

Interim Management Statement | January – 31 December 2021

	LC SALES	EURO SALES	ADJUSTED EBITDA
<i>Fourth quarter</i>	<i>(12%)</i>	<i>(10%)</i>	<i>€42.6m (€50.8m)</i>
<i>Year-to-date</i>	<i>(9%)</i>	<i>(12%)</i>	<i>€188.9m (€178.6m)</i>

Three months ended 31 December 2021

“Adjusted” figures exclude non-recurring and purchase price allocation (PPA) related items. For additional information refer to the alternative performance measures on page 13 and to the condensed consolidated income statements on pages 15 and 16.

- Local currency sales decreased by 12% and Euro sales decreased by 10% to €277.3m (€307.5m).
- Adjusted EBITDA margin was 15.4% (16.5%) and adjusted EBITDA amounted to €42.6m (€50.8m).
- Adjusted operating margin was 12.5% (13.7%), positively impacted by 50 bps from currencies, and adjusted operating profit was €34.7m (€42.1m).
- Adjusted net profit was €13.8m (€15.4m).
- Adjusted cash flow from operating activities was €53.3m (€75.0m) and adjusted cash flow before financing activities was €59.8m (€69.7m).
- Cash and cash equivalents at the end of the period amounted to €118.9m (€241.9m).
- Total debt amounted to €774.9m (€786.1m), secured debt amounted to €735.6m (€748.0m) and the Net Secured Debt ratio was 3.3 (2.8).
- Update on Covid-19 impact: Following the outbreak of the Omicron wave, temporary restrictions on international travel and social gatherings were reinstated. These restrictions are gradually being relaxed after the start of 2022.

Twelve months ended 31 December 2021

“Adjusted” figures exclude non-recurring and purchase price allocation (PPA) related items. For additional information refer to the alternative performance measures on page 13 and to the condensed consolidated income statements on pages 15 and 16.

- Local currency sales decreased by 9% and Euro sales decreased by 12% to €1,016.5m (€1,156.9m).
- Adjusted EBITDA margin was 18.6% (15.4%) and adjusted EBITDA amounted to €188.9m (€178.6m).
- Adjusted operating margin was 15.4% (12.3%), negatively impacted by 110 bps from currencies, and adjusted operating profit was €156.4m (€141.9m).
- Adjusted net profit was €71.5m (€31.4m).
- Adjusted cash flow from operating activities was €40.8m (€160.8m) and adjusted cash flow before financing activities was €75.2m (€191.5m).
- The Board of Directors is proposing to pay a dividend of €30.5m for 2021 (to be compared with €30.5m dividend 2020).

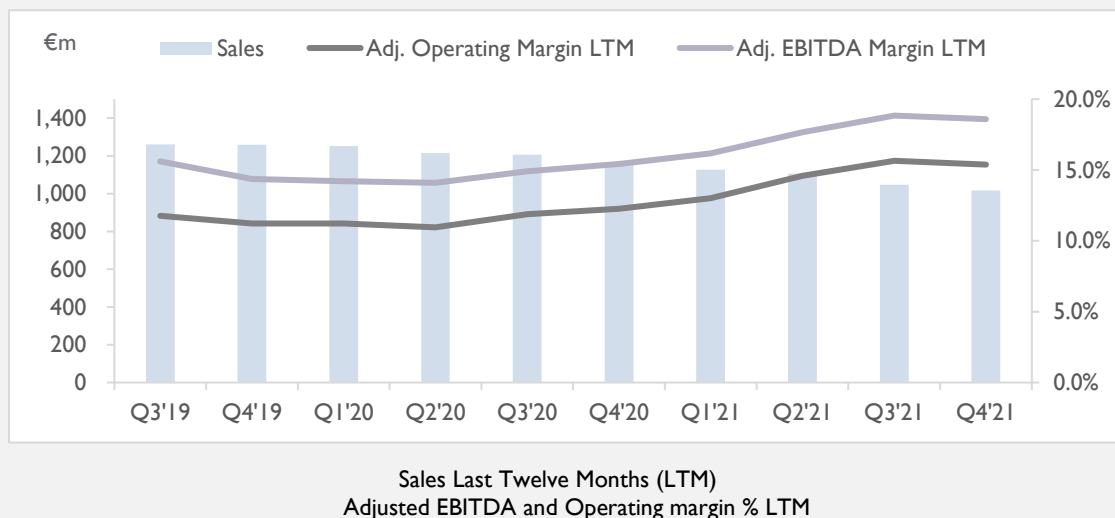
“Another year has ended, where we managed to navigate our business through various challenges. The pandemic continued to impact our possibility to fully exploit our social business model, where gatherings to train, motivate and celebrate our brand partners are important factors to drive a growing business. This affected the activity levels and recruitment numbers in the quarter and for the year. The actions taken to improve sales have rendered sequential improvement in the quarter, although we have a gap to close to get back to growth. Under these circumstances it is indeed encouraging to see the fast technological development of all modern online tools that continuously are being launched and used within our community. The successful product launches during the year have set a good foundation for future growth. We have healthy margins supported by lower incentive plans cost, although weakened in the quarter due to comparable numbers, cost inflation combined with price adjustments in some geographies and one-off inventory provisions. Our key focus ahead is on regaining the sales momentum and continuously drive an efficient, profitable and cash generative business.”

CEO Magnus Brännström



Key financial data

3 months ended 31 December 2021



Financial summary

"Adjusted" figures exclude non-recurring and purchase price allocation (PPA) related items. For additional information refer to the alternative performance measures on page 13 and to the condensed consolidated income statements on pages 15 and 16.

€m	3 months ended 31 December			12 months ended 31 December		
	2021	2020	Change %	2021	2020	Change %
Sales	277.3	307.5	(10%)	1,016.5	1,156.9	(12%)
Adj. Gross margin, %	63.5	71.1		68.1	68.3	
Adj. EBITDA	42.6	50.8	(16%)	188.9	178.6	6%
Adj. EBITDA margin, %	15.4	16.5		18.6	15.4	
Adj. Operating profit	34.7	42.1	(18%)	156.4	141.9	10%
Adj. Operating margin, %	12.5	13.7		15.4	12.3	
Adj. Net profit	13.8	15.4	(11%)	71.5	31.4	128%
Adj. Cash flow from operating activities	53.3	75.0	(29%)	40.8	160.8	(75%)
Adj. Cash flow before financing activities	59.8	69.7	(14%)	75.2	191.5	(61%)
Total debt	774.9	786.1		774.9	786.1	
Secured debt	735.6	748.0		735.6	748.0	
Net Secured Debt ratio	3.3	2.8		3.3	2.8	

Oriflame in brief

Founded in 1967, Oriflame is a beauty company selling direct in more than 60 countries. Its wide portfolio of Swedish, nature-inspired, innovative beauty products is marketed through approximately 2.5 million Members, generating annual sales of around €1.0 billion (2021). Respect for people and nature underlies Oriflame's operating principles and is reflected in its social and environmental policies. Oriflame supports numerous charities worldwide and is a Co-founder of the World Childhood Foundation.



Operational and market update for the quarter

Group and geographies



EURO SALES
GROWTH IN CIS
AND DECLINE IN
ALL OTHER
REGIONS

In the fourth quarter 2021 sales continued to decline, though significantly less than in previous quarter. The Group's sales in local currency decreased by 12%. The price/mix remained in line with the previous quarter positive by 2%, only offsetting part of the declining unit sales of 14%. In the quarter the mix is on par with the average of the year, while the price is below. This implies negative impact on the gross margin in the quarter compared to prior year. The foreign exchange rates of Oriflame's key currencies on average strengthened against the Euro versus the same period prior year and their impact on the Group sales was positive with 200 bps. The Group Euro sales decrease was 10% compared to the same quarter prior year. Adjusted EBITDA decreased in the quarter, negatively impacted by the lower sales, pricing and cost inflation, partially compensated by lower selling and marketing expenses and lower administrative expenses. The lower sales and marketing expenses were due to lower sales volumes and lower Independent Brand Partners remuneration and incentives related costs as a result of lower recruitment activity (less bonuses, qualifications for cash awards and conference participation). The lower administrative costs were a result of reversal of staff incentives related accruals and other operational efficiency improvements executed during 2020. The adjusted operating cash flow decreased due to lower sales and timing differences in the payment of the notes related interest.

During the fourth quarter, Covid-19 continued to influence Oriflame's markets and affect the top line negatively mainly in Asia, Turkey & Africa and Latin America. In most markets live meetings and events are still not possible to organize, which impacts the training and motivation of the Independent Brand Partners and slows down the recruitment of new Members. The transformation to digital events as a complement to the physical meetings continues and the physical meetings, events and conferences are restarted wherever possible.

In *Latin America* the Euro sales decreased by 16% due to lower number of Members mainly in Mexico, Peru and Colombia. This is a result of weak performance in recruitment during the second half of 2021, which was partially offset by successful reactivation programs. The sales activity was stable for the region as a whole with slightly declining productivity. During the quarter the region made investments to turn around the sales and to decrease the excess inventory. This resulted in an operating margin decrease to 5.8% from 11.9% prior year.

In *Turkey & Africa* the Euro sales decreased by 17% due to a decrease in the number of Members and lower recruitment in Africa. Turkey was the only market recording small positive Euro sales growth despite of the 47% negative foreign currency impact on sales. The strong devaluation of the Turkish Lira impacted the gross margin in the region negatively. The lower gross margin and the increased selling and marketing expenses resulted in the decrease of the operating margin to 14.7% from 16.0% prior year.

In *Europe* the Euro sales decreased by 9%. Sales per Member increased with low single digits. The recruitment of new Members continued to be low during the quarter. Spain and Portugal faced the biggest challenges and the countries in the Balkans performed relatively better. The operating margin for the quarter increased to 16.3% from 14.7% prior year mainly due to lower selling expenses as a result of decreasing sales and lower administrative expenses due to improved efficiencies.

In *CIS* the Euro sales increased by 6% driven by a favourable exchange rate impact of 7% and higher productivity. The growth in the number of Members remains the key challenge in the weakening purchasing power environment. Mongolia and Armenia were the best performing markets during the quarter in the region. The favourable exchange rate impact and the significantly lower selling and marketing expenses as a result of leadership development slowdown (less bonuses, qualifications for cash awards and conferences participation), timing of selling and marketing costs contributed to the increase of the operating margin to 21.5% from 12.2% prior year.

In *Asia* the Euro sales decreased by 23% during the quarter due to lower number of Members and lower activity levels. The Covid-19 impact on the business largely remains due to limitations in holding events and conferences to the desired extent in all markets. Operating margin decreased from 13.1% to 11.8% mainly due to higher price discounting and sales actions to reduce excess inventory.

Sustainability

During the quarter, Oriflame continued to deliver on its sustainability objectives. In the annual disclosure to CDP for Climate Change and Forests, Oriflame received the score B in both categories.

At the manufacturing site in Poland, a pilot station of solar panels was installed with a capacity of delivering more solar power.

Oriflame was recognised as a 2022 ESG Industry Top-Rated company by Sustainalytics. Oriflame is ranked 7 out of 101 global companies in the category "Household products".

In a recent study issued by the company Kantar on 3 September 2021 - Who Cares, Who Does? -, Oriflame was selected as one of the top 6 brands globally that does a lot for society.



Brand and Innovation

Several launches were made in the fourth quarter.

Within *Skincare* Oriflame launched **NovAge Skinrelief** – the first range to combine the messages of skin sensitivity with strong antiaging results. A new limited edition of **The Tender Care Protecting Balm** with Strawberry Seed oil and **Love Nature Skin Hydrating Kiwi Patches** were also launched.

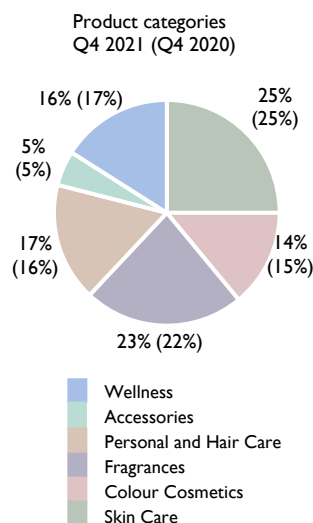
In *Wellness* Oriflame continued the roll-out of Meal Replacement and the Weight management routine, including the roll-out of Wellness Clubs, to support the Oriflame community for efficient and sustainable weight management journeys.

Within *Colour cosmetics* **Giordani Gold** introduced a limited edition lipsticks in three exclusive shades. A relaunch of one of Oriflame's best selling mascaras, now with an exceptional volume, length and intense deep black finish, was also made.

In the *Fragrance* portfolio the **Signature Parfum for Her and for Him** – a new innovative collaboration, with Master Perfumer Olivier Cresp and his son Sebastien, was introduced. Both fragrances have been crafted with the same hero note, Pink Pepper. Obtained by CO2 extraction – today, one of the most advanced, safe and ecological processes – it connects both parfums with a fresh & modern signature scent.

Within *Personal and Hair Care* the fourth quarter is the gift giving season. This winter Oriflame offered ten products across a wide range of segments: soap bars, hand cream, body creams, foot cream, liquid soap, shower cream, and bubble bath, so everyone could find a great gift.

Within the *Accessories* category the fourth quarter is the highlight of the **Norrskén Winter collection**. In Beauty tools most of the products are complementing the launches from other categories and the seasonal accessories for the holiday span from giftable jewellery to gifts for men.



Online

The fourth quarter of 2021 ended with 98% (97%) of total order volume placed online and 36% (34%) of all orders were placed using the Oriflame app. Including the Oriflame app volumes, a total of 65% (63%) of all orders, and in terms of traffic 84% (84%) of all visitor sessions, came from mobile devices.

For the majority of the fourth quarter, key activities were focused on development and implementation of activities related to the 55th anniversary (the Race for 55 module in the Business app) and the new eCatalogue for the website and the Oriflame app. The Race for 55 is a leadership programme designed to increase recruitment rates and Brand Partner sales activity. The eCatalogue is a digital version of the Oriflame catalogue, enriched with animated content, improved product information and attractive behind-the-scenes material. The Business app module for Race for 55 was enabled in 47 markets, while 40 markets adopted the new eCatalogue. Further rollout, support and improvement activities dominated the agenda also in other areas.

A new design of the checkout process was released in selected countries, with positive feedback from VIP Customers and Brand Partners. The rollout of the new e-commerce platform is just like the Mobile Office nearing full coverage.

The Oriflame App Suite also offered several major upgrades, most of which were related to supporting the Race for 55 and eCatalogue initiatives. For the Business App further features supporting Brand Partners in managing subscriptions and VIP Customer sales were also released. Further integration and sharing capabilities for the eCatalogue along with stability and performance enhancements were key elements of the Oriflame App releases. Following the efforts on securing stable operations and a high-quality user experience of the main apps, user satisfaction has significantly improved, with a solid increase of the app ratings as a consequence.

App users:

Oriflame app	1,106,000 Monthly Active Users
Business app	662,000 Monthly Active Users

Service, Manufacturing and Other

Due to inflationary pressure input costs and distribution costs have been rising in the second half of the year.

After achieving significant growth in production during the first half of 2021, the second half was challenging within manufacturing and production resulting in a volume drop versus previous year. The Cetes external sales achieved a growth in the quarter and for the full year.

Cetes continued its path to digital transformation and focus and resources were allocated mainly to the new ERP system implementation. Additional activities continued in parallel which are expected to lead to further improvements and enhancement in the production division. The Covid-19 impact on the manufacturing operations was much lower compared to prior year.



HEALTHY
PROFITABILITY
DESPITE DECLINING
SALES

Three months ended 31 December 2021

“Adjusted” figures exclude non-recurring and purchase price allocation (PPA) related items. For additional information refer to the alternative performance measures on page 13 and to the condensed consolidated income statements on pages 15 and 16.

Sales

Euro sales decreased by 10%, or €30.2m, to €277.3m for the three months ended December 31, 2021 compared with €307.5m for the same period last year. CIS recorded growth, while all other business areas experienced decline in Euro sales.

Local currency sales decreased by 12% mainly due to a decline in the average number of Members to 2.4m (2.9m). Unit sales decreased by 14% and the price/mix effect was positive with 2%. Local currency sales decreased in all business areas: Latin America 17%, CIS 1%, Europe 9%, Turkey & Africa 7% and Asia 27%. Manufacturing increased sales to third parties both in Euro and local currency.

Costs and expenses

Cost of sales (36.5% of sales compared to 28.9% prior year)

Cost of sales increased by 14% or €12.2m to €101.2m for the three months ended December 31, 2021 from €89.0m for the same period in 2020 primarily due to one off inventory provision (€5.0m), prior year favorable impact related to reversal of inventory provisions, adjusted price to drive improvement on sales, lower recoveries in supply chain and manufacturing and increase in products cost linked to the recent cost inflation. The cost of sales percentage increased due to the same reasons.

Selling and marketing expenses (30.9% of sales compared to 32.7% prior year)

Selling and marketing expenses decreased by 15%, or €14.9m, to €85.8m for the three months ended December 31, 2021 from €100.6m for the same period in 2020. This decrease was primarily related to higher costs in the same period prior year, when prepaid costs for cancelled conferences were written off.

Distribution and infrastructure expenses (2.4% of sales compared to 2.3% prior year)

Distribution and infrastructure expenses decreased by 3%, or €0.2m, to €6.8m for the three months ended December 31, 2021 from €6.9m for the same period in 2020. The decrease in absolute terms was due to lower sales in the quarter. The increase in these costs as a percentage of sales was due to deleveraging and overall increases in transportation fees.

Administrative expenses (18.5% of sales compared to 23.6% prior year)

The administrative expenses for the three months ended December 31, 2021 included €1.8m related PPA items (€3.7m for the same period prior year) and restructuring costs of €0.5m. On a comparable basis, excluding non-recurring and PPA related items, the adjusted administrative expenses decreased during the period to €48.8m from €68.8m for the same period in 2020. The reversal of accruals related to management incentives during the fourth quarter in 2021 versus additional staff bonuses provided for during the same period prior year is the main reason which contributed to a positive variance in the administrative expenses.

Net financing costs (4.0% of sales compared to 6.0% prior year)

Net financing costs decreased by 40% or €7.4m, to €11.1m for the three months ended December 31, 2021 from €18.5m for the same period in 2020. Around €6.0m of the favourable variance was due to lower interest expenses in the current quarter after the refinancing in the beginning of May 2021 and the rest was due to favourable variance in the fair value of the financial instruments.

Adjusted income tax expenses (€9.9m compared to €8.5m prior year)

On a comparable basis, excluding non-recurring and PPA impact, the tax expenses were higher than the same quarter a year ago at €9.9m (€8.5m), due to reversal of previously recognised deferred tax assets as a result of negative sales momentum.



Adjusted EBITDA

“Adjusted” figures exclude non-recurring and purchase price allocation (PPA) related items. For additional information refer to the alternative performance measures on page 13 and to the condensed consolidated income statements on pages 15 and 16.

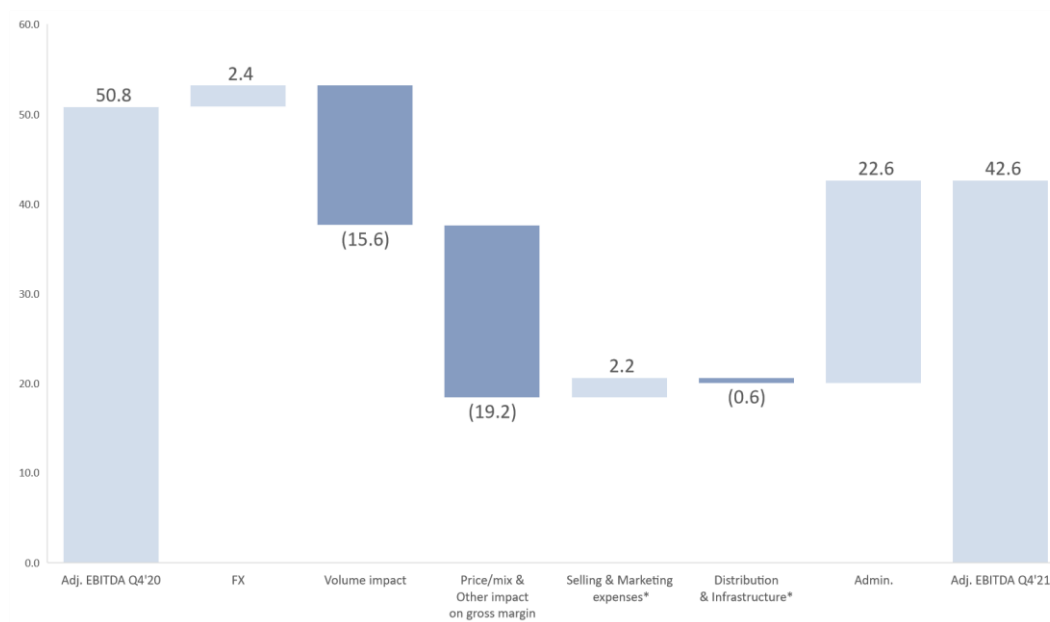
Adjusted EBITDA decreased by 16.2%, or €8.2m, to €42.6m for the three months ended December 31, 2021 from €50.8m for the same period in 2020, negatively impacted by lower sales and gross margins, partially compensated by lower selling and marketing expenses and lower administrative expenses. The adjusted EBITDA margin was 15.4% compared to 16.5% prior year.



€42.6m

ADJUSTED EBITDA

ADJUSTED EBITDA VS. PRIOR YEAR (€m)



* Excluding volume impact



Twelve months ended 31 December 2021

“Adjusted” figures exclude non-recurring and purchase price allocation (PPA) related items. For additional information refer to the alternative performance measures on page 13 and to the condensed consolidated income statements on pages 15 and 16.

Sales

Sales for the twelve months ended December 31, 2021 decreased by 12%, or €140.4m, to €1,016.5m compared with €1,156.9m in 2020. All business areas experienced a decline in Euro sales: Latin America 4%, CIS 10%, Europe 5%, Turkey & Africa 25% and Asia 21%.

Local currency sales decreased by 9% mainly due to a decline in the average number of Members to 2.5m (2.8m). Unit sales decreased by 17% and the price/mix effect was positive by 8%.

Local currency sales decreased in all business areas: Latin America 2%, CIS 4%, Europe 5%, Turkey & Africa 16% and Asia 20%.

Costs and expenses

Cost of sales (31.9% of sales compared to 31.7% adjusted prior year)

On a comparable basis, and excluding the PPA related items of €13.5m in the cost of sales in prior year, the cost of sales for the twelve months ended December 31, 2021 decreased by 11%, or €42.2m, to €324.7m from €366.9m in 2020 due to lower sales volumes. The cost of sales percentage in relative terms is slightly higher in 2021 due to increased inventory provisions, deleveraging and increased product costs linked to recent cost inflation.

Selling and marketing expenses (28.9% of sales compared to 31.0% prior year)

Selling and marketing expenses decreased by 18%, or €65.1m, to €293.4m for the twelve months ended December 31, 2021 from €358.6m in 2020. The decrease was due to the lower sales volume, optimizations in the business remuneration plan for Independent Brand Partners, lower recruitment activity and cancellation of the international conferences in 2021. In the future we expect the selling and marketing expenses to increase in both absolute and relative terms as soon as the sales improve.

Distribution and infrastructure expenses (2.6% of sales compared to 2.4% prior year)

Distribution and infrastructure expenses decreased by 6%, or €1.6m, to €26.3m for the twelve months ended December 31, 2021 from €27.9m in 2020. These costs slightly increased on a comparable level as a percentage of sales, due to deleveraging and overall increases in freight costs.

Administrative expenses (22.4% of sales compared to 24.8% prior year)

The administrative expenses for the twelve months ended December 31, 2021 included €10.8m PPA related items, €0.4m non-recurring costs in relation to the refinancing of the long term debt and €0.5m non-recurring restructuring costs, while in 2020 those included €10.1m non-recurring restructuring costs and €14.6m PPA related items. On a comparable basis, excluding non-recurring and PPA related items, the adjusted administrative expenses decreased during the period to €215.7m from €261.7m for the same period in 2020. The decrease was mainly due to favourable variance in staff incentive costs and implemented efficiencies.

Net financing costs (10.7% of sales compared to 7.0% prior year)

Net financing costs increased by 35% or €28.0m to €108.7m for the twelve months ended December 31, 2021 from €80.7m for the same period in 2020. This significant increase was due to the refinancing of the long-term debt and for which non-recurring costs amounting to €60.3m were recognized. These costs covered the make-whole payment of the old Notes (€41.3m) and the one-off amortization of the corresponding capitalized front-end fees (€19.0m). On a comparable basis, compared to prior year, net financing costs decreased by €32.3m due to a positive variance of €15.2m on foreign exchange rates differences and the decrease of the interest borrowing costs after the recent refinancing.

Adjusted income tax expenses (€36.9m compared to €30.9m prior year)

On a comparable basis, excluding non-recurring and PPA impact, the tax expenses were higher than in the same period a year ago because of increased adjusted profit before tax. The non-recurring refinancing costs do not have tax cost reduction impact for the Group.



INCREASED
INVENTORY
PROVISIONS
AFFECTED GROSS
MARGIN



2.5m

MEMBERS AT THE
END OF DECEMBER
2021



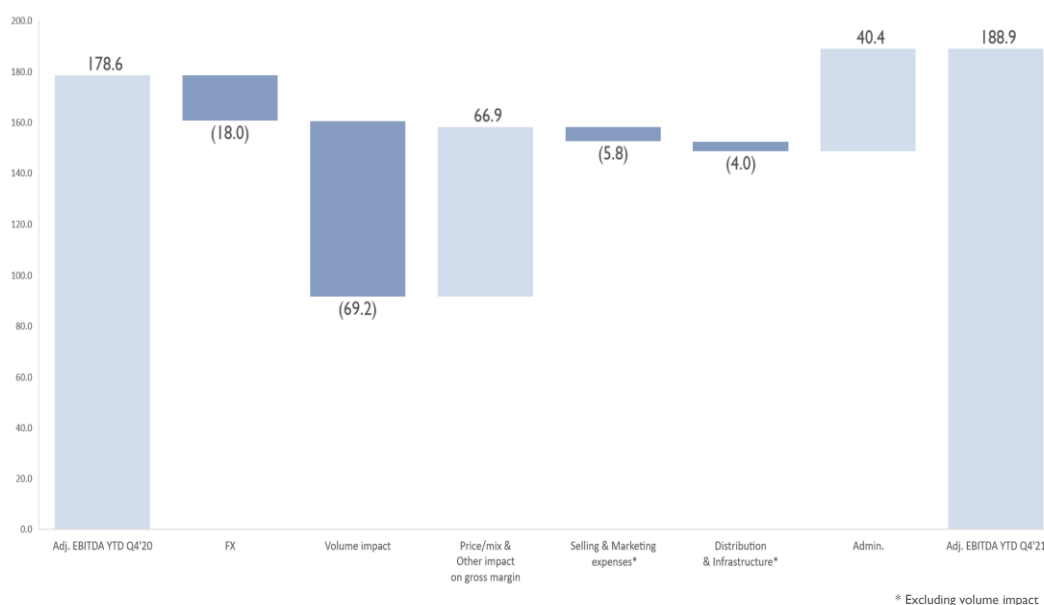
€188.9m
ADJUSTED EBITDA

Adjusted EBITDA

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Adjusted EBITDA increased by 6%, or €10.4m, to €188.9m for the twelve months ended December 31, 2021 from €178.6m for the same period in 2020. Despite the lower sales and the negative impact of the unfavourable foreign exchange rates, the EBITDA increased due to lower selling and marketing expenses and lower administrative expenses. The adjusted EBITDA margin was 18.6% compared to 15.4%.

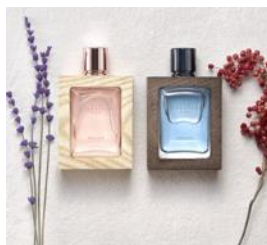
ADJUSTED EBITDA VS. PRIOR YEAR (€m)





Cash flow and investments

“Adjusted” figures exclude non-recurring and purchase price allocation (PPA) related items. For additional information refer to the alternative performance measures on page 13 and to the condensed consolidated income statements on pages 15 and 16.



€59.8m

ADJ. CASH FLOW
BEFORE FINANCING
ACTIVITIES IN THE
QUARTER

Cash flow from operating activities

Adjusted cash flow from operating activities was €53.3m in the three months period ended December 31, 2021 compared to €75.0m for the same period in 2020. The lower adjusted cash flow from operating activities is mainly explained by the lower EBITDA, €2.7m increase in working capital and the higher interest paid during the quarter of €13.4m (€1.1m), which is a timing difference. Following the refinancing in May 2021 the timing of the notes interest payments changed. The €250m Floating Rate Senior Secured notes interest is payable quarterly, while the \$550m Senior Secured Notes interest is payable biannually in May and November. The interest of the notes in 2020 was paid in February and August.

For the twelve months period ended December 31, 2021 the adjusted cash flow from operating activities was €40.8m (€160.8m). The lower adjusted cash flow from operating activities in 2021 was mainly due to €24.9m increase of inventory levels in the current year versus €33.4m inventory decrease in prior year. The decrease of trade and other payables for the twelve months period ended December 31, 2021 includes around €23.2m reversal of accruals related to staff incentive programs and cancelled conferences. Around €25.0m timing difference from 2020 negatively impacted the 2021 decrease in trade and other payables cash flow line. The decrease is mitigated by around €6.0m positive impact from 2021 year-end timing difference. The non-adjusted cash flow from operating activities for the twelve months ended December 31, 2021 was €-17.0m (€133.4m) which included cash outflow from non-recurring items of €57.3m (€26.3m).

Cash flow used in investing activities

Cash flow used in investing activities for the three months ended December 31, 2021 was €2.3m, compared to €0.9m for the same period in 2020.

For the twelve months period ended December 31, 2021 cash flow used in investing activities was €6.9m compared to €5.9m for the same period in 2020. The annual cash flow used for investing in assets continues to be on low levels.

Cash flow used in financing activities

Cash flow used in financing activities for the three months ended December 31, 2021 was €29.2m, compared to 6.7m for the same period 2020. During the quarter the Group fully repaid the Revolving Credit Facility of €25.0m, while in the same period prior year the Group repaid a loan of €2.5m, which was drawn down in May 2020 in one of the subsidiaries for hedging and risk mitigation reasons.

For the twelve months period ended December 31, 2021 the cash flow used in financing activities was €101.0m compared to €17.9m in the same period in 2020. The main reason for the higher cash outflow in the twelve months period ended December 31, 2021 is the refinancing of the long-term debt in May 2021. In addition, a dividend amounting to €30.5m was paid during the first half of the year.

Adjusted cash flow before financing activities

Adjusted cash flow before financing activities for the three months ended December 31, 2021 was €59.8m compared to €69.7m in 2020. The difference is mainly explained by the lower EBITDA.

For the twelve months period ended December 31, 2021 adjusted cash flow before financing activities was €75.2m compared to €191.5m for the same period in 2020. The difference was mainly due to the variances leading to lower cash flow from operating activities as explained in the “cash flow from operating activities” paragraph above.



The following table illustrates the company's cash flow before financing activities for the different periods.

€m	3 months ended 31 December		12 months ended 31 December	
	2021	2020	2021	2020
Cash flow from operating activities	52.8	72.5	(17.0)	133.4
<i>Excluding</i> interest received	(0.2)	(1.1)	(1.5)	(2.1)
<i>Excluding</i> interest and bank charges paid	13.5	1.4	115.0	58.9
Cash flow used in investing activities	(2.3)	(0.9)	(6.9)	(5.9)
Payment of lease liabilities	(4.2)	(4.2)	(16.8)	(17.8)
Non-recurring and PPA items	0.2	1.9	2.3	25.1
Adj. cash flow before financing activities	59.8	69.7	75.2	191.5



3.3

NET SECURED
DEBT RATIO

Funding and financial position

Oriflame's long-term debt as of December 31, 2021 amounts to €735.6m carrying amount, excluding capitalized front-end fees. It consists of €250m Floating Rate Senior Secured notes due 2026 (the "Euro Notes") and \$550m Senior Secured Notes (the "Dollar Notes") due 2026, which were successfully issued on 4 May 2021. The Euro Notes bear interest at a rate of the sum of (i) three-month EURIBOR (with 0% floor), plus (ii) 4.250% per annum, reset quarterly. The Dollar Notes bear interest at a rate of 5.125% per annum. After hedging the average interest rate of both Notes is 3.8% excluding the effect from amortization of capitalized front end fees. As of December 31, 2021, the RCF was not drawn and the cash and cash equivalents were €118.9m. The current corporate and notes ratings are respectively B1/B1 from Moody's, B+/BB- from Fitch and B+/B+ from S&P Global. The company was in compliance with all of its covenants related to the outstanding debt as of December 31, 2021.

	€ Note	\$ Note	Revolving Credit Facility
Total amount	€250m	\$550m	€100m
Interest rate	3 month Euribor + 4.25%*	5.125%**	EURIBOR +200-300 bps
Due	2026	2026	2025
Drawing as per 31 December, 2021			-

* Swapped into fixed EUR with margin 0.14%

** Swapped € interest rate 3.47%

As of December 31, 2021, total debt amounted to €774.9m (€786.1m), secured debt amounted to €735.6m (€748.0m), net secured debt amounted to €616.8m (€506.1m) and the Net Secured Debt ratio was 3.3 (2.8).

Dividend 2022

The Board of Directors is proposing to pay a dividend of €30.5m for 2021 (to be compared with €30.5m dividend 2020).

Financial calendar for 2022

The Annual Report 2021 will be published on or about 21 April 2022

The first quarter 2022 report will be published on 21 April 2022

The second quarter 2022 report will be published on 21 July 2022

The third quarter 2022 report will be published on 21 October 2022

The date for the fourth quarter 2022 report will be communicated at a later stage

Other

Conference call for the financial community

The company will host a conference call on Thursday 24 February 2022 at 15.00 CET.

Participant access numbers:

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The conference call will also be audio web cast in "listen-only" mode through Oriflame's website:

www.oriflame.com or through the following link **<https://oriflame-ir.creo.se/220224>**

This report has not been audited by the company's auditors.



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Alternative Performance Measures (APMs)

Alternative Performance Measures represent key metrics to provide supplemental information which are used to help both investors and management to analyze trends and performance of the Group's operations. Since not all companies calculate the same financial performance indicators, these are not always comparable to the APMs of other companies. Therefore, these financial performance measures should not be considered as a substitute for ratios defined in IFRS, but rather as an addition.

For calculations of the APMs used by Oriflame, please visit:

<https://investors.oriflame.com/en/alternative-performance-measures>

Definitions

Adjusted EBITDA

Operating profit before financial items, taxes, depreciation and amortization and equity-settled share-based incentive plan, excluding non-recurring items and purchase price allocation items.

Adjusted gross profit

Gross profit excluding purchase price allocation items.

Adjusted net profit

Profit for the period excluding non-recurring items and purchase price allocation items.

Adjusted operating profit

Operating profit excluding non-recurring items and purchase price allocation items.

Adjusted Cash flow before financing activities

Adjusted Cash flow from operating activities excluding interest received and interest and bank charges paid less cash flow used in investing activities and payment of lease liabilities.

EBITDA

Operating profit before financial items, taxes, depreciation, amortization and equity-settled share-based incentive plan.

Independent Brand Partners

Independent Brand Partners refers to the registered actives who are eligible to benefit and earn from the Oriflame Success Plan (business/commission plan).

Members

Members are all Independent Brand Partners and online customers who have placed at least one order within the last three months.

Net Secured Debt ratio

Secured Debt less cash and cash equivalents divided by Adjusted EBITDA.

Secured Debt

Non-current and current interest-bearings loans secured by a Lien, excluding front end fees (Senior Secured Notes and Revolving Credit facility).

Total debt

Non-current and current interest-bearings loans (excluding front end fees), bank overdraft and lease liabilities.



Quarterly Figures

“Adjusted” figures exclude non-recurring and purchase price allocation (PPA) related items. For additional information refer to the alternative performance measures on page 13 and to the condensed consolidated income statements on pages 15 and 16.

Financial summary	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21
Sales, €m	280.8	307.5	272.8	245.0	221.4	277.3
Adj. Gross margin, %	67.2	71.1	69.5	70.9	68.8	63.5
Adj. EBITDA, €m	46.4	50.8	45.1	53.0	48.3	42.6
Adj. EBITDA margin, %	16.5	16.5	16.5	21.6	21.8	15.4
Adj. Operating profit, €m	37.8	42.1	36.5	44.8	40.4	34.7
Adj. Operating margin, %	13.5	13.7	13.4	18.3	18.2	12.5
Adj. Net profit, €m	8.1	15.4	15.0	20.6	22.2	13.8
Adj. Cash flow from operating activities, €m	35.2	75.0	11.0	(29.2)	5.7	53.3
Adj. Cash flow before financing activities, €m	57.0	69.7	31.9	(19.8)	3.2	59.8
Cash flow used in investing activities, €m	(1.8)	(0.9)	(0.9)	(1.3)	(2.4)	(2.3)
Cash and cash equivalents, €m	178.5	241.9	219.6	90.3	99.4	118.9
Total debt, €m	812.7	786.1	798.4	764.9	783.9	774.9
Secured debt, €m	761.1	748.0	760.7	727.8	750.0	735.6
Net Secured Debt ratio	3.2	2.8	3.0	3.3	3.3	3.3
Sales, €m	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21
Latin America	38.3	41.4	34.1	35.9	35.0	34.6
Europe	60.2	73.6	59.1	57.5	50.6	66.9
CIS	73.7	80.8	73.2	68.9	57.6	85.9
Asia	76.5	80.2	73.1	57.5	58.5	62.0
Turkey & Africa	27.9	26.2	24.0	19.6	16.3	21.7
Manufacturing	2.3	3.7	7.2	4.3	2.3	4.9
Other	1.9	1.6	2.1	1.2	1.2	1.3
Oriflame	280.8	307.5	272.8	245.0	221.4	277.3
Adjusted operating Profit, €m	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21
Latin America	5.9	4.9	5.8	5.2	5.6	2.0
Europe	9.7	10.8	10.5	8.9	6.8	10.9
CIS	15.0	9.8	16.6	24.0	10.4	18.5
Asia	12.7	10.5	10.7	13.6	8.3	7.3
Turkey & Africa	6.4	4.2	7.0	4.1	2.5	3.2
Manufacturing	2.4	4.8	3.8	2.7	0.9	3.7
Other	(14.3)	(2.9)	(18.0)	(13.7)	5.9	(10.9)
Oriflame	37.8	42.1	36.5	44.8	40.4	34.7
Members, '000	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21
Latin America	331	331	294	285	288	284
Europe	492	558	501	457	440	496
CIS	843	1,020	896	795	730	893
Asia	772	681	630	593	575	535
Turkey & Africa	328	342	308	270	217	280
Oriflame	2,766	2,932	2,629	2,401	2,248	2,489
Adjusted operating margin, %	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21
Latin America	15.5	11.9	17.0	14.4	15.9	5.8
Europe	16.2	14.7	17.8	15.4	13.5	16.3
CIS	20.3	12.2	22.6	34.9	18.1	21.5
Asia	16.6	13.1	14.7	23.6	14.1	11.8
Turkey & Africa	22.8	16.0	29.3	21.0	15.3	14.7
Oriflame	13.5	13.7	13.4	18.3	18.2	12.5
€ Sales growth in %	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21
Latin America	(17)	(14)	(12)	30	(9)	(16)
Europe	9	(2)	3	2	(16)	(9)
CIS	7	(16)	(16)	(8)	(22)	6
Asia	(16)	(19)	(13)	(25)	(23)	(23)
Turkey & Africa	10	(18)	(17)	(23)	(41)	(17)
Oriflame	(3)	(14)	(10)	(8)	(21)	(10)



Condensed consolidated income statements – 3 months ended 31 December

€'000	2021	Non-recurring items*	PPA items**	Adjusted 2021	2020	PPA items**	Adjusted 2020
Sales	277,259			277,259	307,485		307,485
Cost of sales	(101,169)	-	-	(101,169)	(88,984)		(88,984)
Gross profit	176,091	-	-	176,091	218,501	-	218,501
Selling and marketing expenses	(85,778)			(85,778)	(100,644)		(100,644)
Distribution and infrastructure	(6,773)			(6,773)	(6,947)		(6,947)
Administrative expenses	(51,174)	521	1,837	(48,816)	(72,460)	3,695	(68,765)
Operating profit	32,366	521	1,837	34,724	38,450	3,695	42,145
Financial income	11,522			11,522	9,363		9,363
Financial expenses	(22,583)		127	(22,456)	(27,843)	265	(27,578)
Net financing costs	(11,061)	-	127	(10,934)	(18,480)	265	(18,215)
Loss from associates, net of tax	(101)			(101)	-		
Profit before income tax	21,204	521	1,964	23,689	19,971	3,960	23,930
Income tax expense	(9,627)	(107)	(200)	(9,935)	(7,866)	(682)	(8,547)
Profit for the period	11,576	414	1,764	13,754	12,105	3,278	15,383

* Non-recurring items cover:

2021: costs related to restructuring

** Purchase Price Allocation (PPA) items cover the income statement impact from the purchase price allocation on the business combination. These elements, mainly amortization of newly identified intangible assets during the PPA, are excluded to normalize the performance of the Group (for additional information refer to the document "Purchase Price Allocation – summary" available on the investors page or through the following link:

https://vp233.alertir.com/sites/default/files/report/oriflame_purchase_price_allocation_summary.pdf?v2assets).



Condensed consolidated income statements – 12 months ended 31 December

€'000	2021	Non-recurring items*	PPA items**	Adjusted 2021	2020	Non-recurring items*	PPA items**	Adjusted 2020
Sales	1,016,488			1,016,488	1,156,911			1,156,911
Cost of sales	(324,692)			(324,692)	(380,327)		13,474	(366,853)
Gross profit	691,796	-	-	691,796	776,584	-	13,474	790,058
Selling and marketing expenses	(293,434)			(293,434)	(358,584)			(358,584)
Distribution and infrastructure	(26,337)			(26,337)	(27,895)			(27,895)
Administrative expenses	(227,375)	895	10,818	(215,662)	(286,366)	10,066	14,589	(261,711)
Operating profit	144,650	895	10,818	156,363	103,739	10,066	28,063	141,868
Financial income	24,604			24,604	29,342			29,342
Financial expenses	(133,281)	60,272	593	(72,415)	(110,021)		1,168	(108,853)
Net financing costs	(108,676)	60,272	593	(47,811)	(80,680)	-	1,168	(79,512)
Loss from associates, net of tax	(101)			(101)	-			-
Profit before income tax	35,872	61,167	11,412	108,451	23,059	10,066	29,231	62,356
Income tax expense	(35,160)	(107)	(1,673)	(36,940)	(22,780)	(2,067)	(6,093)	(30,939)
Profit for the period	712	61,060	9,739	71,511	279	7,999	23,139	31,417

* Non-recurring items cover:

2021: costs related to the refinancing of the Group and restructuring

2020: restructuring costs

** Purchase Price Allocation (PPA) items cover the income statement impact from the purchase price allocation on the business combination. These elements, mainly amortization of newly identified intangible assets during the PPA, are excluded to normalize the performance of the Group (for additional information refer to the document “Purchase Price Allocation – summary” available on the investors page or through the following link:

https://vp233.alertir.com/sites/default/files/report/oriflame_purchase_price_allocation_summary.pdf?v2assets).



Condensed consolidated statements of comprehensive income

€'000	3 months ended 31 December		12 months ended 31 December	
	2021	2020	2021	2020
Profit for the period	11,576	12,105	712	279
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Remeasurements of net defined liability, net of tax	1,735	(1,950)	3,081	(1,950)
Total items that will not be reclassified subsequently to profit or loss	1,735	(1,950)	3,081	(1,950)
<i>Items that are or may be reclassified subsequently to profit or loss:</i>				
Foreign currency translation differences for foreign operations	5,365	(1,116)	21,985	(61,786)
Reclassification of foreign currency differences on loss of control	(16)	-	(16)	-
Cash flow hedges – effective portion of changes in fair value, net of tax	(1,013)	(7,479)	(6,456)	13,250
Cash flow hedges – recycled to income statement, net of tax	-	-	(3,970)	-
Total items that are or may be reclassified subsequently to profit or loss	4,336	(8,596)	11,543	(48,536)
Other comprehensive income for the period, net of tax	6,071	(10,546)	14,624	(50,486)
Total comprehensive income for the period attributable to owners of the Company	17,647	1,559	15,336	(50,207)



Condensed consolidated statements of financial position

€'000	31 December, 2021	31 December, 2020
Assets		
Property, plant and equipment	109,739	109,508
Right-of-use assets	37,034	37,398
Intangible assets	572,255	583,224
Goodwill	262,137	250,424
Investment in associates	94	-
Investment property	542	542
Deferred tax assets	24,660	36,136
Other long-term receivables	1,999	131
Derivative financial assets	21,314	-
Total non-current assets	1,029,775	1,017,363
Inventories	155,482	127,696
Trade and other receivables	47,354	51,165
Tax receivables	16,181	14,046
Prepaid expenses	20,792	16,968
Derivative financial assets	610	1,340
Cash and cash equivalents	118,853	241,947
Total current assets	359,274	453,162
Total assets	1,389,049	1,470,526
Equity		
Share capital	653,081	653,081
Reserves	(29,694)	(41,237)
Retained earnings	(313,769)	(287,042)
Total equity	309,618	324,802
Liabilities		
Interest-bearing loans	3 721,837	725,012
Employee benefits	10,677	23,529
Lease liabilities	26,149	22,359
Other long-term liabilities	2,006	1,068
Derivative financial liabilities	-	17,677
Deferred income	144	178
Provisions	12,678	6,028
Deferred tax liabilities	55,627	59,311
Total non-current liabilities	829,117	855,161
Lease liabilities	13,102	15,784
Trade and other payables	115,474	100,089
Contract liabilities	10,393	11,852
Tax payables	17,766	18,496
Accrued expenses	84,314	134,807
Derivative financial liabilities	1,454	1,241
Employee benefits	4,383	-
Provisions	3,430	8,294
Total current liabilities	250,314	290,563
Total liabilities	1,079,431	1,145,724
Total equity and liabilities	1,389,049	1,470,526



Condensed consolidated statements of changes in equity

€'000	Share capital	Reserves	Retained earnings	Total Equity
At 1 January 2020	653,081	7,300	(285,372)	375,008
Profit for the period	-	-	279	279
Other comprehensive income, net of tax	-	(48,536)	(1,950)	(50,486)
Total comprehensive income for the period	-	(48,536)	(1,671)	(50,207)
At 31 December 2020	653,081	(41,237)	(287,042)	324,802

€'000	Share capital	Reserves	Retained earnings	Total Equity
At 1 January 2021	653,081	(41,237)	(287,042)	324,802
Profit for the period	-	-	712	712
Other comprehensive income, net of tax	-	11,543	3,081	14,624
Total comprehensive income for the period	-	11,543	3,793	15,336
Dividends	-	-	(30,520)	(30,520)
Total contributions and distributions	-	-	(30,520)	(30,520)
At 31 December 2021	653,081	(29,694)	(313,769)	309,618



Condensed consolidated statements of cash flows – 3 months ended 31 December

€'000	2021	Non-recurring items	Purchase Price allocation items	2021 Adjusted	2020	Non-recurring items	Purchase Price allocation items	2020 Adjusted
Operating activities								
Profit before income tax	21,204	521	1,964	23,689	19,971	-	3,960	23,930
Adjustments for:								
Depreciation of property, plant and equipment and right-of-use assets	7,589		67	7,656	8,205		(15)	8,190
Amortization of intangible assets	2,090		(1,897)	193	3,874		(3,616)	258
Change in fair value of borrowings and derivatives financial instruments	(2,180)			(2,180)	1,874			1,874
Deferred income	296			296	936			936
Impairment					218			218
Unrealized exchange rate differences	3,252			3,252	(649)			(649)
Profit on disposal of property, plant and equipment, intangible assets, leased assets	(230)		(7)	(236)	(394)		(63)	(457)
Loss from associates, net of tax	101			101	-			-
Financial income	(6,529)			(6,529)	(7,086)			(7,086)
Financial expenses	16,547		(127)	16,420	21,602		(265)	21,337
	42,140	521	-	42,661	48,551	-	-	48,551
(Increase)/decrease in trade and other receivables, prepaid expenses and derivative financial assets	(3,786)			(3,786)	2,902			2,902
(Increase)/decrease in inventories	8,734			8,734	(9,576)			(9,576)
Increase in trade and other payables, accrued expenses and derivatives financial liabilities	22,573			22,573	34,096			34,096
Increase in provisions	378	(216)		162	776	2,210		2,986
Cash generated from operations	70,039	305	-	70,344	76,750	2,210	-	78,960
Interest received	222			222	1,051			1,051
Interest and bank charges paid	(13,543)		127	(13,415)	(1,375)		265	(1,110)
Income taxes paid	(3,881)			(3,881)	(3,940)			(3,940)
Cash flow from operating activities	52,837	305	127	53,270	72,486	2,210	265	74,961



Condensed consolidated statements of cash flows – 3 months ended 31 December (continued)

€'000	2021	Non-recurring items	Purchase Price allocation items	2021 Adjusted	2020	Non-recurring items	Purchase Price allocation items	2020 Adjusted
Cash flow from operating activities	52,837	305	127	53,270	72,486	2,210	265	74,961
Investing activities								
Proceeds on sale of property, plant and equipment, intangible assets	603			603	780			780
Purchases of property, plant, equipment	(2,380)			(2,380)	(1,620)			(1,630)
Purchases of intangible assets	(494)			(494)	(34)			(34)
Cash flow used in investing activities	(2,271)	-	-	(2,271)	(875)	-	-	(875)
Financing activities								
Repayment of borrowings	(25,000)			(25,000)	(2,520)			(2,520)
Payment of lease liabilities	(4,244)		(127)	(4,371)	(4,216)		(265)	(4,481)
Cash flow used in financing activities	(29,244)	-	(127)	(29,371)	(6,736)	-	(265)	(7,001)
Change in cash and cash equivalents	21,322	305	-	21,627	64,876	2,210	-	67,086
Cash and cash equivalents at the beginning of the period net of bank overdrafts	99,359	56,951	-	156,310	178,498	24,096	-	202,595
Effect of exchange rate fluctuations on cash held	(1,828)			(1,828)	(1,427)			(1,427)
Cash and cash equivalents at the end of the period, net of bank overdrafts	118,853	57,256	-	176,109*	241,947	26,306	-	268,253*

* Represents the cash that Oriflame would have had without the non-recurring items at the end of the period.



Condensed consolidated statements of cash flows – 12 months ended 31 December

€'000	2021	Non-recurring items	Purchase Price allocation items	2021	2020	Non-recurring items	Purchase Price allocation items	2020
				Adjusted				Adjusted
Operating activities								
Profit before income tax	35,872	61,167	11,412	108,451	23,059	10,066	29,231	62,356
Adjustments for:								
Depreciation of property, plant and equipment and right-of-use assets	31,413		141	31,554	34,605		(111)	34,494
Amortization of intangible assets	11,894		(10,867)	1,026	15,349		(14,238)	1,111
Change in fair value of borrowings and derivatives financial instruments	(615)			(615)	(642)			(642)
Deferred income	(2,390)			(2,390)	(71)			(71)
Impairment					1,210	(112)		1,098
Unrealized exchange rate differences	(2,143)			(2,143)	8,748			8,748
Profit on disposal of property, plant and equipment, intangible assets, leased assets	(1,192)		(92)	(1,284)	(1,007)		(240)	(1,247)
Loss from associates, net of tax	101			101	-			-
Financial income	(23,503)			(23,503)	(28,048)			(28,048)
Financial expenses	129,298	(60,272)	(593)	68,433	90,678		(1,168)	89,510
	178,734	895	-	179,629	143,883	9,954	13,474	167,311
(Increase)/decrease in trade and other receivables, prepaid expenses and derivative financial assets	(3,350)			(3,350)	15,385			15,385
(Increase)/decrease in inventories	(24,853)			(24,853)	46,871		(13,474)	33,397
Increase/(decrease) in trade and other payables, accrued expenses and derivatives financial liabilities	(25,862)			(25,862)	5,558	13,395		18,953
Increase in provisions	1,223	2,020		3,243	6,501	2,958		9,459
Cash generated from operations	125,892	2,915	-	128,807	218,197	26,306	-	244,504
Interest received	1,459			1,459	2,146			2,146
Interest and bank charges paid	(115,014)	54,342	593	(60,079)	(58,921)		1,168	(57,753)
Income taxes paid	(29,377)			(29,377)	(28,058)			(28,058)
Cash flow from / (used in) operating activities	(17,040)	57,256	593	40,810	133,364	26,306	1,168	160,838



Condensed consolidated statements of cash flows – 12 months ended 31 December (continued)

€'000	2021	Non-recurring items	Purchase Price allocation items	2021 Adjusted	2020	Non-recurring items	Purchase Price allocation items	2020 Adjusted
Cash flow from / (used in) operating activities	(17,040)	57,256	593	40,810	133,364	26,306	1,168	160,838
Investing activities								
Proceeds on sale of property, plant and equipment, intangible assets	2,116			2,116	1,105			1,105
Purchases of property, plant, equipment	(8,134)			(8,134)	(6,938)			(6,938)
Purchases of intangible assets	(859)			(859)	(117)			(117)
Cash flow used in investing activities	(6,877)	-	-	(6,877)	(5,949)	-	-	(5,949)
Financing activities								
Proceeds from borrowings	732,533			732,533	102,520			102,520
Repayment of borrowings	(786,252)			(786,252)	(102,520)			(102,520)
Payment of lease liabilities	(16,808)		(593)	(17,401)	(17,833)		(1,168)	(19,001)
Dividends paid	(30,520)			(30,520)	(52)			(52)
Cash flow used in financing activities	(101,046)	-	(593)	(101,640)	(17,885)	-	(1,168)	(19,053)
Change in cash and cash equivalents	(124,963)	57,256	-	(67,707)	109,529	26,306	-	135,836
Cash and cash equivalents at the beginning of the period net of bank overdrafts	241,947			241,947	143,474			143,474
Effect of exchange rate fluctuations on cash held	1,870			1,870	(11,056)			(11,056)
Cash and cash equivalents at the end of the period, net of bank overdrafts	118,853	57,256	-	176,109*	241,947	26,306	-	268,253*

* Represents the cash that Oriflame would have had without the non-recurring items at the end of the period.



Notes to the condensed consolidated financial statements of Oriflame Holding Limited

Note 1 • Status and principal activity

Oriflame Holding Limited (the “Company”) is a holding company incorporated under the laws of Jersey on 20 May 2019 with a registration number 129092 and registered office address of 47 Esplanade, St Helier, Jersey JE1 OBD. The principal activity of the Company’s subsidiaries is the direct sale of cosmetics. The condensed consolidated financial statements of the Company as at and for the twelve months ended 31 December 2021 comprise the Company and its subsidiaries (together referred to as the “Group”).

Note 2 • Basis of preparation and summary of significant accounting policies

Statement of compliance

The condensed consolidated financial statements for the twelve months period ended 31 December 2021 have been prepared by management in accordance with the measurement and recognition principles of IFRS and should be read in conjunction with the published consolidated financial statements of the Group as at and for the year ended 31 December 2020.

The condensed consolidated financial statements were authorized for issue by the Directors on 23 February 2022.

Change in significant accounting policies, use of judgements and estimates

In preparing these condensed consolidated interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the Group’s consolidated financial statements as at and for the year ended 31 December 2020. Other new or amended IFRS standards which became effective January 2021 have had no material effect on the group’s financial statements.

Note 3 • Interest bearing loans

The terms and conditions of outstanding loans were as follows as at 31 December 2021.

€'000	Interest rate	Year of maturity	Book value	Non-current	Current
Revolving credit facility	Euribor + margin	2025	-	-	-
Senior Secured Notes - €250.0m	3 month Euribor + 4.25%*	2026	250,000	250,000	-
Senior Secured Notes - \$550.0m	5.125%**	2026	485,608	485,608	-
Front end fees deducted from proceeds	-	2025- 2026	(13,772)	(13,772)	-
Total interest-bearing liabilities			721,837	721,837	-

* Swapped into fixed EUR with margin 0.14%

** Swapped € interest rate 3.47%