

企業管治

董事會定時檢討企業管治常規，藉以滿足股東不斷提升的期望、遵守日益嚴格的監管規定，並履行其良好企業管治的承諾。董事會致力於維持高標準的企業管治常規及業務道德，堅信其對維持股東回報極其重要。

於二零二四財年，本公司一直遵守上市規則附錄C1所載企業管治守則的所有適用守則條文。

董事證券交易

本公司已採納上市規則附錄C3所載的上市發行人董事進行證券交易的標準守則(「**標準守則**」)作為董事進行本公司證券交易的行為守則。經向全體董事作出具體查詢後，全體董事確認已於二零二四財年遵守標準守則。

購買、出售或贖回本公司的上市證券

於二零二四財年，本公司根據本公司的僱員無償股份及購股權計劃轉出於庫存持有的合共3,253,650股庫存股份。於二零二四年三月三十一日，本公司持有2,101,991股庫存股份。除上文所披露者外，於二零二四財年，本公司或其附屬公司概無購買、出售或贖回本公司任何上市證券。

暫停辦理股份過戶登記手續

本公司將於二零二四年九月二十日(星期五)至二零二四年九月二十五日(星期三)(包括首尾兩天)暫停辦理股份過戶登記手續，期間不會辦理股份過戶登記。釐定合資格出席本公司應屆股東週年大會(「**股東週年大會**」)並於會上投票的股東名單的記錄日期為二零二四年九月二十五日(星期三)。所有過戶文件連同有關股票必須於二零二四年九月十九日(星期四)下午四時三十分前送達本公司的香港股份過戶登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712至1716號舖。

刊登末期業績及二零二四財年年報

本公司末期業績公告於香港聯交所網站(www.hkexnews.hk)及本公司網站(group.loccitane.com)公佈。年報將適時發送予股東，並可於香港聯交所網站(www.hkexnews.hk)及本公司網站(group.loccitane.com)查閱。

股東週年大會

本公司將於二零二四年九月二十五日舉行股東週年大會。召開股東週年大會的通告將適時刊登於香港聯交所網站(www.hkexnews.hk)及本公司網站(group.loccitane.com)並發送予股東。

董事會

於本公告日期，董事為：

執行董事
Reinold Geiger *(主席)*
Laurent Marteau *(行政總裁)*
André Hoffmann
Karl Guénard *(公司秘書)*
Séan Harrington *(ELEMIS行政總裁)*

非執行董事
Thomas Levilion

獨立非執行董事
Christèle Hiss Holliger
Charles Mark Broadley
劉文思
吳植森

承董事會命
L'Occitane International S.A.
主席
Reinold Geiger

盧森堡，二零二四年六月二十四日

免責聲明

在多個表格內呈列的財務資料及若干其他資料已四捨五入至最接近的整數或最接近的小數。因此，欄內數字的總和未必與該欄所示的總數完全一致。此外，表格內呈列的若干百分比反映在四捨五入前根據相關資料計算所得結果，故未必與假使相關結果乃以經四捨五入的數字計算而得出的百分比完全一致。

Groupe
L'OCCITANE

L'OCCITANE INTERNATIONAL S.A.

49, Boulevard Prince Henri L-1724 Luxembourg
R.C.S. Luxembourg: B80359
(Incorporated under the laws of Luxembourg with limited liability)
(Stock code: 973)

Executive Directors:
Mr. Reinold Geiger *(Chairman of the Board)*
Mr. Laurent Marteau *(Chier Executive Officer)*
Mr. André Joseph Hoffmann
Mr. Karl Guénard
Mr. Séan Harrington

Non-executive Director:
Mr. Thomas Levilion

Independent Non-executive Directors:
Mrs. Christèle Hiss Holliger
Mr. Charles Mark Broadley
Ms. Betty Liu
Mr. Jackson Chik Sum Ng

Registered Office:
49, Boulevard Prince Henri
L-1724 Luxembourg
Grand Duchy of Luxembourg

Principal Place of Business in Hong Kong:
20/F, K11 ATELIER King's Road
728 King's Road
Quarry Bay
Hong Kong

2 July 2024

To Minority Shareholders, Qualifying Shareholders (with respect to the Share Alternative), and Award Holders

Dear Sirs/Mesdames,

(1) CONDITIONAL VOLUNTARY GENERAL OFFERS BY J.P. MORGAN SECURITIES (ASIA PACIFIC) LIMITED ON BEHALF OF OFFEROR TO ACQUIRE ALL ISSUED AND OUTSTANDING SHARES IN THE COMPANY (OTHER THAN SHARES ALREADY OWNED BY LOG) AND TO CANCEL ALL VESTED OPTIONS; AND (2) LIQUIDITY ARRANGEMENT WITH RESPECT TO UNVESTED AWARDS

1. INTRODUCTION

1.1. Reference is made to the Initial Announcement, the Second Announcement and the information contained in the "Letter from J.P. Morgan and Offeror" in relation to the Offers.

1.2. Further reference is made to the Special Deal Circular, setting out details of the GA Disposal, and the poll results announcement published by the Company dated 21 June 2024, in which it was announced that the GA Disposal had been approved by Disinterested Shareholders (with respect to the GA Disposal) at the extraordinary general meeting of the Company held on 21 June 2024. As the Executive has granted its consent to the GA Disposal (and all conditions to the Executive's consent have been fulfilled), Condition (f) to the Share Offer had been fulfilled as of Latest Practicable Date.

1.3. The purpose of this letter is to provide you with, among others, further information relating to the Group.

2. THE OFFERS

Share Offer

2.1. J.P. Morgan, on behalf of Offeror, has made the Share Offer to Minority Shareholders to acquire all Offer Shares in exchange for the Minority Shareholder electing one of two settlement methods: (a) the Cash Alternative; or (b) the Share Alternative (for Qualifying Shareholders only).

2.2. Acceptance of the Share Offer and election of either the Cash Alternative or the Share Alternative will be subject to the terms and conditions set out in the section headed "Letter from J.P. Morgan and Offeror", and in particular the sub-sections headed "Part A. Cash Alternative under Share Offer" and "Part B. Share Alternative under Share Offer".

2.3. ***Overview of and eligibility for Cash Alternative.*** Under the Cash Alternative, J.P. Morgan, on behalf of Offeror, is offering to acquire the Offer Shares in exchange for the Offer Price (being HK$34.00) in cash. All Minority Shareholders (including those with Offer Shares deposited in CCASS, Stock Connect investors, and other Non-qualifying Shareholders) are eligible to accept and elect the Cash Alternative.

2.4. ***Overview of and eligibility for Share Alternative.*** Under the Share Alternative, J.P. Morgan, on behalf of Offeror, is offering to acquire the Offer Shares in exchange for Rollover Shares at the exchange ratio of 10 Rollover Shares for each Offer Share, subject to the Share Alternative Cap. In the event of a Share Alternative Over-election, the number of Offer Shares exchanged for Rollover Shares for each Share Alternative Holder will be reduced pursuant to the *Pro Rata* Downward Adjustment Mechanism, with the remaining portion of each Share Alternative Holder's Offer Shares validly tendered for acceptance to be settled by cash at the Offer Price. To be eligible for the Share Alternative:

(a) the Minority Shareholder must be a Qualifying Shareholder (see the section headed "Important notices" for more information);

(b) the Qualifying Shareholder must elect only the Share Alternative with respect to the Offer Shares held by them (and not a combination of the Cash Alternative and Share Alternative);

(c) the entire holding of Offer Shares tendered for acceptance and electing the Share Alternative must be held by the Qualifying Shareholder as registered holder; and where any part of their Offer Shares are deposited in CCASS, the Qualifying Shareholder is required to first withdraw their Offer Shares from CCASS and register these Offer Shares on the Hong Kong Share Register before electing the Share Alternative;

(d) the Qualifying Shareholder must duly provide all KYC information/documents stated in the acceptance form of the Share Alternative and ensure that all regulatory approvals (if any) required by the Qualifying Shareholder to receive Rollover Shares have been obtained.

For more information, see the sections headed ''Important notices'' and ''Letter from J.P. Morgan and Offeror — Part B. Share Alternative under Share Offer''.

Vested Option Offer

2.5. J.P. Morgan, on behalf of Offeror, has made the Vested Option Offer to Vested Option Holders to cancel all Vested Options in exchange for the Award Cancellation Price.

2.6. Acceptance of the Vested Option Offer and settlement thereunder will be subject to the terms and conditions set out in the section headed ''Letter from J.P. Morgan and Offeror'', and in particular the sub-section headed ''Part C. Vested Option Offer''.

2.7. ***Eligibility for the Vested Option Offer.*** The Vested Option Offer is available to all Vested Option Holders, being holders of Options granted under the Share Incentive Plans which have vested on or before Initial Announcement Date but have not been exercised.

2.8. ***Notice to Vested Option Holders.*** In accordance with the relevant Share Incentive Plans, which provide that the Company may send notice to Vested Option Holders specifying the exercise period and when the balance of Vested Options may lapse, the Company has sent the Share Incentive Notice to all Award Holders, pursuant to which:

(a) Vested Option Holders who hold Vested Options on Composite Document Date will be eligible to participate in the Vested Option Offer; and

(b) all remaining Vested Options in respect of which the Vested Option Holder has not validly accepted the Vested Option Offer on or before Offer Closing Date, will automatically and immediately lapse after Offer Closing Date (in accordance with the relevant Share Incentive Plans and the Share Incentive Notice).

The Vested Option Offer is subject to the Share Offer becoming or being declared unconditional in all respects. If the Share Offer does not become unconditional, or is otherwise terminated or withdrawn before Offer Unconditional Date, then the Vested Option Offer will not become effective, and the event in sub-paragraph (b) above will not take place. In this case, all Vested Options will continue to be exercisable between (x) the date that Offeror and/or the Company announces that the Offers have

been terminated or are withdrawn; and (y) the end of the original exercise period, in accordance with the existing conditions of grant under the relevant Share Incentive Plan.

2.9. Accordingly, the Vested Options can no longer be exercised, and will not have a dilution effect on the shareholding percentage of Shareholders, during Offer Period.

Liquidity Arrangement

2.10. Offeror has offered the Liquidity Arrangement to all Unvested Award Holders, whereby Offeror proposes to enter into a Liquidity Agreement with each Unvested Award Holder, pursuant to which, upon vesting of the Unvested Awards between 2025 and 2027 (both years inclusive), the Unvested Award Holder agrees that their vested Awards be cancelled in exchange for Offeror paying the Award Cancellation Price to the Unvested Award Holder.

2.11. Acceptance of the Liquidity Arrangement requires an Unvested Award Holder to enter into a Liquidity Agreement with Offeror, with settlement thereunder to be subject to the terms and conditions set out in the Liquidity Agreement, which are summarised in the section headed "Letter from J.P. Morgan and Offeror", and in particular the sub-section headed "Part D. Liquidity Arrangement". The form of the Liquidity Agreement will be sent to each Unvested Award Holder on Composite Document Date and is available as a document on display in accordance with the Takeovers Code.

2.12. ***Eligibility for the Liquidity Arrangement.*** The Liquidity Arrangement is available to all Unvested Award Holders, being holders of Options or Free Shares granted under the Share Incentive Plans which remain unvested on Initial Announcement Date.

2.13. ***Notice to Unvested Award Holders.*** In accordance with the relevant Share Incentive Plans and the Share Incentive Notice to all Award Holders, Unvested Awards will be treated as follows:

(a) no Unvested Awards will be accelerated, and all Unvested Awards will continue to vest in accordance with the existing schedule and conditions of grant under the relevant Share Incentive Plans; and

(b) all Unvested Awards shall remain to be vested in accordance with the existing schedule and conditions of grant under the relevant Share Incentive Plans and Unvested Award Holders will be eligible to participate in the Liquidity Arrangement.

2.14. The Unvested Awards are not scheduled to vest until 2025 at the earliest, and accordingly, the Unvested Awards will not have a dilution effect on the shareholding percentage of Shareholders during Offer Period.

Conditions to the Offers

2.15. The Share Offer is subject to the Conditions set out in the section headed "Letter from J.P. Morgan and Offeror — Conditions of the Offers — Conditions of the Share Offer" being fulfilled.

2.16. The Vested Option Offer and Liquidity Arrangement are subject to the Share Offer becoming or being declared unconditional in all respects.

Possible compulsory acquisition and withdrawal of listing of the Shares

2.17. Subject to the satisfaction of the Conditions and requirements under Article 18 and Rule 2.11 of the Takeovers Code, Offeror will privatise the Company by exercising the right to which it is entitled under Article 18 to compulsorily acquire all remaining Offer Shares not already owned by Offeror under the Share Offer for cash at the Offer Price, following which listing of the Shares will be withdrawn from the Stock Exchange pursuant to Rule 6.15(1) of the Listing Rules. See the section headed "Letter from J.P. Morgan and Offeror — Possible compulsory acquisition and withdrawal of listing of Shares" for more information.

3. INFORMATION ON THE GROUP

3.1. ***The Group*** is an international group that manufactures and retails beauty and well-being products that are rich in natural and organic ingredients. As a global leader in the premium beauty market, the Group has more than 3,000 retail outlets, including approximately 1,300 owned stores, and is present in 90 countries. Through its key brands — L'OCCITANE en Provence, Melvita, Erborian, L'OCCITANE au Brésil, ELEMIS, Sol de Janeiro and Dr. Vranjes Firenze — the Group offers new and extraordinary beauty experiences, using high quality products that respect nature, the environment and the people who surround it.

3.2. ***Shareholdings in the Company.*** The table below sets out the shareholding structure of the Company: (i) as at Latest Practicable Date; and (ii) immediately following completion of the Share Offer and Vested Option Offer (assuming that each of the Share Offer and Vested Option Offer is accepted in full):

	As at Latest Practicable Date [(1)]		**Immediately after completion of the Share Offer (assuming the Share Offer and Vested Option Offer are accepted in full) [(1)]**	
	Number of Shares	*%*	*Number of Shares*	*%*
Offeror Group				
Offeror[(2)]	—	—	1,474,968,200	100.00%
LOG[(2)]	1,067,587,391	72.38%	—	—
Reinold Geiger[(2)]	1,148,750	0.08%	—	—
André Hoffmann[(2)]	2,495,250	0.17%	—	—
Sub-total	**1,071,231,391**	**72.63%**	**1,474,968,200**	**100.00%**
Other Offeror Concert Group[(4)(5)(6)]				
Karl Guénard[(3)]	97,600	0.01%	—	—
Sub-total of Offeror Concert Group	**1,071,328,991**	**72.63%**	**1,474,968,200**	**100.00%**
Shareholder providing an Irrevocable Undertaking to accept Share Offer				
Pleasant Lake Partners LLC[(7)]	47,956,250	3.25%	—	—
Sub-total of this Shareholder	**47,956,250**	**3.25%**	**—**	**—**
Shareholders providing Irrevocable Undertakings to accept Share Offer in cash				
ACATIS Investment KVG mbH[(7)]	63,079,800	4.28%	—	—
Global Alpha Capital Management Limited[(7)]	42,584,376	2.89%	—	—
Sub-total of these Shareholders	**105,664,176**	**7.16%**	**—**	**—**
Shareholder providing Non-binding Letter of Support[(7)]				
ACATIS Investment KVG mbH[(7)]	27,034,200	1.83%	—	—
Sub-total of this Shareholder	**27,034,200**	**1.83%**	**—**	**—**

	As at Latest Practicable Date [1]		Immediately after completion of the Share Offer (assuming the Share Offer and Vested Option Offer are accepted in full) [1]	
	Number of Shares	*%*	*Number of Shares*	*%*
Other Minority Shareholders				
Jackson Chik Sum Ng[8]	30,000	0.00%	—	—
Other Shareholders[9]	222,954,583	15.12%	—	—
Total	**1,474,968,200**	**100.00%**	**1,474,968,200**	**100.00%**

Notes:

(1) Based on the information available to Offeror and the Company as at Latest Practicable Date; percentages are based on the total issued and outstanding share capital of the Company, which excludes 1,996,691 Treasury Shares. Percentages are subject to rounding.

(2) As at Latest Practicable Date and until immediately prior to completion of the Offeror Corporate Restructuring (being also completion of the Share Offer), Offeror is and will remain a wholly-owned subsidiary of LOG. See "Appendix IV" *(General information of Offeror)* and "Appendix VI" *(Summary of Rollover Shares)* for a simplified corporate structure chart of Offeror immediately following completion of the Offeror Corporate Restructuring.

The sole ultimate controlling shareholder of LOG is Mr. Reinold Geiger. Mr. Geiger is the Chairman of the Board and an executive Director; he is also a director and chairman of the board of directors of LOG and the sole director of Offeror. Mr. Geiger is the ultimate beneficial owner of the entire issued share capital of Cime S.C.A., which has 100% interest in Société d'Investissements CIME S.A., which in turn controls 73.31% (as at Latest Practicable Date) and will control 75.25% (following Offer Unconditional Date and immediately following the LOG Corporate Restructuring) of the total issued and outstanding share capital of LOG. Mr. Geiger is therefore deemed under the SFO to be also interested in all the Shares registered in the name of LOG. Accordingly, Mr. Geiger is deemed to be interested in 1,067,587,391 Shares beneficially owned by LOG and 1,996,691 Treasury Shares that are held by the Company. Mr. Geiger is also the beneficial owner of 1,148,750 Shares.

Mr. André Hoffmann is an executive Director and a director of LOG. Mr. Hoffmann wholly-owns Lavender Investments Limited, which in turn is a substantial shareholder of LOG, controlling 18.78% (as at Latest Practicable Date) and 17.41% (following Offer Unconditional Date and immediately following the LOG Corporate Restructuring) of the total issued and outstanding share capital of LOG. Mr. Hoffmann, through Lavender Investments Limited, is also the beneficial owner of 2,495,250 Shares.

(3) Executive Director and director of LOG, who also holds 166,300 Vested Options as at Latest Practicable Date.

(4) J.P. Morgan is the exclusive financial adviser to Offeror in respect of the Offers. Accordingly, J.P. Morgan and persons controlling, controlled by or under the same control as J.P. Morgan (except exempt principal traders and exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code) are presumed to be acting in concert with Offeror in accordance with class 5 of the definition of "acting in concert" under the Takeovers Code.

As at Latest Practicable Date, members of the J.P. Morgan group do not legally or beneficially own, control or have direction over any Shares (except in respect of Shares held by exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code and also excluding Shares held on behalf of non-discretionary investment clients of the J.P. Morgan group). Notwithstanding that connected exempt principal traders within the J.P. Morgan group are not acting in concert with Offeror, Shares held by any such connected exempt principal traders must not be assented to the Share Offer until the Share Offer becomes or is declared unconditional as to acceptances in accordance with the requirements of Rule 35.3 of the Takeovers Code, unless (i) the relevant connected exempt principal trader holds the Shares as a simple custodian for and on behalf of non-discretionary clients, and (ii) there are contractual arrangements in place between the relevant connected exempt principal trader and its clients that strictly prohibit the relevant connected exempt principal trader from exercising any discretion over the relevant Shares, and all instructions shall originate from the client only, and if no instructions are given, then no action shall be taken on the relevant Shares held by the relevant connected exempt principal trader.

(5) Blackstone Investor is an original subscriber under the paid-in-kind (PIK) loan note financing for Holdco. Accordingly, Blackstone Investor and the various participating funds ultimately controlled by Blackstone Inc. and managed by Blackstone Inc. and its affiliates ("**Participating Blackstone Funds**", and together with Blackstone Investor, the "**Blackstone Entities**") who are providing finance or financial assistance (directly or indirectly) to Offeror in connection with the Offers are presumed to be acting in concert with Offeror in accordance with class 9 of the definition of "acting in concert" under the Takeovers Code.

As at Latest Practicable Date, none of the Blackstone Entities legally or beneficially own, control or have direction over any Shares.

(6) Goldman Sachs International has been appointed by Holdco as a bookrunner in connection with the paid-in-kind (PIK) loan note financing for Holdco. Accordingly, Goldman Sachs International and persons controlling, controlled by or under the same control as Goldman Sachs International (except exempt principal traders and exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code) are presumed to be acting in concert with Offeror in accordance with class 5 of the definition of "acting in concert" under the Takeovers Code.

As at Latest Practicable Date, members of the Goldman Sachs group do not legally or beneficially own, control or have direction over any Shares (except in respect of Shares held by exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code and also excluding Shares held on behalf of non-discretionary investment clients of the Goldman Sachs group). Notwithstanding that connected exempt principal traders within the Goldman Sachs group are not acting in concert with Offeror, Shares held by any such connected exempt principal traders must not be assented to the Share Offer until the Share Offer becomes or is declared unconditional as to acceptances in accordance with the requirements of Rule 35.3 of the Takeovers Code, unless (i) the relevant connected exempt principal trader holds the Shares as a simple custodian for and on behalf of non-discretionary clients, and (ii) there are contractual arrangements in place between the relevant connected exempt principal trader and its clients that strictly prohibit the relevant connected exempt principal trader from exercising any discretion over the relevant Shares, and all instructions shall originate from the client only, and if no instructions are given, then no action shall be taken on the relevant Shares held by the relevant connected exempt principal trader.

(7) Pleasant Lake Partners has given an Irrevocable Undertaking over these 47,956,250 Shares. See the section headed "Letter from J.P. Morgan and Offeror — Irrevocable Undertakings and Non-binding Letter of Support" for more information.

As at Latest Practicable Date, ACATIS controls 90,114,000 Shares, of which 63,079,800 Shares are the subject of an Irrevocable Undertaking and an additional 27,034,200 Shares are the subject of a Non-binding Letter of Support. See the section headed "Letter from J.P. Morgan and Offeror — Irrevocable Undertakings and Non-binding Letter of Support" for more information.

As at Latest Practicable Date, Global Alpha controls 42,584,376 Shares, which are the subject of an Irrevocable Undertaking. Additionally, Global Alpha advises and has investment discretion over an additional 11,704,731 Shares for its clients. See the section headed "Letter from J.P. Morgan and Offeror — Irrevocable Undertakings and Non-binding Letter of Support" for more information.

Southeastern Asset Management, Inc. ("**Southeastern**") had given a Non-binding Letter of Support to LOG over 10,363,000 Shares. LOG has since been informed that as of Latest Practicable Date, Southeastern had disposed of all of its Shares and as at Latest Practicable Date, Southeastern is no longer a Shareholder.

(8) Independent non-executive Director.

(9) This includes 105,300 Shares transferred from the Company's treasury account to settle Vested Options that were exercised on or before 20 May 2024 (being the "Last Exercise Date" specified in the Initial Announcement). See the announcement dated 28 May 2024 published by the Company for more information on these Options.

3.3. ***Interests in Awards.*** As at Latest Practicable Date, the Company had 1,241,031 Awards, in which the following Directors have an interest:

	Position	**Number of Vested Options**	**Number of Unvested Awards**
Laurent Marteau	Executive Director, Chief Executive Officer, Group Managing Director	—	205,200 Options[(1)] 808,531 Free Shares[(2)]
Karl Guénard	Executive Director, Company Secretary; director of Offeror	166,300 Options[(3)]	61,000 Options[(1)]

Notes:

(1) The vesting date for these Options is: 27 October 2025. The exercise price is HK$20.67 and exercise period is between 27 October 2025 and 26 October 2029

(2) The vesting date for these Free Shares is: 30 June 2027.

(3) For these Vested Options, the exercise prices and exercise periods were: (i) for 83,700 Options, an exercise price of HK$15.16 per Option, exercisable between 10 February 2021 and 10 February 2025; and (ii) for 82,600 Options, an exercise price of HK$14.50 per Option, exercisable between 29 March 2022 and 29 March 2026, all of which are subject to the Share Incentive Notice.

4. INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

Independent Board Committee

4.1. The Independent Board Committee has been established in accordance with Rules 2.1 and 2.8 of the Takeovers Code to, among others, give a recommendation to the Disinterested Shareholders and Award Holders as to whether the Offers are fair and reasonable and as to acceptance and, in the case of the Share Offer, election between the Cash Alternative and Share Alternative thereof. The Independent Board Committee comprises independent non-executive Directors, Mrs. Christèle Hiss Holliger and Ms. Betty Liu, who have no direct or indirect interest in the Offers and the GA Disposal.

4.2. (i) Mr. Thomas Levilion (non-executive Director) was a former executive Director; (ii) Mr. Jackson Chik Sum Ng (independent non-executive Director) holds 30,000 Shares and 400 free shares of LOG (vesting on 1 July 2024); and (iii) Mr. Charles Mark Broadley (independent non-executive Director) holds 400 free shares of LOG (vesting on 1 July 2024), and as such, they are not members of the Independent Board Committee.

Independent Financial Adviser

4.3. Somerley Capital Limited has been appointed as the Independent Financial Adviser (with the approval of the Independent Board Committee) to advise the Independent Board Committee in connection with, among others, whether the Offers are fair and reasonable and as to acceptance and, in the case of the Share Offer, election between the Cash Alternative and Share Alternative thereof.

5. ADDITIONAL INFORMATION

5.1. Your attention is drawn to the sub-sections headed ''Intention of Offeror regarding the Group'' and ''Reasons for and benefits of the Offers'' in the section headed ''Letter from J.P. Morgan and Offeror'' for information on the intention of Offeror regarding the Group and reasons for and benefits of the Offers.

5.2. The Board (other than Mr. Reinold Geiger, Mr. André Hoffmann and Mr. Karl Guénard being executive Directors, and also directors of the Offeror and/or LOG, who have abstained from participating on Board matters in respect of the Offers) notes the intention of Offeror and welcomes, in particular, that the existing business of the Group shall continue unaffected, notwithstanding the Offers or the completion thereof, and that Offeror intends to retain the existing employees of the Group, and existing employment and hiring practices will remain unaffected (with usual personnel changes in the ordinary course of business). Subject to the Group's business needs and prevailing market conditions, it is noted that the Offeror may explore various business opportunities to further develop the existing business of the Group, improve efficiency and create shareholder value.

5.3. See ''Appendix II'' *(Financial information)* and ''Appendix III'' *(General information of the Company)* for more information about the Group.

6. RECOMMENDATION

6.1. Your attention is drawn to the sections headed ''Letter from the Independent Board Committee'' and ''Letter from the Independent Financial Adviser'', which contain, among others, their advice and recommendations in respect of the Offers and acceptance thereof.

6.2. Each of the Directors who holds Offer Shares or Awards has expressed their intention to accept the Offers.

6.3. **PLEASE NOTE: In considering what action to take in connection with the Offer, you should consider your own tax positions, if any, and, in case of any doubt, consult your professional advisers.**

Yours faithfully,
By Order of the Board



L'Occitane International S.A.
Mr. Laurent Marteau
Director and Chief Executive Officer

Groupe
L'OCCITANE

L'OCCITANE INTERNATIONAL S.A.

49, Boulevard Prince Henri L-1724 Luxembourg
R.C.S. Luxembourg: B80359
(Incorporated under the laws of Luxembourg with limited liability)
(Stock code: 973)

2 July 2024

To Disinterested Shareholders, Qualifying Shareholders (with respect to the Share Alternative), and Award Holders

Dear Sirs/Mesdames,

(1) CONDITIONAL VOLUNTARY GENERAL OFFERS BY J.P. MORGAN SECURITIES (ASIA PACIFIC) LIMITED ON BEHALF OF OFFEROR TO ACQUIRE ALL ISSUED AND OUTSTANDING SHARES IN THE COMPANY (OTHER THAN SHARES ALREADY OWNED BY LOG) AND TO CANCEL ALL VESTED OPTIONS; AND (2) LIQUIDITY ARRANGEMENT WITH RESPECT TO UNVESTED AWARDS

1. BACKGROUND

1.1. We, being members of the Independent Board Committee, refer to the composite document of Offeror and the Company dated 2 July 2024 ("**Composite Document**"), of which this letter forms part. Unless the context otherwise indicates, terms defined in the Composite Document shall have the same meanings when used herein.

1.2. We, Mrs. Christèle Hiss Holliger and Ms. Betty Liu, have been appointed as the Independent Board Committee to consider, among others, the terms of the Offers and to give a recommendation to Disinterested Shareholders and Award Holders as to whether the Offers are fair and reasonable so far as the Disinterested Shareholders and Award Holders are concerned and as to acceptance, and in the case of the Share Offer, as to election between the Cash Alternative and Share Alternative thereof.

1.3. We also wish to draw your attention to the contents of: (a) the letter from the Board set out in the section headed "Letter from the Board" in the Composite Document; and (b) the letter from the Independent Financial Adviser set out in "Letter from Independent Financial Adviser" in the Composite Document containing advice from the Independent Financial Adviser in respect of the Offers and as to acceptance, and in the case of the Share Offer, as to election between the Cash Alternative and Share Alternative thereof.

2. RECOMMENDATION

2.1. Having considered the details, including the terms and conditions, of the Offers, and taking into account the factors and reasons considered by the Independent Financial Adviser and its conclusion and recommendation:

(a) we consider the terms of the Offers (including the Offer Price and the Award Cancellation Price) to be fair and reasonable so far as the Disinterested Shareholders and Award Holders are concerned;

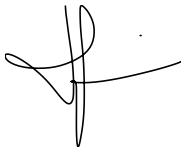
(b) we recommend the Disinterested Shareholders and Award Holders to accept the Offers; and

(c) with respect to the Share Offer, between the Cash Alternative and the Share Alternative, the Disinterested Shareholders should note that the estimate of value of each batch of 10 Rollover Shares is HK$34.00. The estimate of value of each batch of 10 Rollover Shares, however, does not include the key risks of holding the Rollover Shares (which are set out in the section headed "Letter from J.P. Morgan and Offeror — B. Share Alternative under Share Offer" in the Composite Document) and a discount rate of 30% for lack of marketability and liquidity of the Rollover Shares (recommended by the Independent Financial Adviser in the section headed "Letter from Independent Financial Adviser" in the Composite Document), which would reduce the value of the Share Alternative to less than the Offer Price. Additionally, the election of the Cash Alternative allows the Disinterested Shareholders to realise their investment in the Company and obtain cash, while the Share Alternative will result in the Disinterested Shareholders remaining indirect investors in the Company and being exposed to uncertainties and fluctuations in the value of Offeror, the Company and the Rollover Shares going forward, as well as inherent risks assumed with being a minority shareholder of a private company incorporated in Luxembourg. As such, we recommend the Disinterested Shareholders to elect the Cash Alternative.

2.2. Disinterested Shareholders and Award Holders are strongly advised to consult with their own professional advisers for further considerations applicable to their own individual situation, including legal and tax advice. Disinterested Shareholders who are Qualifying Shareholders and wish to elect the Share Alternative should carefully read the Composite Document, and in particular, the sections headed "Important notices" and "Letter from J.P. Morgan and Offeror — B. Share Alternative under Share Offer" and the relevant Election Documents before electing the Share Alternative.

2.3. The procedures for acceptance and settlement of the Offers are set out in "Appendix VIII" *(Further information on Offer Period procedures)* to the Composite Document and the Election Documents. Disinterested Shareholders and Award Holders are urged to read the timetable set out in the Composite Document and any revised timetable (if any) that may be announced by Offeror and to carefully act accordingly if they wish to accept the Offers.

Yours faithfully,
For and on behalf of the
Independent Board Committee



Mrs. Christèle Hiss Holliger

Independent Non-executive Director

Yours faithfully,
For and on behalf of the
Independent Board Committee



Ms. Betty Liu

Independent Non-executive Director

SOMERLEY CAPITAL LIMITED
20/F., China Building, 29 Queen's Road Central, Hong Kong
Telephone: 2869 9090 Fax: 2526 2032 E-Mail: somerley@somerley.com.hk

2 July 2024

To: the Independent Board Committee

Dear Members,

(1) CONDITIONAL VOLUNTARY GENERAL OFFERS BY J.P. MORGAN SECURITIES (ASIA PACIFIC) LIMITED ON BEHALF OF OFFEROR TO ACQUIRE ALL ISSUED AND OUTSTANDING SHARES IN THE COMPANY (OTHER THAN SHARES ALREADY OWNED BY LOG) AND TO CANCEL ALL VESTED OPTIONS; AND (2) LIQUIDITY ARRANGEMENT WITH RESPECT TO UNVESTED AWARDS

I. INTRODUCTION

We refer to our appointment to advise the Independent Board Committee in connection with the Offers. Details of the Offers are set out in the Composite Document dated 2 July 2024, of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Composite Document unless the context otherwise requires.

On 8 April 2024 (after trading hours), LOG informed the Board that, among other matters, LOG intended to make a firm conditional voluntary general offer for all Offer Shares pursuant to the Share Offer, as well as make appropriate arrangements for all Awards in accordance with Rule 13 of the Takeovers Code (being the Vested Option Offer and the Liquidity Arrangement). On 17 June 2024, LOG informed the Board that LOG intended to exercise the right to offer the Share Alternative as described in the Initial Announcement, as an additional settlement method for the Share Offer.



The Independent Board Committee has been established for the purpose of making a recommendation to the Disinterested Shareholders and Award Holders as to whether the Offers are fair and reasonable and as to acceptance and its recommendation as to whether to accept Cash Alternative or Share Alternative. The Independent Board Committee comprises independent non-executive Directors, Mrs. Christèle Hiss Holliger and Ms. Betty Liu, who have no direct or indirect interest in the Offers as at the Latest Practicable Date. (i) Mr. Thomas Levilion (non-executive Director) was a former executive Director; (ii) Mr. Jackson Chik Sum Ng (independent non-executive Director) holds 30,000 Shares and 400 free shares of LOG (vesting on 1 July 2024); and (iii) Mr. Charles Mark Broadly (independent non-executive Director) holds 400 free shares of LOG (vesting on 1 July 2024), and as such, they are not members of the Independent Board Committee. The Independent Board Committee has approved our appointment as the Independent Financial Adviser to advise the Independent Board Committee in this regard.

We, Somerley Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Offers. We are not connected with the Company, LOG, the Offeror, Mr. Reinold Geiger or any of their respective close associates, associates or core connected persons (as defined in the Listing Rules) or any party acting, or presumed to be acting, in concert with any of them and accordingly, are considered suitable to give independent advice on the Offers. Apart from normal professional fees payable to us in connection with this appointment, no arrangement exists whereby we will receive any fees or benefits from the Company, LOG, the Offeror, Mr. Reinold Geiger or any of their respective close associates, associates or core connected persons or any party acting, or presumed to be acting, in concert with any of them. In addition, save for the current engagement for the Offers and the special deal as contained in the Company's circular dated 5 June 2024, no other services were provided by Somerley to the Company during the past two years.

In formulating our opinion, we have reviewed, among other things, the Initial Announcement, the Second Announcement, the annual report of the Company for the year ended 31 March 2023 (the "**FY2023 Annual Report**"), the annual results announcement of the Company for the year ended 31 March 2024 (the "**FY2024 Annual Results Announcement**"), estimate of value of Offeror Shares set out in Appendix V to the Composite Document and information set out in the Composite Document. We have sought and received confirmation from the Directors and management of the Company (collectively, "**Management**") that no material facts have been omitted from the information supplied and opinions expressed to us. We consider that the information we have received is sufficient for us to reach our opinion and give the advice and recommendations set out in this letter. We have no reason to believe that any material information has been omitted or withheld, or to doubt the truth or accuracy of the information provided. We have, however, not conducted any independent investigation into the business and affairs of the Group, LOG, the Offeror or any of their respective associates or any party acting, or presumed to be acting, in concert with any of them, nor have we carried out any independent verification of the information supplied. We have also assumed that all representations contained or referred to in the Composite Document were true at the time they were made and as at the Latest Practicable Date, and Disinterested Shareholders will be informed as soon as possible if we become aware of any material change to such information or if there is any change to our opinion thereon.



We have not considered the tax or regulatory implications on the Disinterested Shareholders of acceptance or non-acceptance of the Offers, as the case may be, since these are particular to their individual circumstances. In particular, the Disinterested Shareholders who are overseas residents or subject to overseas taxation or regulatory requirements on securities dealings should consider their own tax position and observe applicable legal or regulatory requirements and, if in any doubt, should consult their own professional advisers.

II. OFFEROR AND THE TERMS OF THE OFFERS

1. Information on Offeror Group

Offeror is a company incorporated in Luxembourg on 10 June 2024 with limited liability. Offeror is an investment holding company and has no independent business operations and was established for the purposes of making the Offers and issuing new shares under the Share Alternative and Offeror Corporate Restructuring. As at the Latest Practicable Date, the Offeror is a wholly-owned subsidiary of LOG. Please refer to Appendix IV and Appendix VI to the Composite Document for more information. As at Latest Practicable Date, the sole director is Mr. Reinold Geiger.

LOG is a company incorporated in Luxembourg with limited liability. It is an investment holding company and has no independent business operations. LOG holds interests in Offeror, the Company and other companies in, among other industries, retail and consumer products, and hotels and resorts. Offeror is ultimately controlled by Mr. Reinold Geiger. LOG has been, prior to the Share Offer, and will remain after the Share Offer, a controlling shareholder of the Company (as defined under the Takeovers Code and the Listing Rules). As at the Latest Practicable Date, the directors of LOG are Mr. Reinold Geiger (Chairman), Mr. André Hoffmann, Mr. Karl Guénard, Mr. Olivier Baussan, Mr. Christopher Braden, Mr. Sylvain Desjonqueres, Mr. Adrien Geiger, Mr. Maximilien Geiger and Mr. Nicolas Geiger.

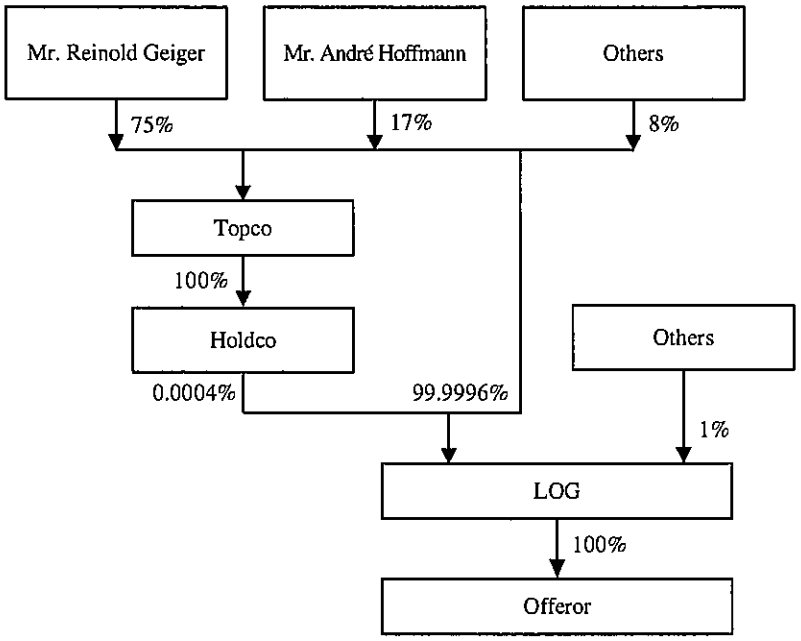
Mr. Reinold Geiger is the Chairman of the Board and an executive Director; as well as a director and chairman of the board of directors of LOG and the sole director of Offeror. Mr. Geiger, through his wholly-owned controlled corporations (being investment holding companies) — Société d'Investissements CIME S.A., Cime S.C.A., and Cime Management S.à.r.l. — is the sole ultimate controlling shareholder of LOG and Offeror. Mr. Geiger is also a 0.08% direct Shareholder.

Lavender Investments Limited is wholly-owned by Mr. André Hoffmann, who is an executive Director and director of LOG. Lavender Investments Limited is also a 0.17% direct Shareholder.

Topco is a special purpose vehicle established to hold 100% of Holdco, which in turn will control LOG following the Offer Unconditional Date (immediately following the LOG Corporate Restructuring). The sole ultimate controlling shareholder of Topco is Mr. Reinold Geiger, who controls Topco through his wholly-owned controlled corporations. Mr. André Hoffmann is a substantial shareholder of Topco.

Holdco is a special purpose vehicle established to hold: (a) as at Latest Practicable Date 0.0004%; and (b) following Offer Unconditional Date 99%, interest in LOG. Holdco is wholly-owned by Topco. The remaining 1% interest in LOG is primarily held by LOG group's employees and management who were awarded shares in LOG under LOG share incentive plans.

Set out below is a corporate structure chart illustrating a simplified shareholding structure of TopCo, Holdco, LOG and Offeror as at the Latest Practicable Date:



2. The Offers

As the Latest Practicable Date, the total issued share capital of the Company comprises 1,476,964,891 Shares, of which 1,996,691 are Treasury Shares.

2.1. Share Offer to Minority Shareholders

J.P. Morgan, on behalf of Offeror, is making the Share Offer to Minority Shareholders for all Offer Shares, in exchange for either:

Cash Alternative ..... HK$34.00 in cash for each Offer Share; or

Share Alternative ..... 10 Rollover Shares for each Offer Share



The Company has confirmed that, as of Latest Practicable Date, it has (a) not declared any dividend or distribution which remains unpaid; and (b) no plan to declare, recommend, or pay any dividends or make any other distributions until the close of the Share Offer.

If any dividend or other distribution or return of capital (whether in cash or in kind) is declared, made or paid in respect of the Offer Shares from the Initial Announcement Date and until the Offer Closing Date (both dates inclusive), and such dividend right or amount is not transferred to Offeror with the Offer Shares, the Offer Price for each Offer Share (or in the case of the Share Alternative, the value of the total Rollover Shares exchanged for such Offer Shares) in respect of acceptances received during this period will be reduced by an amount equal to the amount or value of such dividend, distribution and/or return of capital, on a gross basis; and any reference in the Composite Document or any other announcement or document to the Offer Price (or the value of Rollover Shares offered under the Share Alternative) will be deemed to be a reference to the Offer Price (or the value of Rollover Shares offered under the Share Alternative) as so reduced.

The Share Offer is extended to all holders of Offer Shares (being the Minority Shareholders) in accordance with the Takeovers Code. For the avoidance of doubt, the Treasury Shares will not be subject to the Share Offer.

Please refer to section III.7 below for information on the Share Alternative and Part B to the Letter from J.P. Morgan and Offeror of the Composite Document for more information on, among others, further terms and settlement arrangements.

The Offer Price will not be increased, and the Offeror does not reserve the right to do so. Shareholders, Award Holders and potential investors should be aware that, following the making of this statement, the Offeror is not permitted to increase the Offer Price.

2.2. Vested Option Offer to Vested Option Holders

In accordance with Rule 13 of the Takeovers Code and Practice Note 6 to the Takeovers Code, J.P. Morgan, on behalf of Offeror, is making the Vested Option Offer to Vested Option Holders to cancel their Vested Options at the Award Cancellation Price, calculated as the "see-through" price (being the Offer Price less the exercise price of each such Vested Option), as follows:

	Number of Vested Options	**Exercise price per Vested Option**	**Award Cancellation Price per Vested Option**
(a)	1,045,200 Options	HK$14.50	HK$19.50 in cash
(b)	594,150 Options	HK$15.16	HK$18.84 in cash



For the avoidance of doubt, by accepting the Vested Option Offer, the relevant Vested Option Holder agrees that each Vested Option held by them will be canceled in exchange for the relevant Award Cancellation Price. Please refer to Part C to the Letter from J.P. Morgan and Offeror of the Composite Document for more information on, among others, further terms and settlement arrangements.

If Vested Option Holders do not accept the Vested Option Offer on or between the Composite Document Date and the Offer Closing Date, their Vested Options will automatically and immediately lapse after the Offer Closing Date.

2.3. Liquidity Arrangement to Unvested Award Holders

Unvested Awards will not be accelerated for vesting and all Unvested Awards will remain to be vested under the existing schedule and conditions of grant under the relevant Share Incentive Plans.

Offeror proposes to enter into a Liquidity Agreement with each Unvested Award Holder pursuant to which Offeror will, in accordance with Rule 13 of the Takeovers Code and Practice Note 6 to the Takeovers Code, pay to the Unvested Award Holder the Award Cancellation Price to cancel each Award following its vesting in accordance with the existing schedule and conditions of grant under the relevant Share Incentive Plan; with the Award Cancellation Price calculated as: (i) the "see-through" price (being the Offer Price less the exercise price of each such vested Option); or (ii) the equivalent of the Offer Price (for each vested Free Share), as follows:

	Exercise price per Vested Option	**Award Cancellation Price per Vested Option**
(a)	For each Option following vesting with exercise price of HK$20.67	HK$13.33 in cash
(b)	For each Free Share following vesting	HK$34.00 in cash

Please refer to Part D to the Letter from J.P. Morgan and Offeror of the Composite Document for more information on, among others, further terms and settlement arrangements.

If Unvested Award Holders do not enter into a Liquidity Agreement on or before the Offer Closing Date, each of them will become a Shareholder of a private company upon vesting and exercise (in the case of Options) or allocation (in the case of Free Shares) of the Awards (assuming that the Offers become or are declared unconditional in all respects and the Shares are delisted from the Stock Exchange).



2.4. Conditions of the Offers

Conditions of the Share Offer

On 21 June 2024, the Special Deal EGM was held and the resolution in respect of the GA Disposal was approved by the Disinterested Shareholders. As at the Latest Practicable, the Executive's consent regarding the Special Deal has been obtained and thus the Condition (f) to the Share Offer has been fulfilled. The Share Offer remains subject to fulfillment of the following major Condition:

(a) valid acceptances of the Share Offer having been received (and not withdrawn) by 4:00 p.m. on Offer Closing Date (or such later time or date as Offeror may decide, subject to the rules of the Takeovers Code) in respect of such number of Offer Shares which, together with purchases, would result in Offeror holding not less than 90% of the Offer Shares held by Disinterested Shareholders.

Other than this Condition (a), Offeror reserves the right to waive, in whole or in part, all or any of the remaining Conditions.

As at the Latest Practicable Date, other than the above mentioned Condition (f), none of the Conditions have been fulfilled in full. If any of the Conditions are not fulfilled or waived (if waivable) on or before the Long Stop Date, the Share Offer will lapse unless the Share Offer is extended by Offeror in accordance with the Takeovers Code. The Offeror will issue an announcement in relation to the revision, extension or lapse of the Share Offer or fulfilling or waiving (if waivable) the Conditions in accordance with the Takeovers Code and the Listing Rules. In accordance with Rule 15.5 of the Takeovers Code, the latest time at which the Share Offer may become or may be declared unconditional as to acceptances is 7:00 p.m. on the 60th day after Composite Document Date (or such later date to which the Executive may consent).

Conditions of the Vested Option Offer and the Liquidity Arrangement

The Vested Option Offer and the Liquidity Arrangement are each conditional upon the Share Offer becoming or being declared unconditional in all respects.

Shareholders and potential investors of the Company should note that the Share Offer is subject to the Conditions. Additionally, Award Holders should note that the Vested Option Offer and the Liquidity Arrangement are each subject to the Share Offer becoming or being declared unconditional in all respects. The Conditions may or may not be fulfilled and/or waived and accordingly the Share Offer may or may not proceed (and the Vested Option Offer and the Liquidity Arrangement may or may not take effect). Shareholders, Award Holders and potential investors of the Company are advised to exercise extreme caution when dealing in the Shares and other securities of the Company, and if they are in doubt about their positions, they should consult their professional advisers.



2.5. Irrevocable Undertakings and Non-Binding Letters of Support

a. Irrevocable Undertakings

As at the Latest Practicable Date, LOG has received Irrevocable Undertakings from certain Shareholders to accept the Share Offer in cash, recommend the Share Offer in cash or accept the Share Offer, as the case may be. Key information on the Irrevocable Undertakings is set out in the table below:

Table 1: Irrevocable Undertakings

Shareholder	**Number of Offer Shares involved**	**Percentage of Offer Shares involved to the issued and outstanding share capital**	**Percentage of Offer Shares involved to the Offer Shares held by Disinterested Shareholders**
Irrevocable Undertakings to accept Share Offer in cash:			
ACATIS Investment KVG mbH	63,079,800	4.28%	15.63%
Global Alpha Capital Management Limited ("**Global Alpha**")	42,584,376	2.89%	10.55%
Irrevocable Undertakings to recommend Share Offer in cash:			
Global Alpha's clients	11,704,731	0.79%	2.90%
Irrevocable Undertakings to accept Share Offer:			
Pleasant Lake Partners LLC	47,956,250	3.25%	11.88%
Total	**165,325,157**	**11.21%**	**40.96%**

b. Non-binding Letter of Support

As at the Latest Practicable Date, LOG has received a Non-binding Letter of Support from a Shareholder to confirm the intention to accept the Share Offer and to receive the Offer Price in cash. Key information on the Non-binding Letter of Support is set out in the table below:

Table 2: Non-binding Letter of Support

Shareholder	Number of Offer Shares involved	Percentage of Offer Shares involved to the issued and outstanding share capital	Percentage of Offer Shares involved to the Offer Shares held by Disinterested Shareholders
ACATIS Investment KVG mbH	27,034,200	1.83%	6.70%

The Non-binding Letter of Support indicates the supporting party's support of, and intention to accept, the Share Offer, but is provided instead of an irrevocable undertaking to enable the supporting party to maintain a level of liquidity prior to or during the Offer Period, such that the supporting party has flexibility to sell some or all of that portion of Shares prior to or during the Offer Period (rather than accepting the Share Offer, which would only be settled following the Offer Unconditional Date).

For more details of the Irrevocable Undertakings and the Non-binding Letter of Support, please refer to section 7 of the Letter from J.P. Morgan and Offeror of the Composite Document.

2.6. Possible Compulsory Acquisition and Withdrawal of Listing of Shares

Under Article 18, the Offeror will be entitled to exercise a compulsory acquisition right once the Offeror has acquired not less than 90% in value of the Shares for which the Share Offer is made (by virtue of acceptances of the Share Offer or otherwise) during the period of 4 months beginning on the Composite Document Date (being the date the Share Offer commences); following which, the Offeror has within a period of 5 months after Composite Document Date to issue a compulsory acquisition notice to Shareholders, to acquire on a compulsory basis, the remaining Shares (being those Shares subject to the Share Offer not already owned or acquired by Offeror or Shares in respect of which valid acceptances have not been received under the Share Offer).



Under Rule 2.11 of the Takeovers Code, in addition to satisfying any requirements imposed by law, and except with the consent of the Executive, the Offeror may only exercise such compulsory acquisition right if the Offeror Concert Group obtains acceptances of the offer and purchases (in each case of the Offer Shares held by Disinterested Shareholders) on or between Announcement Date and the date ending 4 months following the Composite Document Date totaling 90% of the Offer Shares held by Disinterested Shareholders.

Subject to the satisfaction of the Conditions and requirements under Article 18 and Rule 2.11 of the Takeovers Code, the Offeror will privatise the Company by exercising the right to which it is entitled under Article 18 to compulsorily acquire all remaining Offer Shares not already owned by Offeror under the Share Offer in cash at the Offer Price, following which listing of the Shares will be withdrawn from the Stock Exchange pursuant to Rule 6.15(1) of the Listing Rules. The Company will comply with the relevant requirements of the Listing Rules in this regard, and an application will be made for the withdrawal of the listing of the Shares from the Stock Exchange pursuant to Rule 6.15(1) of the Listing Rules.

If the abovementioned threshold under Article 18 required for compulsory acquisition and the requirements of Rule 2.11 of the Takeovers Code are satisfied on or before Offer Closing Date, dealings in the Shares may be suspended from Offer Closing Date up to the withdrawal of listing of the Shares from the Stock Exchange pursuant to Rule 6.15(1) of the Listing Rules.

Whilst it is the intention of Offeror to privatise the Company, Offeror's ability to exercise rights of compulsory acquisition in respect of the Offer Shares is dependent on the prescribed threshold required for compulsory acquisition under Article 18 and on the requirements of Rule 2.11 of the Takeovers Code being satisfied.

In the event that Condition (a) is not met, Offeror will not be able to effect the compulsory acquisition, in which case the Share Offer will not become unconditional and will lapse and the Shares will remain listed on the Stock Exchange.

3. Intentions of Offeror regarding the Group

It is the intention of the Offeror that the existing business of the Group shall continue unaffected, notwithstanding the Offers or the completion thereof. Additionally, the Offeror intends to retain the existing employees of the Group, and existing employment and hiring practices will remain unaffected (with usual personnel changes in the ordinary course of business). The Offeror has no intentions to introduce major changes to the business operations or structure of the Group, including no plans to redeploy fixed assets of the Group. Subject to the Group's business needs and prevailing market conditions, the Offeror may explore various business opportunities to further develop the existing business of the Group, improve efficiency and create shareholder value.

III. PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion and recommendations with regard to the Offers, we have taken into account the following principal factors and reasons:

1. Information of the Group

1.1. Background information of the Group

The Group is an international group that manufactures and retails beauty and well-being products that are rich in natural and organic ingredients. As a global leader in the premium beauty market, the Group has more than 3,000 retail outlets, including approximately 1,300 owned stores, and is present in 90 countries. Through its brands — L'OCCITANE en Provence, Melvita, Erborian, L'OCCITANE au Brésil, LimeLife by Alcone, ELEMIS, Sol de Janeiro and Dr. Vranjes Firenze, the Group offers beauty experiences using high quality products that respect nature, the environment and the people who surround it.

1.2. Financial information of the Group

(i) Financial performance

The following table sets out the summarised consolidated income statements of the Group for the year ended 31 March 2022 ("**FY2022**"), the year ended 31 March 2023 ("**FY2023**") and the financial year ended 31 March 2024 ("**FY2024**") as extracted from the FY2023 Annual Report and FY2024 Annual Results Announcement:

Table 3: Summarised Consolidated Income Statements of the Group

€ ('000)	**FY2024** *(audited)*	**FY2023** *(audited)*	**FY2022** *(audited)*
Net sales	2,541,941	2,134,689	1,781,358
Gross profit	2,016,311	1,718,141	1,463,415
% of net sales	*79.3%*	*80.5%*	*82.2%*
Profit attributable to Shareholders	93,893	115,110	242,034
Dividend per Share (€)	—	0.03129	0.06585

a. Net sales and gross profit margins

The Group's net sales increased by 19.8% from €1.8 billion in FY2022 to €2.1 billion in FY2023. Such increase was mainly due to strong positive growth of the Group's newer brands, ELEMIS and Sol de Janeiro. The improvement in the core L'OCCITANE en Provence brand in the 4th quarter of FY2023 benefited from the dynamic travel retail channel and the early positive signs in China after the lifting of COVID-19 restrictions. The Group recorded net

sales of €2.5 billion in FY2024, representing an increase of 19.1% as compared to the corresponding period in FY2023, mainly driven by the strong performance of Sol de Janeiro and stable performance of L'OCCITANE en Provence.

The Group's gross profit margin dropped from 82.2% in FY2022 to 80.5% in FY2023 and further to 79.3% in FY2024. The decrease in gross profit margins was mainly due to the brand mix resulting in particular from the inclusion and increase in share of Sol de Janeiro brand which has a higher wholesale mix, unfavourable channel mix, the increase in production costs and the increase in obsolescence costs.

Set out below is the segment revenue information of the Group by major brands for FY2022, FY2023 and FY2024 as extracted from the FY2023 Annual Report and FY2024 Annual Results Announcement.

Table 4: Summarised Operating Segment Information by Major Brands

€ ('000)	FY2024			FY2023			FY2022		
	Net sales	% of net sales	Gross profit margin	Net sales	% of total net sales	Gross profit margin	Net sales	% of net sales	Gross profit margin
L'OCCITANE en Provence	1,388,910	54.6%	84.5%	1,421,214	66.6%	84.5%	1,360,991	76.4%	84.8%
ELEMIS	252,987	10.0%	73.8%	255,945	12.0%	73.0%	226,317	12.7%	74.0%
Sol de Janeiro	686,051	27.0%	73.4%	266,989	12.5%	71.3%	26,081 *(Note)*	1.5% *(Note)*	69.7%

Note: As Sol de Janeiro has been consolidated to the Group since 1 January 2022, only Sol de Janeiro's net sales from January 2022 to March 2022 were recorded for FY2022.

The Group's core L'OCCITANE en Provence brand's contribution to the Group's net sales dropped from 76.4% in FY2022 to 66.6% in FY2023 and further to 54.6% in FY2024, as the aggregate net sales contributed by the Group's newer brands increased. In particular, the net sales contributed by Sol de Janeiro, which was acquired by the Group in FY2022, amounted to €267.0 million in FY2023 and made Sol de Janeiro the second largest brand contributor to the Group. It carried its strong growth momentum to FY2024 and further achieved an 157.0% increase in its net sales. As advised by the Management, the exceptional increases in FY2023 and FY2024 were mainly attributable to increased popularity of Sol de Janeiro's iconic bestsellers, new launches of products and continued strategic expansion of distributions including the entrance into a significant multi-brand partner in the United States and outperformance of the wholesale channels.

The gross profit margin of L'OCCITANE en Provence was 84.5% in FY2023 and FY2024, close to that in FY2022 and well above the Group's overall gross profit margin in corresponding periods. For the newer brands ELEMIS and Sol de Janeiro, gross profit margins



were below that of the Group's overall gross profit margin due to their different manufacture modes as well as their different distribution mix, although there has been some moderate improvement in Sol de Janeiro's gross profit margin.

Set out below is the segment revenue information of the Group by major regions for FY2022, FY2023 and FY2024 as extracted from the FY2023 Annual Report and FY2024 Annual Results Announcement and based on the information provided by the Management:

Table 5: Summarised Operating Segment Information by Major Regions

€ ('000)	**FY2024**		**FY2023**		**FY2022**	
	Net sales	**% of net sales**	**Net sales**	**% of net sales**	**Net sales**	**% of net sales**
Asia Pacific	884,221	34.8%	896,231	42.0%	875,420	49.1%
— China	327,076	12.9%	298,096	14.0%	327,994	18.4%
Americas	1,092,529	43.0%	695,016	32.6%	343,306	19.3%
—The United States	966,201	38.0%	581,267	27.2%	251,725	14.1%
EMEA *(Note)*	565,191	22.2%	543,443	25.5%	562,632	31.6%

Note: Europe, Middle East and Africa.

In FY2022 and FY2023, Asia Pacific was the Group's largest regional market despite its contribution to net sales of the Group dropping from 49.1% in FY2022 to 42.0% in FY2023. The Asia Pacific market recorded a slight year-on-year increase in net sales of 2.4% in FY2023, despite the decline in net sales in China due to certain COVID-19 related restrictions. Contribution from Asia Pacific in FY2024, which maintained similar net sales level to that in FY2023, further reduced to 34.8% of the Group's total net sales to become the second largest regional market of the Group due to the strong growth in other regions' net sales. China accounted for 30%–40% of contribution from Asia Pacific market in FY2022–FY2024.

By contributing 32.6% of the Group's net sales in FY2023 and 43.0% of the Group's net sales in FY2024, the Americas surpassed (i) the EMEA to become the Group's second largest regional market in FY2023; and (ii) Asia Pacific to become the Group's largest regional market in FY2024. This was primarily attributable to significant 130.9% and 66.2% positive growth in net sales from the United States in FY2023 and FY2024 respectively. The Group's net sales in EMEA were relatively stable in FY2022–FY2024.

The United States' contribution to the Americas market had been increasing from 73.3% for FY2022 to 88.4% for FY2024 and reached €966.2 million for FY2024 from €251.7 million for FY2022. This was mainly due to the strong contribution from Sol de Janeiro and majority of the Group's major brands being sold in the United States.



b. Profit attributable to Shareholders

The Group's profit attributable to Shareholders dropped from €242.0 million in FY2022 to €115.1 million in FY2023 and further to €93.9 million in FY2024, representing year-on-year decreases of 52.4% and 18.4%, respectively. Such declines were mainly due to (i) significant increase in marketing expenses, impairment loss incurred on LimeLife's and Melvita's goodwill and significant increase in finance expenses for FY2023 and (ii) significant increase in marketing expenses for FY2024 which was in line with the Group's plan to step up marketing investments significantly in key markets such as China, the United States and Japan as disclosed in the section headed "Outlook" under the "Management Discussion & Analysis" of FY2023 Annual Report.

c. Dividend

The Group maintained a dividend payout ratio of 40% in FY2022–FY2023. Dividend per Share for each of FY2022 and FY2023 was €0.06585 and €0.03129, respectively. As disclosed in the Initial Announcement, the Company has no plan to declare, recommend, or pay any dividends or make any other distributions until the close of the Share Offer. As such, no dividend is declared or recommended for FY2024.

(ii) Financial position

The following table sets out the summarised consolidated financial position of the Group as at 31 March 2022, 2023 and 2024 as extracted from the FY2023 Annual Report and FY2024 Annual Results Announcement:

Table 6: Summarised Consolidated Financial Position of the Gronp

	As at 31 March		
€ ('000)	**2024**	**2023**	**2022**
	(Unaudited)	*(Audited)*	*(Audited)*
Total assets	3,115,035	2,816,428	3,009,074
Total liabilities	2,203,523	1,629,427	1,694,468
Total equity attributable to Shareholders ("**NAV**")	856,678	1,138,964	1,270,028
NAV per Share (€) *(Note)*	0.58	0.77	0.86

Note: Calculated based on the NAV of the respective year divided by the number of Shares in issue (excluding Treasury Shares) as at the end of the respective year.

a. Assets

The Group's total assets as at 31 March 2023 decreased by 6.4% as compared to 31 March 2022, mainly due to (i) a decrease in cash and cash equivalents after repayment of borrowings of €151 million; and (ii) impairment loss related to the goodwill of Melvita for €22.8 million and LimeLife for €52.5 million and reduction in goodwill after the divestment of the Group's business in Russia. The Group's total assets recorded an increase of 10.6% as at 31 March 2024 as compared to 31 March 2023, principally attributable to the increase in inventories and trade receivables driven by the rapid expansion of Sol de Janeiro.

b. Liabilities

The Group's total liabilities as at 31 March 2023 were €1.6 billion, representing a decrease of 3.8% as compared to 31 March 2022. The decrease was largely due to the decrease in borrowings partially offset by the increase in other financial liabilities related to put options on the equity of certain subsidiaries granted by the Group to non-controlling interests. Due to the increase in fair value of the put option on equity of Sol De Janeiro granted by the Group to non-controlling interests, the Group's total liabilities as at 31 March 2024 increased by 35.2% as compared to 31 March 2023.

c. NAV

As a result, the NAV of the Group decreased from €1.3 billion as at 31 March 2022, to €1.1 billion as at 31 March 2023 and further to €0.9 billion as at 31 March 2024. NAV per Share as at 31 March 2022, 2023 and 2024 were €0.86, €0.77 and €0.58, respectively.

The decrease in the Group's NAV as at 31 March 2023 was due to a net result of comprehensive income for the year, payment of dividends declared for last financial year, decrease in other reserves from the change in estimates in the valuation of the exercise price of put options granted to non-controlling interests and new put options granted to non-controlling interests of Grown Alchemist.

The further decrease in the Group's NAV as at 31 March 2024 was due to a net result of comprehensive income for the period, payment of dividends declared for last financial year and decrease in other reserves from the change in estimates in the valuation of the exercise price of put options granted to non-controlling interests.

Comment

The Group achieved its highest profitability in FY2022 since its listing and recorded profit attributable to Shareholders of €242.0 million. Although the Group continued to record positive growth in its net sales in FY2023 and FY2024, affected by a combination of factors including changing brand mix, increase in costs and unfavourable channel mix, its gross profit margin was squeezed. Furthermore, significant expenditure, in particular marketing expenses incurred in key markets resulted in gradual drop in its profitability to €93.9 million for FY2024. The Group's largest market has also shifted from Asia Pacific to the Americas, thanks to the robust growth in its United States' net sales. Net sales in China were 30% higher than



that in the United States in FY2022 but declined to only one-third of the United States level in FY2024. It is also noted that the Group's NAV decreased from €1.3 billion as at 31 March 2022 to €0.9 billion as at 31 March 2024, mainly due to the decrease in other reserves from the change in estimates in the valuation of the exercise price of put options granted to non-controlling interests.

2. Prospects of the Group

The Group is a global beauty group that offers a diverse range of beauty and well-being products and has more than 3,000 retail outlets in 90 countries. As discussed in section III.1.2 above, (i) in terms of regional market, Asia Pacific, Americas and EMEA are three major regional markets for the Group; and (ii) in terms of single country market, the United States and China are the Group's top two markets.

According to "The State of Fashion — Beauty" jointly published by the Business of Fashion (a world recognised media company with a focus on the global fashion and beauty industry) and McKinsey & Company (an international management consulting firm) in May 2023 (the "**Beauty Report**"), the global beauty industry recorded retail sales of US$427 billion in 2022 and is estimated to reach US$583 billion in 2027, representing a compound annual growth rate ("**CAGR**") of 6%. In 2022, Asia Pacific (excluding China), North America, Western Europe and China were the four largest beauty markets in the world, accounting for 26%, 20%, 17% and 15% of the global beauty retail sales, respectively. For 2022–2027, the beauty retail sales in (i) Asia Pacific (excluding China), North America and China are expected to increase at CAGR of 7%, 6% and 8%, same as or higher than the global average; and (ii) Western Europe is expected to increase at CAGR of 4%, lower than the global average. In addition, according to the Beauty Report, it is estimated that (i) the United States will continue to be the biggest beauty market over the next few years; and (ii) China will surpass Western Europe to become the third largest beauty market in 2026. Nevertheless, according to the Beauty Report, the two markets have witnessed some changes in both consumer behaviours and market conditions in post-pandemic era. Consumers tend not to associate quality with price as they once did. Furthermore, (i) in China, the number of homegrown brands has increased, carving out market share with targeted digital strategies and affordable prices and promotions; and (ii) in the United States, the number of small and mid-sized boutique brands continues to rise and major brands face intensified competition due to the low barriers to entry and trend-conscious consumers.

In FY2024, 43.0%, 34.8% and 22.2% of the Group's net sales were contributed by Americas, Asia Pacific and EMEA, respectively. The United States and China, the Group's top two markets in terms of single country market accounted for 38.0% and 12.9% of the Group's nets sales for FY2024, respectively. In FY2022–FY2024, the Group's net sales in the Americas grew at 57.2%–102.4%, far exceeding the estimated growth rate for North America as mentioned in the Beauty Report. The Group's net sales in China and EMEA, however, experienced an overall stagnant growth over FY2022–FY2024. As advised by the Management, the decrease or overall slower growth in China was mainly due to the slow economic recovery in China and intensified competition in the skincare market in EMEA was primarily due to the rising geopolitical tensions in EMEA. Despite the stagnant growth of China market and EMEA market being countered by the outstanding positive growth in Americas, the Group's profit

attributable to Shareholders was on a decreasing trend in FY2022–FY2024 mainly due to significant increases in marketing expenses and impairment losses incurred on LimeLife's and Melvita's goodwill.

In recent years, the Group has been expanding its portfolio of leading premium beauty and fragrance brands through merger and acquisition. ELEMIS and Sol de Janeiro, acquired in FY2019 and FY2022 respectively, proved to be successful and became the second and third largest contributors to the Group's net sales. Sol de Janeiro performed strongly and reported operating profit of €161.6 million for FY2024, higher than L'OCCITANE en Provence, as its sales were mainly driven through its online and wholesale channels and thus relatively less distribution cost incurred. Nevertheless, the Group also experienced setbacks in newly acquired brands. For example, LimeLife, acquired in FY2018, needed impairment losses on goodwill in FY2023–FY2024 due to its non-performance. In March 2024, the Group acquired the Italian luxury home fragrance brand Dr. Vranjes Firenze.

Given the intensified competition in major beauty markets, the newer brand ELEMIS has accelerated marketing expenditures to implement its premiumisation strategy and Sol de Janeiro will require continued investment in manufacturing, distribution, and logistics in order to maintain its growth track record, while the bulk of the Company's incremental marketing investments has recently been allocated to boosting the visibility and relevance of the core brand L'OCCITANE en Provence to maintain and invigorate its market share. Based on the Group's brand strategies, the Group's additional investments in marketing, store refurbishment, IT infrastructure and attracting talent to its core and newer brands is likely to continue to weigh on its profit margin in the near future.

3. Reasons for and benefits of the Offers

The following reasons and benefits have been extracted from Letter from J.P. Morgan and Offeror of the Composite Document.

3.1. Reasons for and benefits of the Offers for the Company

The Management considers that the Offers could (i) provide greater flexibility to the Company in making longer-term business focused decisions and long-term sustainable growth; (ii) consolidate the Company's independence and reduce market risk; and (iii) support talent retention by the Liquidity Arrangement.

3.2. Reasons for and benefits of the Share Offer for Minority Shareholders and the Vested Option Offer for Vested Option Holders

The Management considers that the Offer could (i) unlock shareholder value at a compelling premium; (ii) provide a unique opportunity to fully monetise investment with limited liquidity as well as realise gains amidst current uncertain market conditions; and (iii) provide immediate and high certainty value realisation for all shareholders compared to other strategic options. In addition, there is low likelihood of an alternative general offer as the Offeror Concert Group collectively holds 72.63% of the total issued and outstanding share capital of the Company as at the Latest Practicable Date. For Qualifying Shareholders, the Share Offer will allow Minority Shareholders who have confidence in the long-term prospects



of the Company, through election of the Share Alternative, to remain invested in the Company's business operations, subject to the Share Alternative Cap and the risk factors of holding Rollover Shares as specified in the section III.7 below and Part B to the Letter from J.P. Morgan and Offeror of the Composite Document.

3.3. Additional benefit of the Liquidity Arrangement for Unvested Award Holders

The Management considers that the Offers provide an exit opportunity to Unvested Award Holders at the same price and on comparable terms as the Cash Alternative. Unvested Award Holders will have the same opportunity to realise their equity interests in the Company and be entitled to the "see-through" offer price (in the case of vested Options) or the equivalent of the Offer Price (in the case of vested Free Shares), as all other Minority Shareholders when their Unvested Awards vest in accordance with the existing schedule and subject to conditions of grant under the relevant Share Incentive Plans.

Comment

As discussed in the section III.1 above, the Group has faced declining profitability since FY2022 when profits peaked. The drop in profitability was mainly due to the impairment loss incurred on two non-performing brands and increases in marketing expenses. After significant marketing investments, the Group registered double-digit growth in overall net sales in FY2023-FY2024. Sol de Janeiro, which was acquired by the Group in FY2022, was the key driver. In order to capitalise on the potential of its brands in the long term, as discussed in section III.2, the Group expects to continue to invest further for development of its core brand in key markets and channels and for the global expansion of its newer brands.

The Offeror has set the Cash Alternative at HK$34.00 per Offer Share, which, as detailed below, is at a considerable premium over market prices over the Undisturbed Period and presents an opportunity for the Minority Shareholders to exit their investments in the Company at a fixed cash price. In addition to the Cash Alternative, the Offeror is also making the Share Alternative available to Minority Shareholders. The Share Alternative, in our view, is designed for sophisticated Minority Shareholders who are attracted by the background of the Offeror, are optimistic about the future prospects and profitability of the Group and are prepared to hold an illiquid investment. The Offeror intends to continue the existing business of the Group. Subject to the Group's business needs and prevailing market conditions, the Offeror may explore various business opportunities to further develop the existing business of the Group, improve efficiency and create shareholder value but no detailed plan has been provided.

Vested Option Holders are offered the "see-through prices" (being the Offer Price less the exercise price of each such Vested Option). Unvested Award Holders are offered the opportunities to enter into the Liquidity Arrangement whereby they are entitled to exit at the same "see-through prices" following vesting in accordance with the existing schedule and conditions of grant under the relevant Share Incentive Plan.

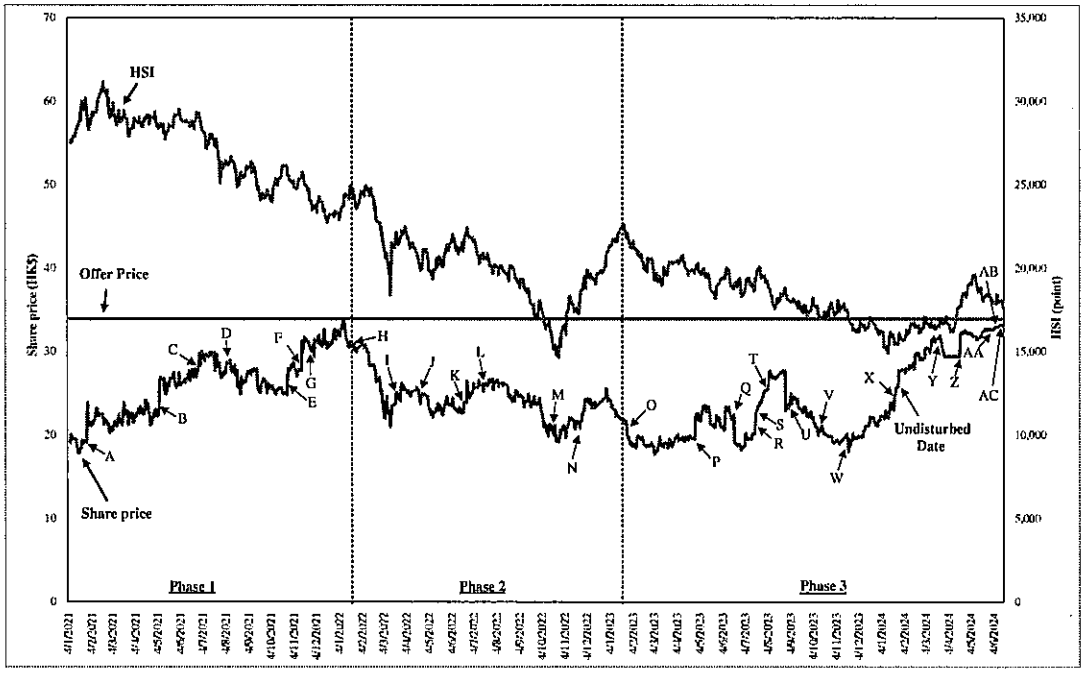
Our discussion of the market price and liquidity of the Shares is set out in section III.4 below and comparisons of valuation with the Company's peers and with the Privatisation Precedents (as defined below) are set out in sections III.5 and III.6.

4. Analysis on price performance and trading liquidity of the Shares

4.1. Historical price performance of the Shares

Set out below is the movement of the closing prices of the Shares during the period from 1 January 2021 up to and including the Latest Practicable Date (the "**Review Period**"), and the major announcements of the Company published during the Review Period. The Review Period, which covers the period since the beginning of 2021, represents, in our view, sufficient time to provide a fair overview of the recent market performance of the Shares for the purpose of this analysis. A comparison with the Hang Seng Index ("**HSI**") is also shown:

Figure 1: Share Price Performance



Source: Bloomberg and websites of the Stock Exchange and the Company

Reference No.	Date	Event
Phase 1: January 2021–January 2022		
A	26 January 2021	Quarterly update–third quarter of FY2021 (3QFY2021)
B	4 May 2021	Quarterly update–fourth quarter of FY2021 (4QFY2021)
C	28 June 2021	FY2021 annual results announcement
D	9 August 2021	Quarterly update–first quarter of FY2022 (1QFY2022)
E	26 October 2021	Quarterly update–second quarter of FY2022 (2QFY2022)
F	**15 November 2021**	**Acquisition of Sol de Janeiro**
G	29 November 2021	FY2022 interim results announcement
Phase 2: January 2022–January 2023		
H	25 January 2022	Quarterly update–third quarter of FY2022 (3QFY2022)
I	**24 March 2022**	**Acquisition of Grown Alchemist**
J	26 April 2022	Quarterly update–fourth quarter of FY2022 (4QFY2022)
K	27 June 2022	FY2022 annual results announcement
L	26 July 2022	Quarterly update–first quarter of FY2023 (1QFY2023)
M	25 October 2022	Quarterly update–second quarter of FY2023 (2QFY2023)
N	28 November 2022	FY2023 interim results announcement

Reference No.	Date	Event
Phase 3: January 2023–Latest Practicable Date		
O	31 January 2023	Quarterly update–third quarter of FY2023 (3QFY2023)
P	4 May 2023	Quarterly update–fourth quarter of FY2023 (4QFY2023)
Q	26 June 2023	FY2023 annual results announcement
R	25 July 2023	Quarterly update–first quarter of FY2024 (1QFY2024)
S	**27 July 2023**	**Clarification announcement in relation to possible privatisation proposal from controlling shareholder (the "Possible Offer")**
T	**11 August 2023**	**Rule 3.7 announcement in relation to the Possible Offer**
U	**4 September 2023**	**Rule 3.7 announcement in relation to termination of the Possible Offer**
V	24 October 2023	Quarterly update–second quarter of FY2024 (2QFY2024)
W	28 November 2023	FY2024 interim results announcement
X	30 January 2024	Quarterly update–third quarter of FY2024 (3QFY2024)
Y	**2 April 2024**	**Announcement of the GA Disposal**
Z	**29 April 2024**	**Initial Announcement**
AA	**17 June 2024**	**Second Announcement**
AB	**21 June 2024**	**Approval of GA Disposal at the Special Deal EGM**
AC	24 June 2024	FY2024 Annual Results Announcement

The Company has been listed on Main Board of the Stock Exchange since 7 May 2010 with an initial public offer price of HK$15.08 (the "**IPO Price**"). The Offer Price of HK$34.00 represents a premium of 125.5% over the IPO Price.

The Company has been announcing quarterly updates on the Group's sales performance as well as the interim and annual results. During the Review Period, the Company announced the Possible Offer in July 2023 and the Offers in April 2024. During the Review Period, the Share closed between HK$17.82 and HK$33.60, with an average closing price of HK$24.84. The Offer Price is higher than all the closing prices of the Shares during the Review Period.

Phase 1 (January 2021–January 2022):

While HSI generally moved downward during the Phase 1, the Shares exhibited an upward trend possibly supported by the Group's business development and financial performance.

The Share price surged approximately 25% following the announcement of 3QFY2021 quarterly update on 26 January 2021. Despite the worldwide pandemics, the Group managed to improve its net sales momentum in 3QFY2021 which mainly benefitted from double-digit growth in China and Taiwan. On 4 May 2021, the Company announced that the Group achieved encouraging growth of 12.5% in its net sales in 4QFY2021. Among its major markets, China recorded an exceptional 58.2% growth in 4QFY2021 and ended FY2021 with net sales of €263.6 million and became the largest single country market of the Group. The closing price of the Share increased by 16% from HK$23.25 on 4 May 2021 to HK$27.00 on 6 May 2021. The subsequent releases of FY2021 annual results, 1QFY2022 quarterly update and FY2022 interim results seemed to have limited impact on the Share price performance. The Share, however, rose by 16% from HK$24.9 on 26 October 2021 to HK$28.85 on 4 November 2021 after the release of 2QFY2022 quarterly update which announced the Group's continued positive sales momentum with China contributing the most as a result of successful online and offline sales promotions. On 12 January 2022, the closing price of the Share reached its highest during the Review Period at HK$33.60.

Phase 2 (January 2022–January 2023):

During the Phase 2, the Shares generally moved in line with HSI and tended to trend downward against the backdrop of resurgences of pandemics caused by COVID-19 new variants. FY2022 annual results announcement of the Company, which reported a 60% increase in profit attributable to Shareholders, failed to lift the Share price significantly further. Meanwhile, the Group's net sales growth in China seemed to run out of steam, from double-digit positive growth at the beginning of the Phase 2 to negative growth at the end of the Phase 2. According to the Group's 1QFY2023 and FY2023 annual results, the Group's net sales in China were severely impacted by the lockdowns and restrictive measures in Shanghai and other major cities of China in April and May 2022 as (i) its retail stores had to be closed due to the lockdown and restrictive measures; and (ii) its store replenishments nationwide were disrupted due to the close of its warehouse in Shanghai.

Phase 3 (January 2023–Latest Practicable Date):

Due to a combination of factors including fluctuations in the Group's business performance, the Possible Offer and the Offers, the Shares did not closely track the movement of HSI in the Phase 3.

The growth of the Group's net sales slowed down in 3QFY2023 as announced on 31 January 2023. The core brand L'OCCITANE en Provence suffered a 5% year-on-year decline in its net sales in 3QFY2023, partly due to the divesture of the Russian business and partly due to the persistent macroeconomic challenges in key markets such as China and Japan. The Share closing price dropped by 15% from HK$21.75 on 31 January 2023 to HK$18.56 on 13 February 2023. On 4 May 2023, the Company announced that the sales performance of all key brands improved in 4QFY2023 as compared to 3QFY2023. In particular, the core brand L'OCCITANE en Provence returned to positive growth in its net sales in 4QFY2023 after the lifting of all the pandemic related restrictions in China. The Shares recorded a 20% increase in closing price from HK$19.58 on 4 May 2023 to HK$23.55 on 15 May 2023. However, after the release of FY2023 annual results announcement, which reported a 52.4% decrease in profit attributable to Shareholders, on 26 June 2023, the Share price erased the previous gain. From early July 2023 to early September 2023, the Share price surged significantly, from HK$18.32 on 6 July 2023 to reach HK$27.80 on 4 September 2023. During that period, the Company announced the Possible Offer from the controlling Shareholder on 26 July 2023. The Share price trended downward following the termination of the Possible Offer on 4 September 2023 and closed at HK$18.12 on 29 November 2023, the lowest level of Phase 3. The Share price then surged again from early December 2023 to early April 2024. On 5 February 2024, being the Undisturbed Date subsequent to which there were irregular trading volumes and price movements in the Shares, the Shares closed at HK$26.00. The Company announced the disposal of Grown Alchemist on 2 April 2024 and the trading in Shares was halted during the period from 9 April 2024 to and including 29 April 2024 pending the release of the Initial Announcement. The GA Disposal was approved by Disinterested Shareholders at the Special Deal EGM held on 21 June 2024. FY2024 Annual Results Announcement was released on 24 June 2024.

The Initial Announcement and the Second Announcement were released on 29 April 2024 and 17 June 2024, respectively. After the release of the Initial Announcement and up to the Latest Practicable Date, the Share price closed between HK$31.60 and HK$33.25, with an average closing price of HK$32.49. The Share closed at HK$33.20 as at the Latest Practicable Date.

4.2. Trading liquidity of the Shares

Set out in the table below are the monthly total trading volumes of the Shares and the percentages of the monthly total trading volumes of the Shares to the total issued Shares and public float respectively during the Review Period:

Table 7: Trading Liquidity

	Monthly total trading volume of the Shares	**Percentage of the monthly total trading volume of the Shares to the total issued Shares** *(Note 1)*	**Percentage of the monthly total trading volume of the Shares to the public float** *(Note 2)*
2021			
January	12,376,964	0.85%	3.26%
February	21,267,455	1.45%	5.55%
March	13,124,718	0.89%	3.41%
April	5,911,333	0.40%	1.53%
May	14,832,600	1.01%	3.84%
June	13,849,255	0.94%	3.54%
July	16,213,473	1.10%	4.13%
August	10,069,275	0.68%	2.56%
September	8,896,822	0.61%	2.29%
October	11,551,568	0.79%	2.97%
November	11,420,097	0.78%	2.94%
December	19,691,711	1.34%	5.07%
2022			
January	10,679,570	0.73%	2.75%
February	9,409,805	0.64%	2.43%
March	14,624,500	0.99%	3.73%
April	7,306,490	0.50%	1.86%
May	7,481,309	0.51%	1.91%
June	11,546,875	0.79%	2.94%
July	8,769,295	0.60%	2.23%
August	6,867,626	0.47%	1.74%
September	10,117,759	0.69%	2.57%
October	8,824,335	0.60%	2.24%
November	13,552,781	0.92%	3.44%
December	8,621,437	0.59%	2.18%

	Monthly total trading volume of the Shares	Percentage of the monthly total trading volume of the Shares to the total issued Shares *(Note 1)*	Percentage of the monthly total trading volume of the Shares to the public float *(Note 2)*
2023			
January	12,493,518	0.85%	3.17%
February	43,532,244	2.96%	11.03%
March	22,799,302	1.55%	5.77%
April	11,826,239	0.80%	2.99%
May	35,635,780	2.42%	9.02%
June	41,067,492	2.79%	10.39%
July	26,430,494	1.80%	6.69%
August *(Note 3)*	26,716,837	1.81%	6.75%
September *(Note 4)*	24,298,091	1.65%	6.13%
October	10,973,927	0.75%	2.77%
November	29,375,318	2.00%	7.42%
December	27,352,723	1.86%	6.90%
2024			
January	26,783,804	1.82%	6.75%
February	**51,427,431**	**3.49%**	**12.88%**
March	35,764,374	2.42%	8.91%
April *(Note 5)*	33,587,834	2.28%	8.37%
May	**74,412,038**	**5.05%**	**18.53%**
June *(Note 6)*	**37,201,762**	**2.52%**	**9.27%**

Source: Bloomberg

Notes:

1. The calculation is based on the monthly total trading volumes of the Shares divided by the total issued share capital in issue (excluding the Share held in treasury) as at the end of each month or the Latest Practicable Date, as applicable.

2. The calculation is based on the monthly total trading volumes of the Shares divided by the total number of Shares held by the public as at the end of each month or the Latest Practicable Date, as applicable, based on the information provided by the Company.

3. Trading in the Shares was suspended during the period from 9 August 2023 up to and including 13 August 2023.

4. Trading in the Shares was suspended on 4 September 2023.

5. Trading in the Shares was suspended during the period from 9 April 2024 up to and including 29 April 2024.

6. Trading in the Shares was suspended during the morning session on 17 June 2024.

From January 2021 to January 2024 (the "**Undisturbed Period**"), the monthly turnover of the Shares stayed between 0.40%–2.00% of the total issued Shares (excluding the Shares held in treasury) and 1.53%–7.42% of the public float save for February, May and June 2023. Surges in trading turnover of the Shares were seen in those months, coupled with fluctuations of Share closing prices. We have discussed this with the Management and they are unaware of the reason for such surge save for the Company's quarterly updates. Irregular trading volume and price movements in the Shares were noted since the Undisturbed Date. The monthly turnover of the Shares in February 2024 increased to 3.49% of the total issued Shares (excluding the Shares held in treasury) and 12.88% of the public float. The trading in the Shares was suspended during most of the trading days in April 2024. Following the publication of the Initial Announcement in late April 2024 and resumption of trading in the Shares, the monthly turnover of the Shares further increased to 2.52%–5.05%% of the total issued Shares (excluding the Share held in treasury) and 9.27%–18.53%% of the public float from May 2024 to June 2024.

The Company's market capitalisation is HK$43.5 billion as at 8 April 2024, being the last trading day prior to the Initial Announcement (the "**Last Trading Day**"). We have reviewed other companies listed on the Stock Exchange with a market capitalisation ranging from HK$40 billion to HK$50 billion (the "**Market Cap Peers**") and noted that the average of their total monthly trading volume of shares to public float during the Review Period ranged from 1.15% to 23.50%. As such, the liquidity of the Shares during most of the Undisturbed Period (i.e. 2021–2022) has been, in our view, generally thin. The relatively higher monthly turnover (i) in certain months of 2023, which is ahead of the Possible Offer, is rather unusual and (ii) in February and May 2024 is in our view principally related to investors' positive expectation regarding the Offers, and may not continue if the Offers lapse. Disinterested Shareholders, especially those with significant stakes, should note that if they wish to exit their investments in the Company, they might not be able to dispose of the Shares in the market without exerting a downward pressure on the market price of the Shares. On this basis, the Offers provide an opportunity for the Disinterested Shareholders (especially those with relatively sizeable shareholdings) to dispose of the Shares at a fixed cash price substantially higher than the average Share price during the Undisturbed Period without disturbing the market price of the Shares.



4.3. Offer Price comparison

A comparison of the Offer Price of HK$34.00 per Share with the recent closing prices of the Shares and NAV per Share is set out as follows:

Table 8: Share Price Comparison

	Closing price or average closing price of the Shares	Premium represented by the Offer Price
Latest Practicable Date	33.20	2.41%
Last Trading Day	29.50	15.25%
Undisturbed Date	26.00	30.77%
5 trading days (1)	24.98	36.11%
10 trading days (1)	24.19	40.55%
30 trading days (1)	22.68	49.91%
60 trading days (1)	21.14	60.83%

	NAV per Share (2)	Premium represented by the Offer Price
As at 31 March 2024	HK$4.87	598.53%

Source: Bloomberg and the website of the Stock Exchange

Notes:

1. Up to and including the Undisturbed Date.

2. Calculated based on the Group's NAV as at 31 March 2024 and the number of Shares in issue (excluding the Treasury Shares) as at 31 March 2024 and converted to HK$ at the rate of €1=HK$8.3920 on 25 April 2024 (last trading day prior to the Second Announcement) as announced by European Central Bank.

The Offer Price of HK$34.00 represents premiums of approximately 30.77%–60.83% over the closing price of the Share on the Undisturbed Date and the average closing prices of the Shares for the 5, 10, 30 and 60 trading days (up to and including the Undisturbed Date) before the irregular trading volumes and price movements in the Share were noted. We consider these premiums represented by the Offer Price over the closing price of the Share on the Undisturbed Date and the average closing prices of the Share for various periods up to and including the Undisturbed Date are significant. Furthermore, the Offer Price represents a premium of 598.53% over the latest NAV per Share as at 31 March 2024.

On the Last Trading Day and Latest Practicable Date, the Offer Price represents premiums of 15.25% and 2.41%, respectively. The Share price movement following the publication of the Initial Announcement is likely to be influenced by the Offer Price. As such, we consider that there is no assurance that the Share price will remain at the current levels should the Offers lapse.

Comments

The Offer Price of HK$34.00 per Share has been higher than all the closing prices of the Share during the Review Period which range from HK$17.82 to HK$33.60, as well as the IPO Price of HK$15.08.

From January 2021 to January 2022, the Share significantly outperformed HSI, mainly attributable to the Group's strong and resilient business development and financial performance against the backdrop of the outbreak and resurgence of the pandemics. In particular, among its major markets, China recorded an exceptional 58.2% growth in 4QFY2021 and ended FY2021 with net sales of €263.6 million and became the largest market of the Group due to successful online and offline sales promotions. From January 2022 to January 2023, the Group's net sales growth in China seemed to run out of steam, impacted by the lockdowns and restrictive measures in Shanghai and other major cities of China. During that period, the Shares generally moved in line with HSI and tended to trend downwards. Starting from January 2023, the Share did not closely follow the movement of HSI due to a combination of factors including fluctuations in the Group's business performance, the Possible Offer and the Offers. Despite the outstanding performances of the Group's newer brands such as Sol de Janeiro, the core brand L'OCCITANE en Provence, which has contributed the majority of the Group's net sales, saw some fluctuations in its net sales. The Possible Offer announced in July 2023 lifted the Share price to a high level but the Share price declined following its termination. Similarly, the current high level of the Share price in our view is likely to be influenced by the Offer Price and may not continue should the Offers lapse.

Taking into consideration the above and given the relatively thin liquidity of the Shares during most of the Undisturbed Period as compared to those of the Market Cap Peers, the Offers present a solid opportunity for the Disinterested Shareholders (especially those with relatively sizeable shareholdings) to exit their investments in the Company if they are uncertain about the Group's future business performance and would like to dispose of their Shares at a fixed cash price without disturbing the market price of the Share.

5. Peer companies

The Group is an international group that manufactures and retails beauty and well-being products and has more than 3,000 retail outlets, including approximately 1,300 owned stores, and is present in 90 countries. The Company is listed on the Main Board of the Stock Exchange with a market capitalisation of HK$43.5 billion as at the Last Trading Day. We employed Bloomberg's equity screening tool to identify companies listed on Main Board of the Stock Exchange that (i) generate over 50% of their revenue from manufacture and sales of skincare and cosmetic products; (ii) have a market capitalisation of approximately or over HK$20 billion; (iii) are profitable in the last financial year; and (iv) are in a positive net asset position as at the year end of last financial year ("**Hong Kong Comparable Companies**"). However, in terms of geographical market, it is noted that the Hong Kong Comparable Companies mainly operate in one single country. We therefore expanded the scope to identify companies listed on other stock exchanges that fulfil criteria (i) to (iv) and which operate in multiple countries ("**Global Comparable Companies**"). The Hong Kong Comparable Companies and Global Comparable Companies (together, the "**Comparable Companies**"), so far as we are aware, are exhaustive based on the above selection criteria.

In conducting our analysis, we have compared the price-to-earning ratio ("**PER**") and price-to-book ratio ("**PBR**") of the Company implied by the Offer Price with those of the Comparable Companies, which we consider are widely accepted multiples to evaluate a company. Set out below are our findings:

Table 9: Comparable Companies

Company (stock code)	Place of listing	Market Capitalisation [1] *(HK$ billion)*	PER [2] *(times)*	PBR [3] *(times)*
Hong Kong Comparable Companies:				
Giant Biogene Holding Co Ltd (2367.HK)	Hong Kong	42.5	27.00	8.99
Shanghai Chicmax Cosmetic Co Ltd (2145.HK)	Hong Kong	19.9	39.80	9.14
Global Comparable Companies:				
L'Oréal S.A. (OR.FP)	Paris	1,865.4	35.56	7.56
The Estée Lauder Companies Inc. (EL.US)	New York	408.4	81.35	9.08
Beiersdorf AG (BEI.GR)	Frankfurt	249.0	39.88	3.53
Shiseido Company, Limited (4911.JP)	Tokyo	84.4	167.21	2.60
e.l.f Beauty Inc (ELF.US)	New York	72.1	72.13	14.33
AMOREPACIFIC Corporation (090430.KS)	Korea	47.7	48.11	1.68

Company (stock code)	Place of listing	Market Capitalisation [1] *(HK$ billion)*	PER [2] *(times)*	PBR [3] *(times)*
Proya Cosmetics Co., Ltd. (603605.CH)	Shanghai	40.9	29.30	8.40
		Highest	167.21	14.33
		Lowest	27.00	1.68
		Average	60.04	7.26
		Median	39.88	8.40
The Company (973.HK)	**Hong Kong**	**43.5**	**62.95** [4]	**6.90** [4]

Notes:

1. The market capitalisation of the Comparable Companies and the Company are calculated based on the closing price of the respective companies as at the Last Trading Day multiplied by the latest number of issued and outstanding shares (excluding shares held in treasury) available from their latest public filings.

2. The PERs of the Comparable Companies are calculated based on their respective market capitalisation as at the Last Trading Day divided by their respective profit attributable to the shareholders for the latest trailing 12-month period as referenced from their respective latest published annual/interim/quarterly reports/results.

3. The PBRs of the Comparable Companies are calculated based on their respective market capitalisation as at the Last Trading Day divided by their respective net assets attributable to the shareholders as referenced from their respective latest published annual/interim/quarterly reports/results.

4. The PER and PBR implied by the Offer Price are calculated based on the Offer Price of HK$34.00.

A total of 2 Hong Kong Comparable Companies and 7 Global Comparable Companies have been identified. The PER implied by the Offer Price of 62.95 times (i) is higher than those of the Hong Kong Comparable Companies; and (ii) falls within the range of and exceeds the average and median of those of the Comparable Companies. The PBR implied by the Offer Price of 6.90 times falls within the range of, but somewhat below the average and median of, those of the Comparable Companies.

Comments

The Company is listed on the Main Board of the Stock Exchange and operates businesses around the world. On this basis, a combination of Hong Kong Comparable Companies and Global Comparable Companies, in our view, provides a comprehensive view of the market ratings of companies of this type in the Hong Kong market and other markets. Both the PER and PBR implied by the Offer Price fall within the range of those of the Comparable Companies. Furthermore, the PER implied by the Offer Price is higher than those of Hong Kong Comparable Companies and the average and median of those of the Comparable Companies. Given that (i) the Group is profitable in its last financial year; and (ii) skincare/ beauty industry is not an asset-intensive industry, we consider PER the most appropriate valuation multiple to assess a profitable company of this type. On this basis, we are of the view that the Offer Price of HK$34.00 to be fair and reasonable.

6. Privatisation precedents

As part of the assessment of the fairness and reasonableness of the Offer Price, we have researched approved privatisation proposals of companies listed on the Main Board of the Stock Exchange that were announced and completed since 1 January 2023 (the "**Privatisation Precedents**"). The Privatisation Precedents, in our view, give a comprehensive overview of the recent pricing of recent transactions of this type and the premium or discount that most of the independent shareholders are willing to accept for tendering their shares in a privatisation transaction. The Privatisation Precedents represent an exhaustive list of privatisation proposals meeting the said criteria, a summary of which is set out in the table below.

Table 10: Privatisation Precedents

		Premium or (discount) represented by offer/cancellation price over/to closing share price/average share price on/over [1]					Premium or (discount) represented by offer/cancellation price over/to latest NAV per share/ adjusted NAV per share [5]
Date of initial announcement [2]	Company name (stock code)	Last full trading day [3]	5-trading day [4]	10-trading day [4]	30-trading day [4]	60-trading day [4]	
9 February 2024	IntelliCentrics Global Holdings Ltd. (6819) [6]	20.5%	20.4%	19.3%	13.6%	11.4%	NA[7]
26 January 2024	Bank of Jinzhou Co., Ltd. (416)	0.0%	(0.6)%	(1.0)%	0.3%	15.4%	(71.9)%
14 December 2023	Sinosoft Technology Group Limited (1297)	29.4%	30.4%	31.2%	31.1%	22.5%	(78.9)%
4 December 2023	Weiqiao Textile Company Limited (2698)	104.7%	104.9%	102.7%	111.1%	142.9%	(78.3)%
28 November 2023	CIMC Vehicles (Group) Co., Ltd. (1839)	16.5%	17.9%	21.0%	25.4%	19.1%	(6.3)%
20 November 2023	Vinda International Holdings Limited (3331)	20.1%	19.7%	21.4%	21.3%	25.7%	145.2%
6 October 2023	Haitong International Securities Group Limited (665)	114.1%	111.1%	108.2%	126.5%	122.2%	(39.3)%
6 October 2023	Pine Care Group Limited (1989)	(1.1)%	0.7%	0.9%	1.5%	8.9%	(7.9)%

Date of initial announcement [2]	Company name (stock code)	Premium or (discount) represented by offer/cancellation price over/to closing share price/average share price on/over [1]					Premium or (discount) represented by offer/cancellation price over/to latest NAV per share/ adjusted NAV per share [5]
		Last full trading day [3]	5-trading day [4]	10-trading day [4]	30-trading day [4]	60-trading day [4]	
15 September 2023	Lansen Pharmaceutical Holdings Limited (503)	26.8%	24.1%	22.5%	20.0%	15.4%	22.1%
1 September 2023	CST Group Limited (985)	61.3%	24.4%	21.4%	36.6%	(1.4)%	(60.7)%
27 June 2023	Dali Foods Group Company Limited (3799)	37.9%	36.4%	39.4%	30.2%	21.8%	151.7%
27 June 2023	Poly Culture Group Corporation Limited (3636)	77.6%	112.5%	125.2%	133.1%	129.8%	(30.9)%
23 June 2023	Yongsheng Advanced Materials Company Limited (3608)	58.7%	55.8%	61.0%	52.9%	38.5%	(46.5)%
11 June 2023	Mason Group Holdings Limited (273)	20.7%	20.7%	19.4%	19.0%	16.2%	(60.1)%
28 May 2023	Golden Eagle Retail Group Limited (3308)	63.4%	66.6%	61.5%	55.3%	49.9%	(47.4)%
8 May 2023	Hailan Holdings Limited (2278)	5.0%	5.0%	5.0%	5.0%	5.0%	(60.2)%
29 March 2023	Inner Mongolia Yitai Coal Co., Ltd. (3948)	54.9%	58.7%	63.7%	67.3%	64.2%	(6.0)%

Date of initial announcement [2]	Company name (stock code)	Premium or (discount) represented by offer/cancellation price over/to closing share price/average share price on/over [1]					Premium or (discount) represented by offer/cancellation price over/to latest NAV per share/ adjusted NAV per share [5]
		Last full trading day [3]	5-trading day [4]	10-trading day [4]	30-trading day [4]	60-trading day [4]	
21 February 2023	Jiangnan Group Limited (1366)	83.5%	100.0%	106.2%	107.3%	102.0%	(63.8)%
17 February 2023	AAG Energy Holdings Limited (2686)	10.1%	10.1%	9.3%	10.8%	24.2%	(27.5)%
	Highest	114.1%	112.5%	125.2%	133.1%	142.9%	151.7%
	Lowest	(1.1)%	(0.6)%	(1.0)%	0.3%	(1.4)%	(78.9)%
	Average	42.3%	43.1%	44.1%	45.7%	43.9%	(20.4)%
	Median	29.4%	24.4%	22.5%	30.2%	22.5%	(42.9)%
29 April 2024	The Company (973)	30.8%	36.1%	40.6%	49.9%	60.8%	598.5%

Source: Bloomberg and the website of the Stock Exchange

Notes:

1. The figures are quoted from the respective offer/scheme document or if such data is not available, calculated based on the offer/cancellation price divided by the closing price per share on the last full trading day or average closing price per share during various periods.

2. The date of the Takeovers Code Rule 3.5 announcement or Rule 3.7 announcement, whichever is earlier.

3. The last undisturbed full trading day as disclosed in the respective offer/scheme document or last full trading day prior to the release of the initial announcement.

4. Up to and including the last undisturbed full trading day.

5. It represents the premium or (discount) represented by the offer/cancellation price over the NAV per share (or adjusted NAV per share, if available) quoted from the respective offer/scheme document.

6. We consider the proposal relating to the delisting of IntelliCentrics Global Holdings Ltd. (stock code: 6819) is akin to privatisation of companies listed in Hong Kong and thus include it as one of the Privatisation Precedents and treat the interim dividend involved as the cancellation price.

7. Not applicable as the subject offeree company was in net liability position.

8. Subject to rounding differences.



(a) **Premiums or (discounts) over/to the prevailing share prices**

The premiums or (discounts) represented by the offer/cancellation price of the Privatisation Precedents are (i) (1.1)%–114.1%, with an average of 42.3% and median of 29.4% over/to their respective share closing price on the last undisturbed full trading day; (ii) (0.6)%–112.5%, with an average of 43.1% and median of 24.4% over/to their respective 5-trading day average share closing price; (iii) (1.0)%–125.2%, with an average of 44.1% and median of 22.5% over/to their respective 10-trading day average share closing price; (iv) 0.3%–133.1%, with an average of 45.7% and median of 30.2% over/to their respective 30-trading day average share closing price; and (v) (1.4)%–142.9%, with an average of 43.9% and median of 22.5% over/to their respective 60-trading day average share closing price.

The premiums of 30.8%–60.8% represented by the Offer Price over the closing Share price on the Undisturbed Date and average closing prices of the Shares for various trading periods fall within the ranges of those of the Privatisation Precedents with its premiums over 10-, 30- and 60-trading day average higher than the medians of those of the Privatisation Precedents.

(b) **Premiums or (discounts) over/to the NAV per share**

The premiums or (discounts) represented by the offer/cancellation price of the Privatisation Precedents over/to their respective NAV per share range from (78.9)% to 151.7%. The Offer Price representing a premium over the NAV per Share of 598.5% is higher than those of all the Privatisation Precedents.

Comments

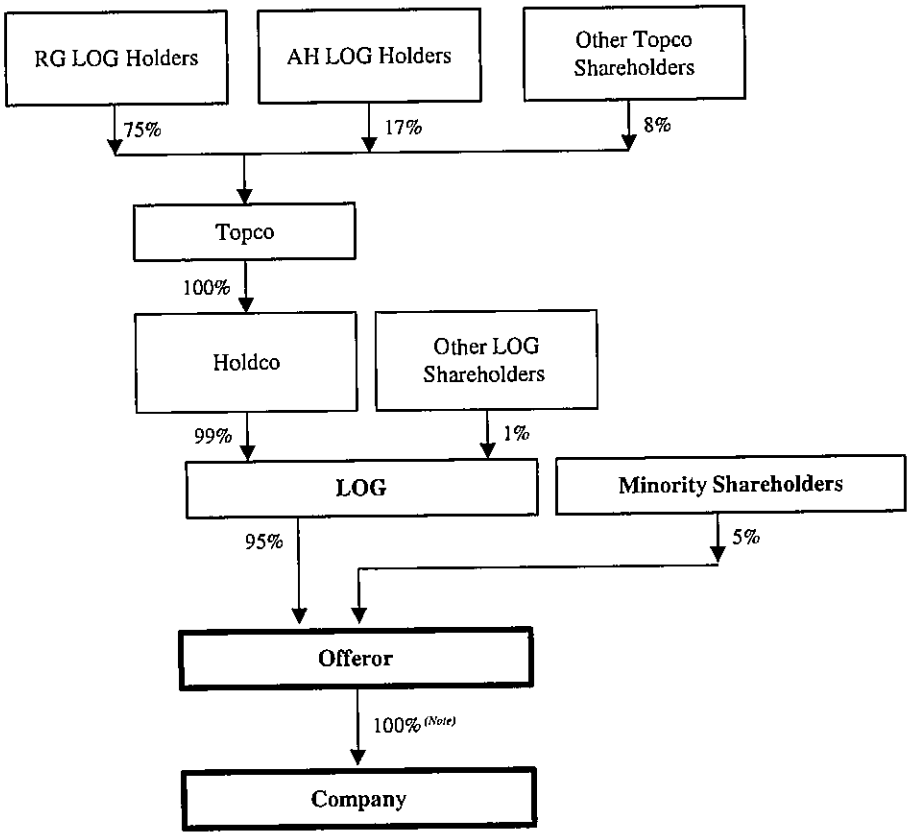
Having considered that (i) the premiums represented by the Offer Price over the closing Share price on the Undisturbed Date and average Share closing prices for various trading periods fall within the ranges of those of the Privatisation Precedents with premiums over 10-, 30- and 60-trading day average higher than the medians of those of the Privatisation Precedents; and (ii) the premium represented by the Offer Price over the NAV per Share is higher than those of all Privatisation Precedents, we consider the Offer Price to be fair and reasonable.

7. The Share Alternative and the Offeror

7.1. The Share Alternative

Under the Share Alternative, Minority Shareholders are offered 10 Rollover Share for each Offer Share. The Rollover Shares are new shares of the Offeror. **The maximum number of Offer Shares to be exchanged for Rollover Shares pursuant to valid acceptances of the Share Offer electing to receive the Share Alternative shall not exceed the Share Alternative Cap (being 73,743,145 Offer Shares, representing 5% of the total issued and outstanding shares of the Company as at Initial Announcement Date exchangeable for 737,431,450 Rollover Shares). Only Offer Shares held by registered holders will be eligible for the Share Alternative.**

Set out below is a diagram illustrating the shareholding structure of the Company upon completion of the Offeror Corporate Restructuring, Share Offer and compulsory acquisition by the Offeror assuming the Share Alternative Cap is reached immediately after the close of the Share Offer:



Note: 1,996,691 Treasury Shares, which are not subject to the Share Offer, have been and will continue to be held by the Company immediately after completion of the Share Offer. Therefore, the Offeror will effectively hold 100% interest in the Company after the close of the Share Offer.



Assuming the Share Alternative Cap is reached after the close of the Share Offer, the Offeror will issue 737,431,450 Rollover Shares in exchange for 73,743,145 Offer Shares and the Company will be held as to 99.86% by the Offeror with the remaining interest held by the Company as Treasury Shares. Therefore, the effective interest in the Company (via the Offeror) held by each of Minority Shareholders validly electing the Share Alternative upon the close of the Share Offer will be the same as their interests as at the Latest Practicable Date.

7.2 Information on the Offeror

The Offeror is a company incorporated in Luxembourg on 10 June 2024 with limited liability. Offeror is an investment holding company and has no independent business operations and was established for the purposes of making the Offers and issuing new shares under the Share Alternative and Offeror Corporate Restructuring. As at the Latest Practicable Date, the Offeror has 300,000 shares in issue. The actual number of Rollover Shares to be made available for allotment and issuance under the Share Alternative will be determined, and settlement of the consideration payable by Offeror in respect of acceptances of the Share Alternative will be made as soon as possible, and in any event not more than 14 business days (in Hong Kong), after Offer Closing Date.

Upon completion of the Offers and the compulsory acquisition, the Offeror is expected to have the following assets and liabilities:

Assets:	1,474,968,200 Shares (equivalent to all Shares in issue less the Treasury Shares) and cash and cash equivalents of HK$1,020,000 (being the initial capital contribution to the Offeror at the time of its corporation) [(1)]
Liabilities:	Nil [(2)]

Notes:

(1) It is assumed that all Award Holders receive the Award Cancellation Price in full and stamp duty arising from the Share Offer on the part of the Offeror has been fully settled.

(2) The Offeror Shareholder Loan of up to HK$14,040,077,290, being the sum of value of Share Offer, the Vested Option Offer, the Liquidity Arrangement and certain transaction expenses assuming all Shareholders elect Cash Alternative, will be capitalised in one or more instalments.

Under the Offeror Corporate Restructuring, as soon as possible after the Offer Closing Date, (i) LOG will contribute all of its Shares to Offeror in exchange for 10,675,873,910 Offeror Shares; (ii) Offeror will issue 737,431,450 Rollover Shares if the Share Alternative Cap is reached; and (iii) Offeror will issue to LOG 10 Offeror Shares for every HK$34.00 of capitalised shareholder loan (being the amount drawn down for the cash portion of the Offers and related expenses), subject to adjustments for rounding and issuing whole Offeror Shares.

In respect of (iii) above, the Offeror Shareholder Loan is expected to be drawn down for settlement of Cash Alternative (i.e. HK$34 per Offer Share) and related expenses as well as the Vested Option Offer and Liquidity Arrangement after Offer Closing Date. Assuming the Share Alternative Cap is reached, the maximum number of Offeror Shares in issue immediately following the Offers will be 14,804,870,975 Offeror Shares (see Table 11 below). Therefore,



the Minority Shareholders' aggregate shareholding in the Offeror (being 737,431,450) will be diluted to 4.98% upon completion of the Offers and Liquidity Arrangement assuming all Award Holders receive the Award Cancellation Price.

7.3 Restriction and rights of Rollover Shares

Rollover Shares are shares of an unlisted company in Luxembourg and are illiquid with no ready market. Shareholders of the Offeror will not benefit from the protections afforded by the Listing Rules and the Takeovers Code (assuming the Offeror is not determined by the Executive to be a "public company in Hong Kong" as defined in the Takeovers Code). The rights and obligations of shareholders in relation to the Offeror will be governed by the provisions of the articles of association of the Offeror, which are available as a document on display.

Rollover Shares are subject to certain no competition, no encumbrances and transfer restrictions set out in Appendix VI to the Composite Document. Further details relating to the Offeror and its shares are set out in the Letter from J.P. Morgan and Offeror of and Appendices IV and V to the Composite Document. If Minority Shareholders wish to consider the Share Alternative, they are recommended to read this information carefully, particularly Part B to the Letter from J.P. Morgan and Offeror of the Composite Document. Risks which Minority Shareholders should bear in mind in evaluating the Share Alternative are set out in section III.7.5 below.

7.4 Valuation of the Rollover Shares

J.P. Morgan, the financial adviser to the Offeror, has been appointed to draw an estimate of value of Offeror Shares (which for the avoidance of doubt, includes Rollover Shares). The full text of the estimate of value of Offeror Shares ("**Offeror Shares Valuation**") is set out in Appendix V to the Composite Document. Under the Share Alternative, each Minority Shareholder is entitled to receive ten Rollover Shares for every Offer Share held, subject to the Share Alternative Cap. On the basis of, and subject to, the assumptions and methodology set out in the Offeror Shares Valuation, an estimate of the value of Offeror Shares (the "**Estimated Value**") would be within a range between HK$2.38 and HK$3.40 for each Offeror Share. Minority Shareholders should note that, as stated in the Offeror Shares Valuation, such Estimated Value is not necessarily indicative of, among others, the price at which Offeror Shares might actually trade as at the date hereof or at any future date.

We have reviewed and discussed with J.P. Morgan the methodology used, and the bases and assumptions adopted, for the Estimated Value. In providing the Estimated Value, J.P. Morgan has made a number of assumptions, including (i) as at the Latest Practicable Date, the Share Offer has become or been declared unconditional in all respects and the Company is a wholly-owned subsidiary of the Offeror, (ii) the Offeror Shares that may be issued in connection with the Offers as part of the Offeror Corporate Restructuring, together with the 300,000 Offeror Shares held by LOG as of the Latest Practicable Date, comprise the entire issued share capital of Offeror and no person has any right to acquire or subscribe for any share or loan capital of the Offeror; (iii) the Offeror Shareholder Loan capitalisation has been completed at 10 Offeror Shares for every HK$34.00 of capitalised shareholder loan, subject to adjustments for rounding and issuing whole Offeror Shares; (iv) the Offeror was established



for the sole purpose of the Offers and as such, it is assumed that immediately following the Share Offer becomes effective or is declared unconditional in all respects, Offeror's turnover, profits, assets and liabilities (on a consolidated basis) will be in all material respects the same as those of the Company, save for the cash and cash equivalents of HK$1,020,000 (being the initial capital contribution to the Offeror as at the time of its incorporation), interest-free Offeror Shareholder Loan to the extent and not capitalised and outstanding, any costs and expenses incurred by Offeror in connection with the Offers and any cash balance that may remain in Offeror that was not required to finance the amount payable in cash to Shareholders and Award Holders under the Offers; and (v) there is no change to the issued share capital of the Company from the Latest Practicable Date up to and including the completion of the Offers. There are no dilutive equity instruments and, assuming the cancellation of the Awards, no person other than Offeror has any right to acquire or option to subscribe for any share or loan capital of the Company and no share capital of the Company is disposed of nor any right granted over or in respect of it at any future date.

Set out below is a summary of two scenarios illustrating the calculations of the Estimated Value:

Table 11: Estimated Value

		Scenario 1 **Assuming (i) all Minority Shareholders elect the Cash Alternative in full; and (ii) all Award Holders receive the Award Cancellation Price in full**	**Scenario 2** **Assuming (i) 73,743,145 Offer Shares (being the Share Alternative Cap) elect the Share Alternative; (ii) all other Offer Shares are tendered for the Cash Alternative in full; and (iii) all Award Holders receive the Award Cancellation Price in full**
(a)	the estimated value of all of the outstanding Shares *(HK$)*	50,324,197,636	50,324,197,636
(b)	the Offeror Shareholder Loan *(HK$)*	nil	nil
(c)	any cash that may remain in Offeror immediately following the Offers *(HK$)*[1]	14,870,948	12,363,681
	Total value of the Offeror Shares *(HK$)*	50,339,068,584	50,336,561,317
	Number of Offeror Shares in issue immediately following the Offers[2]	14,805,608,407	14,804,870,975
	Top end value per Offeror Share *(HK$)*	**3.40**	**3.40**
	Bottom end value per Offeror Share (Assuming a 30% discount for non-marketability of the Offeror Shares) *(HK$)*	**2.38**	**2.38**

Notes:

1. Based on the Offeror Shares Valuation, majority of the cash that may remain in the Offeror immediately following the Offers under both scenarios will be used to settle relevant transaction costs. It is expected that the Offeror will have cash and cash equivalents of HK$1,020,000 after payment of Hong Kong stamp duty by the Offeror. For the relevant amounts of Offeror Shareholder Loan and Hong Kong stamp duty, please refer to Appendix V to the Composite Document.

2. The number of Offeror Shares in issue immediately following the Offers under the above two scenario are different due to the additional Hong Kong stamp duty payable by the Offeror under scenario 1 and no Hong Kong stamp duty is payable by the Offeror for acceptance of the Share Offer electing the Share Alternative under scenario 2. Details of the aforesaid calculations are set out in Appendix V to the Composite Document.

We have discussed with J.P. Morgan on the above calculations. As set out in the section III.7.1 above, upon completion of the Share Offer, the Offeror is expected to effectively hold 100% interest in the Company.

As shown in the table above, the two scenarios resulted in the same range of Estimated Value. The main difference between the low end and the top end is the assumption on discount for the lack of marketability and shareholders' rights of an unlisted share, particularly around the fact that the holders of Rollover Shares will not be able to nominate a director or approve reserved matters of the Offeror until certain ownership thresholds are reached. For the low end, a 30% discount on the value of Rollover Shares is assumed, while for the top end no discount was assumed. J.P. Morgan believes that such a discount range is an appropriate assumption to use for this purpose as it is consistent with the approach taken in recent market privatisation precedents in Hong Kong which involves similar unlisted shares being offered as an alternative transaction consideration and which, in turn, adopts an illiquidity discount methodology to assess the value of the unlisted shares. For details of the privatisation precedents J.P. Morgan has referred to for determining the discount range applied in the Offeror Shares Valuation, please refer to Appendix V to the Composite Document. Based on the above, the Estimated Value would be within a range between HK$2.38 and HK$3.40 for each Offeror Share.

We consider it reasonable to apply a discount to the value of an illiquid share with limited shareholders' rights from the independent shareholders' perspective. In evaluating the level of discount applied, we have identified from the Stock Exchange website the following exhaustive list of successful privatisation cases of companies listed on the Main Board of the Stock Exchange involving valuation of unlisted shares since 2021 and noted that a lack of marketability/shareholders' rights discount of 30% was applied to derive the low-end. We consider that the review period which covers almost four years is sufficient, fair and representative as it provides an overview of general market practice as regards to the valuation of unlisted shares in those successful privatisation cases in Hong Kong.

Date of scheme/composite document	Company (stock code)	Discount applied
4 May 2022	Suchuang Gas Corporation Limited (1430)	30%
3 August 2021	Clear Media Limited (100)	30%
27 January 2021	Huifu Payment Limited (1806)	30%

Given the nature of Rollover Shares (unlisted) under the Share Alternative, we consider that the methodology set out in the Offeror Shares Valuation is a reasonable approach in establishing the Estimated Value and is in line with commonly adopted approaches in similar cases in Hong Kong. We also consider that it is not practicable to estimate a discount to reflect lack of marketability and limited shareholders' rights (from the independent shareholders' perspective) very precisely, as it depends on differing circumstances. On the basis of the above, we are of the view that a range of 0% and 30% adopted by J.P. Morgan in its estimate to be acceptable.

For further details of the methodology, basis, assumptions and computations of the Estimated Value, please refer to Appendix V to the Composite Document which should be read in its entirety.

7.5 Risk factors of holding the Rollover Shares

Offer Shareholders should bear in mind the risk factors associated with holding the Rollover Shares as set out in the Part B to the Letter from J.P. Morgan and Offeror, in particular the following:

(i) **the Rollover Shares are securities in a private and unlisted company** incorporated in and governed by the laws of Luxembourg. As of Latest Practicable Date, the Offeror has no intention for these securities to be listed or admitted to trading on any exchange or market, or be quoted on any inter-dealer system; accordingly, these securities will be illiquid and the Offeror believes that it is unlikely that an active trading market will develop for the Rollover Shares;

(ii) a minority shareholder's interest in Offeror will have **limited shareholder protection rights** and will not have the benefits and protections of the Listing Rules in terms of disclosure of material information, appointment of directors (including independent non-executive directors) and restrictions on connected or notifiable transactions of Offeror group;

(iii) there is no dividend policy in respect of the Rollover Shares; and **dividend payments in respect of the Rollover Shares will not be guaranteed or secured.** Payment of dividends on the Rollover Shares (if any) would solely depend on whether such payment is recommended or declared by Offeror's board of directors; and



(iv) LOG or Offeror may pledge, or otherwise encumber, part or all of the Shares, or the Company may pledge, or otherwise encumber, part or all of its securities in members of the Group, from time to time, in connection with financing arrangements, in which case, the rights attached to, or value of, the Rollover Shares may be affected.

Minority Shareholders who wish to elect Share Alternative should note that their aggregate interest in the Company through Offeror upon completion of the Offers and the Liquidity Arrangement will be slightly reduced as discussed in section III.7.2 above.

Minority Shareholders should note that given the nature of the Rollover Shares, the risks and restriction associated with them as set out in Part B to the Letter from J.P. Morgan and Offeror and Appendix VI to the Composite Document and highlighted in this section, we consider the Share Alternative to be suitable principally for sophisticated Shareholders only, and we do not consider it suitable for Minority Shareholders who are not accustomed to holding unlisted shares.

In the event that the total number of Offer Shares in respect of which valid acceptances of the Share Offer electing the Share Alternative are received exceeds the Share Alternative Cap, the number of Offer Shares to be exchanged for Rollover Shares for each Share Alternative Holder shall be reduced on a *pro rata* basis, and the consideration for the remaining portion of each such Share Alternative Holder's respective Offer Shares will be settled in cash at the Offer Price.

Only Offer Shares held by registered holders will be eligible for the Share Alternative. Minority Shareholders who wish to elect the Share Alternative are required to withdraw the relevant portion of their Offer Shares deposited in CCASS, if any, from CCASS and enter into the Company's Hong Kong share register, on or before the date that such Minority Shareholder delivers its acceptance for the Share Offer where the Share Alternative is elected. Minority Shareholders who accept the Share Offer but make an invalid election will receive the Cash Alternative by default. Minority Shareholders are advised to read carefully the terms of the Share Offer set out in Part A and Part B to the Letter from J.P. Morgan and Offeror of the Composite Document and consult their professional advisers if in doubt.

8. Vested Option Offer and Liquidity Arrangement

In accordance with Rule 13 of the Takeovers Code and Practice Note 6 to the Takeovers Code,Vested Option Holders are offered the "see-through prices" (being the Offer Price less the exercise price of each such Vested Option) and Unvested Award Holders are offered to enter into the Liquidity Arrangement whereby they are entitled to exit at the same "see-through prices" following vesting in accordance with the existing schedule and conditions of grant under the relevant Share Incentive Plan. Given (i) it is a common market practice to adopt "see-through prices" based on the underlying exercise prices per subject option as the minimum cancellation price for a convertible instrument in conjunction with a general offer/ privatisation proposal; and (ii) in view of benefits for Award Holders as discussed under section III.3, we consider the terms of the Vested Option Offer and the Liquidity Arrangement to be fair and reasonable so far as the Award Holders are concerned.



If Vested Option Holders do not accept the Vested Option Offer on or between Composite Document Date and Offer Closing Date, their Vested Options will automatically and immediately lapse after Offer Closing Date.

If Unvested Award Holders do not enter into a Liquidity Agreement on or before Offer Closing Date, each of them will become a Shareholder of a private company upon vesting and exercise (in the case of Options) or allocation (in the case of Free Shares) of the Awards (assuming that the Offers become or are declared unconditional in all respects and the Shares are delisted from the Stock Exchange).

IV. DISCUSSION OF PRINCIPAL REASONS AND FACTORS

In forming our opinion and recommendations below, we have taken into account the factors set out under the section III above, none of which can be considered in isolation. We would like to draw the attention of the Disinterested Shareholders and Award Holders in particular to the points summarised below:

(a) L'Occitane — a group with core brands but experiencing decreasing profitability

The Company holds a portfolio of diversified brands, including through acquisitions over the last couple of years. Its core brand L'OCCITANE en Provence, with the highest gross profit margin, has consistently been the largest revenue contributor but its net sales growth has recently slowed down, from 15% in FY2022 to 4.4% in FY2023 and further deteriorated to (2.3)% in FY2024. Newer brands, ELEMIS and Sol de Janeiro, took their turn to become the growth engine and in aggregate made up nearly a quarter for FY2023, and more than one-third for FY2024, of the Group's total net sales. Sol de Janeiro, which was acquired in FY2022, doubled its sales in FY2024 as compared to FY2023 and has become the second largest brand of the Group. As a result, the Group's overall net sales registered a year-on-year increase of almost 20% for each of FY2023 and FY2024 while the overall gross profit margin gradually reduced from 82.2% in FY2022 to 79.3% in FY2024 due to (i) slowdown in the core brand's net sales being bolstered by rapid growth in the newer brands' net sales; but (ii) the newer brands' gross profit margins being 10 points lower than L'OCCITANE en Provence. Profit attributable to Shareholders dropped from €242.0 million for FY2022 to €115.1 million for FY2023 and further to €93.9 million for FY2024 mainly due to impairment losses on goodwill in respect of LimeLife and Melvita and significantly higher marketing investments for its core brand in key markets and channels and for the global expansion of newer brands.

Given (i) significant resources have been allocated to boost the visibility and relevance of its core brand, L'OCCITANE en Provence, mostly in China, and; (ii) newer brands need higher expenditure in various aspects to incubate but some of them (e.g. LimeLife and Dr. Vranjes Firenze) might not prove to be fruitful very soon, it is expected that such expenditure will continue to be significant in the near term and therefore it is uncertain when the Group will return or come close to its FY2022 profitability.



(b) The Offer Price is fair and reasonable

We consider the Offer Price of HK$34.00 to be fair and reasonable. The Offer Price is higher than the Share closing prices since its listing on 7 May 2010 and represents a premium of 125.5% over the IPO Price.

The Share closing price reached its highest at HK$33.60 on 12 January 2022 when the Group announced encouraging sales growth momentum (despite the resurgence of COVID-19) in certain key markets through quarterly updates for FY2022. At such time, the Group's core L'OCCITANE en Provence brand registered a 15% growth in net sales and China, being its then largest single country market, recorded 24.4% growth. The Group achieved its highest profitability in FY2022 since its listing. Thereafter, the Share closing price declined, which was, in our view, in line with its operating and financial performance as discussed in (a) above, and moved largely in line with HSI.

In 2023, the Share price performance and its liquidity saw some fluctuations and no longer moved in line with, but outperformed, HSI. Unusual increases in liquidity of the Shares were noted for some months, coupled with fluctuations of Share closing price, ahead of the Possible Offer. Share price dropped after termination of the Possible Offer on 11 September 2023 but resumed its uptrend from HK$20 in December 2023 to HK$26 on the Undisturbed Date when there was unusual increase in trading volume. The Offer Price of HK$34.00 represents a premium of approximately 30%–60% over the average closing price of the Share during the 60-trading day period on and prior to the Undisturbed Date, which falls within the range of, and higher than the median for 5-, 10-, 30- and 60-trading days of, the Privatisation Precedents.

The Offer Price will not be increased.

(c) Challenging market conditions

According to the Beauty Report, the United States and China, the biggest markets of the Group, both saw some changes in consumers' preferences and operating environment after the pandemic. In the United States, major brands face intensified competition with the number of small and mid-sized boutique brands continuing to grow. In China, more home-grown brands have entered the market, carving out market share with affordable prices and promotions. The Group's expenditures in various aspects may continue to rise in near term to counter these trends, which might weigh on its profitability.

(d) Premium over NAV per Share

The NAV of the Group decreased from €1.3 billion as at 31 March 2022, to €1.1 billion as at 31 March 2023 and further to €0.9 billion as at 31 March 2024, mainly due to the decrease in other reserves from the change in estimates in the valuation of the exercise price of put options granted to non-controlling interests. The Offer Price is about 6 times the Group's NAV per Share as at 31 March 2024, which is higher than all the Privatisation Precedents.



(e) The Cash Alternative vs the Share Alternative

The Share Offer comprises the Cash Alternative and the Share Alternative. The Cash Alternative is HK$34.00 per Offer Share. The Share Alternative will enable the Minority Shareholders to remain indirect shareholders in the Company on the basis of ten Rollover Shares (which are new shares of the Offeror) for each Offer Share subject to the Share Alternative Cap (being elections for the Share Alternative in respect of 73,743,145 Offer Shares, representing 5% of the total issued share capital of the Company and 18.3% of the Shares held by the Minority Shareholders). In the event of the total number of Offer Shares under valid acceptances to elect Share Alternative exceeding the Share Alternative Cap, the Rollover Shares will be allotted to such accepting Shareholders on *pro rata* basis and the remaining portion of such acceptances will be settled in cash at the Offer Price.

Offeror will undergo a corporate restructuring after Offer Closing Date, pursuant to which, amongst others, the Offeror Shareholder Loan, which will be needed to satisfy the consideration under Cash Alternative, the Vested Option Offer and the Liquidity Arrangement and received transaction expenses, will be capitalised in exchange for 10 Offeror Shares to be issued to LOG for every HK$34.00 of capitalised shareholder loan. It is assumed that when the Offers become effective, the Offeror's turnover, profits, assets and liabilities (on a consolidated basis) will be substantially the same as those of the Company. Minority Shareholders who wish to elect Share Alternative should note that their aggregate interest in the Company through Offeror upon completion of the Offers and the Liquidity Arrangement will be slightly reduced as discussed in section III.7.2 above.

The estimated value of the Offeror Share is HK$2.38 (if a 30% discount for non-marketability is applied) or HK$3.40 (equivalent to HK$34.00 per 10 Offeror Shares, the same as the Offer Price). The Rollover Shares that the Minority Shareholders who validly elect the Share Alternative will receive are subject to certain risks and restrictions. In particular, (i) the Rollover Shares are unlisted with no ready market; (ii) the holders of Rollover Shares, being minority shareholders of the Offeror, will only have limited shareholder protection rights; and (iii) dividends on the Rollover Shares will not be guaranteed. On this basis, we consider the Share Alternative to be suitable for sophisticated Minority Shareholders only, and we do not consider it suitable for Minority Shareholders without experience in, for example, investing as minorities in unlisted investment vehicles.

(f) Share Incentive Plans

Vested Option Holders are offered the "see-through prices" (being the Offer Price less the exercise price of each such Vested Option). **In the event the Share Offer becomes unconditional, the Vested Option Holders should note that such options will lapse after Offer Closing Date.** In order to support talent retention, Unvested Award Holders are offered the opportunity to enter into the Liquidity Arrangement whereby they are entitled to exit at the same "see-through prices" (being the Offer Price less the exercise price of each such Unvested Awards, if any) following its vesting in accordance with the existing schedule and conditions of grant under the relevant Share Incentive Plan. **In the event the Share Offer becomes unconditional and the Unvested Option Holders do not enter into a Liquidity Agreement on or before Offer Closing Date, each of them will become a shareholder of a privately-**



operated company upon vesting or exercise. Given it is both a regulatory requirement and a common market practice to adopt "see-through prices" and in view of the benefits the Vested Option Offer and the Liquidity Arrangement will bring to the Award Holders, we consider the terms of the Vested Option Offer and the Liquidity Arrangement to be fair and reasonable so far as the Award Holders are concerned.

(g) Cross check against the comparable companies

Two Hong Kong Comparable Companies have been identified but they mainly operate in one single market. In addition, 7 Global Comparable Companies, which operate in multiple markets, have been identified. Given the skincare/beauty industry is not asset-intensive in nature, we have looked at PERs for comparison purposes. In terms of PERs, the Offer Price compares favourably with the Hong Kong Comparable Companies and is within the range of, and higher than the average and median of, the Comparable Companies.

V. OPINION AND RECOMMENDATIONS

(i) Basic recommendation to Disinterested Shareholders and Award Holders — accept the Offers

Based on the above principal factors and reasons, we consider the terms of the Offers, including the Offer Price and "see-through prices" calculated thereon, are fair and reasonable so far as the Disinterested Shareholders and Award Holders are concerned. Accordingly, we advise the Independent Board Committee to recommend the Disinterested Shareholders and Award Holders to accept the Offers, subject to our comments in (iii) below.

(ii) Whether to accept the Cash Alternative or the Share Alternative

We recommend Disinterested Shareholders (other than sophisticated Shareholders as mentioned below) to accept the Cash Alternative of HK$34.00 and not to take the Share Alternative, which we consider to be suitable only for sophisticated Shareholders who have knowledge of and experience in investing as minority shareholders of privately held companies. In our opinion, only those Disinterested Shareholders who are particularly attracted by the background of the Offeror and are optimistic about the future prospects and profitability of the Group and have carefully studied the specific features of the Share Alternative and the associated risks of holding Rollover Shares (as discussed in the section III.7 above) should consider taking the Share Alternative.

(iii) Market price factors

The closing Share price as at the Latest Practicable Date was HK$33.20 per Share, slightly below the Offer Price of HK$34.00 per Offer Share. From the date of the Initial Announcement to the Latest Practicable Date, the closing Share price has not exceeded the Offer Price. In these circumstances, as there are still Conditions to the Share Offer unfulfilled or waived, those Disinterested Shareholders who are risk averse may consider selling in the market if a price discount is acceptable to them. There also is still a possibility that the Share price may exceed the Offer Price during the Offer Period. Although in our view this possibility

is not high, the Disinterested Shareholders should monitor the trading price and liquidity of the Shares during this period and, having regard to their own circumstances, consider selling their Shares in the open market if the net proceeds obtained from such disposal of the Shares (after deducting all transaction costs) would be higher than the net proceeds expected to be received under the Offers.

Yours faithfully,
for and on behalf of
SOMERLEY CAPITAL LIMITED

M. N. Sabine

M. N. Sabine
Chairman

Mr. M. N. Sabine is a licensed person registered with the Securities and Futures Commission of Hong Kong and a responsible officer of Somerley Capital Limited, which is licensed under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities. He has over forty years of experience in the corporate finance industry.

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To: The Board of Directors
L'Occitane International S.A.
49, Boulevard Prince Henri
L-1724 Luxembourg

2 July 2024

Dear Sirs,

Re: Composite Document in relation to the proposed privatisation by way of conditional voluntary general offers of L'Occitane International S.A. (stock code: 973) (the "Company") by J.P. Morgan Securities (Asia Pacific) Limited on behalf of L'Occitane Holding S.A. (the "Offeror") (the "Offers")

We refer to the composite document issued by the Offeror and the Company on 2 July 2024 (the "**Composite Document**") in connection with the Offers. Unless otherwise stated, capitalised terms used in this letter shall have the same meanings as those defined in the Composite Document.

We hereby give our consent and confirm that we have given and have not withdrawn our written consent to the issue of the Composite Document with the inclusion of our letter of advice, and references to our name in the form and context in which they respectively appear.

We also consent to this letter being made available for inspection as described in the section headed "DOCUMENTS ON DISPLAY" in Appendix III to the Composite Document.
We hereby further confirm that, as at the Latest Practicable Date:

1. we did not have in any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and

2. we were not interested, directly or indirectly, in any assets which have been or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2024, being the date to which the latest published audited accounts of the Company were made up.

For and on behalf of
Somerley Capital Limited

M. N. Sabine

Name: M. N. Sabine
Title: *Chairman*