



## Interim Management Statement 1 January – 31 March 2024

	LC SALES	EURO SALES	ADJUSTED EBITDA
First quarter	-19%	-25%	€6.7m (€16.8m)

Three months ended 31 March 2024

### Strategic progress

- Sales results during the first quarter remained challenging in all regions with results still negatively impacted by macroeconomic and geopolitical impacts including the ongoing Russia/Ukraine War. Adverse exchange rate movements in several key markets are having a further negative impact on sales and profits.
- The implementation of the previously communicated transformation programme is progressing according to plan with better than expected results on savings and working capital.
- The Beauty Community Model (BCM) is now implemented in more than 20 markets with initial promising results on KPIs. Several marketing investments were launched in key markets.
- Full focus is on turning around the sales and a sequential improvement on sales was seen throughout the quarter. Promising results in our UK incubation market is reinforcing our belief that ongoing actions will support sales going forward.

### Operational highlights

- Sales development in Euro remained weak in all regions dropping by 25% mainly due to less members and activity in most of the markets. The uncertain macroeconomic and geopolitical situation and adverse exchange rate movements in several markets, e.g. Russia, had a negative impact on sales and profits. Sales in local currency dropped by 19%. Local sales decreased in all markets except for Türkiye & Africa where sales grew slightly. India saw an improved trend in the quarter, and both Türkiye and Nigeria showed good sales momentum in local currencies, supported by higher activity and price increases.
- Gross margin showed a substantial improvement from the last quarter but is still below prior year same quarter. If excluding the negative impact of FX, underlying gross margins improved versus the same quarter in the previous year from positive price/mix and a VAT provision release.
- Adjusted administrative expenses decreased by €8.8m versus the same quarter last year from restructuring programme savings and staff reductions.
- Adjusted EBITDA margin dropped from 8.1% to 4.3% where the drop in sales and gross margin negatively impacted the margin.
- Adjusted cash flow before financing activities was €-6.0m versus €-16.2m in the same quarter last year. The working capital was positive due to recent efforts to decrease inventory versus a negative trend during most of last year. The RCF was fully repaid during the quarter, while €7.5m was drawn down early April to support ongoing restructuring payments.



## Significant events during and after the quarter

- The 2023 consolidated financial statements were authorised for issue by the Board of Directors on 22 April 2024. They are part of the Annual Report which is available on the Oriflame's corporate website alongside the Sustainability report.
- The Board approved to open several new markets in the European Union selling directly into the markets from our entity in the Netherlands. Denmark, Belgium, Luxemburg, Austria, Italy, France and Malta are all expected to open up for sales in the coming quarters.

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

**"Adjusted" figures exclude** non-recurring and purchase price allocation (PPA) related items. For additional information refer to the condensed consolidated income statements on page 11.

## Three months ended 31 March 2024

- Euro sales decreased by 25% to €156.5m (€208.3m) and local currency sales decreased by 19%.
- The adjusted EBITDA amounted to €6.7m (€16.8m) and the adjusted EBITDA margin was 4.3% (8.1%). The currency impact on the adjusted EBITDA was 290 bps negative.
- The adjusted operating profit was €0.9m (€10.3m) and the adjusted operating margin was 0.6% (5.0%).
- The adjusted net profit was €-24.3m (€-6.8m).
- The adjusted cash flow from operating activities was €-1.0m (€-9.5m) and adjusted cash flow before financing activities was €-6.0m (€-16.2m).
- Additional non-recurring costs amounting to €0.6m (€1.5m) were recorded during the quarter and excluded from the adjusted figures.

## Financial summary

(€m)	three months ended 31 March			twelve months ended		
	2024	2023	Change %	Mar'24	Dec'23	Change %
Sales	156.5	208.3	-25%	699.1	750.9	-7%
Adj. EBITDA	6.7	16.8	-60%	28.9	39.0	-26%
Adj. Operating profit	0.9	10.3	-91%	5.4	14.8	-63%
Adj. Net profit	-24.3	-6.8	-256%	-99.3	-81.8	-21%
Adj. Cash flow from operating activities	-1.0	-9.5	90%	44.2	35.7	24%
Adj. Cash flow before financing activities	-6.0	-16.2	63%	21.8	11.6	88%
Cash and cash equivalents	57.3	67.4	-15%	57.3	80.6	-29%
Total debt	789.0	795.0	-1%	789.0	784.1	1%
Secured debt	758.7	755.7	0%	758.7	751.7	1%
Net Secured debt	701.4	688.3	2%	701.4	671.1	5%
Adj. Gross margin	64.9%	66.1%		64.2%	64.5%	
Adj. EBITDA margin	4.3%	8.1%		4.1%	5.2%	
Adj. Operating margin	0.6%	5.0%		0.8%	2.0%	
Net Secured Debt ratio	24.3	6.8		24.3	17.2	

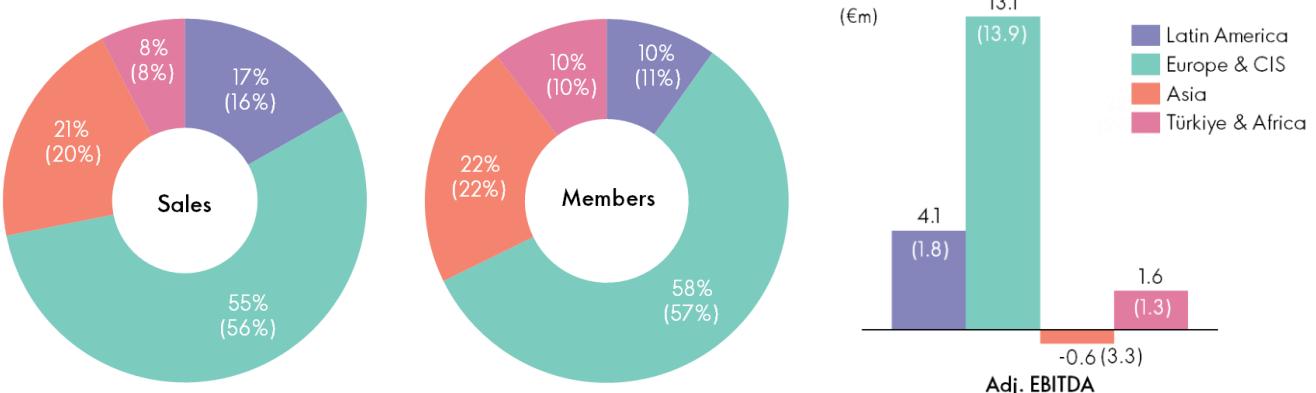
### Oriflame in brief

Founded in 1967, Oriflame is a social selling beauty company with sales in more than 60 countries. Its portfolio of Swedish, nature-inspired, innovative beauty products is marketed through more than 1.5 million members, generating annual sales of 750 million Euro. 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.



## Regional development

Q1 Regional split\*



\*Excluding manufacturing and franchisees

Q1 Regional Sales Progression

Q1	Latin America	Europe & CIS	Asia	Türkiye & Africa**	Group
EUR growth	-20%	-27%	-24%	-28%	-25%
LC growth	-24%	-21%	-21%	1%	-19%
Adj. EBITDA margin	16.8% (5.8%)	16.2% (12.6%)	-1.9% (8.2%)	14.5% (8.3%)	4.3% (8.1%)

### Latin America

In Latin America Euro sales decreased by 20% while local currency sales dropped by 24%. The sales drop came from fewer members due to weaker recruitment, which was partially offset by improved productivity levels across the region. Gross margins were significantly higher versus the same quarter prior year, with positive impacts from improved price/mix, positive exchange rate effects from stronger local currencies and less inventory provisions. EBITDA levels, in both absolute and relative terms, were significantly higher than prior year from restructuring savings and lower sales and marketing expenses.

### Europe & CIS

In Europe & CIS Euro sales dropped by 27% while sales in local currencies decreased by 21% with significant partially offset by positive impact from price increases. The incubator market United Kingdom showed very positive sales and recruitment results during the first quarter. Gross margins improved versus prior year with positive impacts from price increases and a VAT provision release, with negative offsetting impacts from product cost and exchange rates. EBITDA margins improved versus prior year from higher gross margins and savings in administrative and sales and marketing expenses.

### Asia

In Asia Euro sales dropped by 24% while sales in local currency decreased by 21% due to fewer members and lower activity across the region. The sales results remain challenging in most major markets in Asia, while India saw an improved trend versus previous quarters. EBITDA margins were negatively impacted by the sales decline, a weaker gross margin from product cost inflation and excess sell-outs, as well as negative timing of sales and marketing expenses versus the same quarter previous year.

### Türkiye & Africa

In Türkiye & Africa Euro sales decreased by 28% due to significantly weaker local currencies in Türkiye and Nigeria. Sales in local currencies grew by 1%\*\* from inflationary driven price increases and positive sales momentum in Türkiye and Nigeria. The EBITDA margin for the quarter improved to 14.5% (8.3%), which was positively impacted by price increases and significantly lower overhead expenses as a result of restructuring and savings initiatives.

\*\* LC sales growth calculation has been adjusted for Türkiye hyperinflation.



## Three months ended 31 March 2024

**Items below focus on “Adjusted” figures and exclude non-recurring and purchase price allocation (PPA) related items.**

### Sales and gross margin

Euro sales decreased by 24.9%, or €51.8m, to €156.5m for the three months ended 31 March 2024 compared with €208.3m for the same period last year. Local currency sales decreased by 19% mainly due to a decline in the average number of members to 1.6m (2.0m). Unit sales decreased by 27% and the price/mix effect was positive by 8%. Manufacturing sales to third parties decreased both in Euro and in local currency by 20%.

### Gross margin (64.9% of sales compared to 66.1% prior year)

The gross profit decreased by 26.2%, or €36.1m, to €101.5m for the three months ended 31 March 2024 from €137.6m for the same period in 2023. In relative terms, the gross margin decreased from 66.1% to 64.9% mainly due to 230 bps from negative foreign exchange impact. Excluding FX impact the underlying gross margin improved by 120 bps compared to prior year. Positive effects from price/mix and a VAT provision release were offset by product cost inflation and under-recoveries from lower volumes.

### Costs and expenses

#### Selling and marketing expenses (31.9% of sales compared to 32.1% prior year)

Selling and marketing expenses decreased by 25.2%, or €16.9m, to €50.0m for the three months ended 31 March 2024 from €66.8m for the same period in 2023. As a percentage of sales, the selling and marketing expenses were relatively stable with a slight decrease of 20 bps. Lower plan recognitions cost due to the lower sales were partially offset by higher recruitment costs to attract new members.

#### Distribution and infrastructure expenses (3.1% of sales compared to 2.8% prior year)

Distribution and infrastructure expenses decreased by 17.7%, or €1.0m, to €4.8m for the three months ended 31 March 2024 from €5.9m for the same period in 2023. As a percentage of sales, the distribution and infrastructure expenses slightly increased from 2.8% to 3.1% due to the fixed costs basis linked to the group’s distribution infrastructure.

#### Administrative expenses (29.3% of sales compared to 26.2% prior year)

Administrative expenses decreased by 16.1%, or €8.8m, to €45.8m for the three months ended 31 March 2024 from €54.6m for the same period last year. The restructuring measures taken in 2023 and positive exchange rates differences continued to have a positive impact on the administrative expenses. The net decrease of €8.8m was coming mainly from reduction in staff costs followed by lower IT & communication expenses, travel costs and depreciation. As a percentage of sales, the adjusted administrative expenses were higher by 310 bps since the decrease in sales was higher than the drop in administrative expenses.

#### Net financing costs (13.9% of sales compared to 7.2% of sales prior year)

Net financing costs increased by €6.9m to €21.8m for the three months ended 31 March 2024 from €14.9m for the same period in 2023. The increase comes mainly from unrealised FX loss of €11.0m related to the \$550.0m bond revaluation during the quarter due to the strengthened dollar.

#### *Adjusted income tax expenses (€3.4m compared to €2.2m prior year)*

The tax expense for the three months ended 31 March 2024 was higher by €1.2m. The current income tax expense was lower in the first quarter 2024 versus prior year due to lower profit before tax. It was however offset by deferred tax credit recognised during the first quarter of 2023.

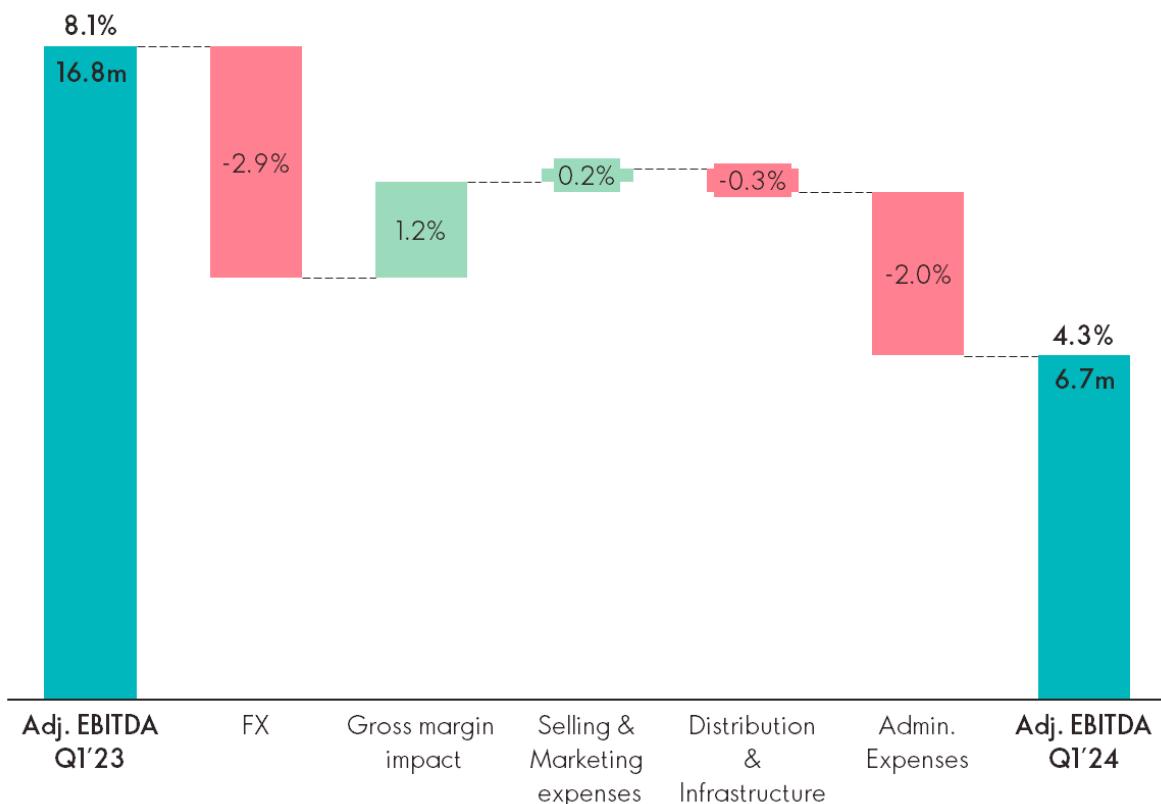


## Adjusted EBITDA

**"Adjusted"** figures exclude non-recurring and purchase price allocation (PPA) related items. For additional information refer to the condensed consolidated income statements on page 11.

Adjusted EBITDA decreased by 60.4%, or €10.1m, to €6.7m for the three months ended 31 March 2024 from €16.8m for the same period in 2023. The main reasons for the EBITDA decline are lower sales, negative exchange rate movements and negative leverage of administrative costs, which despite a significant decrease in absolute value, increased as percentage of the lower sales. The gross margin adjusted for foreign exchange impacts, improved by 120 bps in the quarter from positive price/mix impacts as well as a positive VAT provision release. The adjusted EBITDA margin was 4.3% compared to 8.1% prior year.

### ADJUSTED EBITDA MARGIN VS. PRIOR YEAR





## Cash flow three months ended 31 March 2024

**"Adjusted" figures exclude** non-recurring and purchase price allocation (PPA) related items. For additional information refer to the condensed consolidated income statements on page 11.

### *Adjusted cash flow before financing activities*

Adjusted cash flow before financing activities was €-6.0m in the three months ended 31 March 2024 compared to €-16.2m for the same period in 2023.

The €10.2m improvement compared to prior year was primarily due to a positive impact on the net working capital of €0.9m versus a negative impact of €18.4m in 2023 offset by a lower EBITDA of €10.1m compared to prior year.

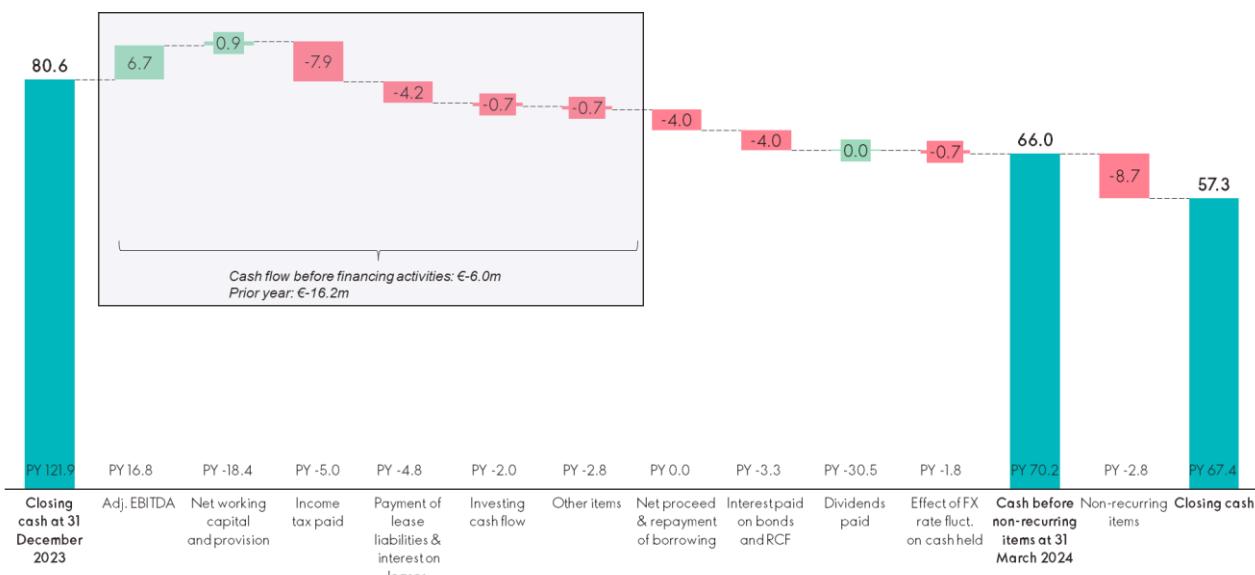
Inventory management continued to be efficient with a €8.4m decrease in inventories. The negative movement on receivables (€-2.2m), payables (€-3.6m) and provisions (€-1.7m) however offset this promising achievement on the net working capital.

In addition, income tax paid increased by €3.0m notably due to tax payments covering prior years and for which the final taxation was sent at the beginning of 2024. Finally, cash flow used in activities decreased from €2.0m to €0.7m.

### *Cash flow from financing activities excluding leasing and other interest paid*

Cash flow used in financing activities excluding leasing (payment of lease liabilities and interest paid on lease liabilities) and other interest paid for the three months ended 31 March 2024 was €8.1m, compared to €33.7m for the same period in 2023. The positive impact compared to prior year is explained by a dividend payment of €30.5m during the first quarter of 2023 offset by the RCF repayment of €4.0m in the beginning of 2024 and higher interests paid on the bonds and RCF of €0.7m.

### Cash flow development – Quarter 1, 2024 (€m)





## Funding and financial position

As of 31 March 2024, total debt amounted to €789.0m (€795.0m as of 31 March 2023), secured debt amounted to €758.7m (€755.7m), net secured debt amounted to €701.4m (€688.3m). Net Secured Debt ratio was 24.3 (6.8) where the increase is mainly driven by the lower rolling 12 months EBITDA (€28.9m) versus the previous period (€101.2m).

Oriflame's long-term debt as of 31 March 2024 amounts to €758.7m carrying amount, excluding capitalised 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. The Euro Notes bear interest at a rate of the sum of (i) three-month EURIBOR (with 0% floor) reset quarterly, plus (ii) 4.25% fixed per annum. The Dollar Notes bear interest at a rate of 5.125% per annum. After hedging, the average interest rate of both Notes is 4.38% excluding the effect from amortisation of capitalised front-end fees. The RCF was not drawn down and the cash and cash equivalents amounted €57.3m. The current corporate and notes ratings are respectively CCC/CCC- from Fitch and CCC/CCC from S&P Global. The company complied with all its covenants related to the outstanding debt as of 31 March 2024.

31 March 2024	€ Note	\$ Note	Revolving Credit Facility
Total amount	€250m	\$550m	€100m
Interest rate	3 months Euribor + 4.25%*	5.125%**	Euribor +200-300 bps
Maturity	May 2026	May 2026	October 2025
RCF draw down			-

\* €150m notional swapped into fixed EUR with margin 0.14%

\*\* Swapped € interest rate 3.53%

### Brand and Innovation

Within Skin Care the Diamond Cellular was re-launched in Europe & CIS showing positive results. In addition, the Royal Velvet Women's Day initiative in Poland (a limited edition with festive sleeves) surpassed expectations. During the end of the quarter Novage+ was launched in India, Pakistan and Sri Lanka with a successful digital summit focusing on the science behind the brand.

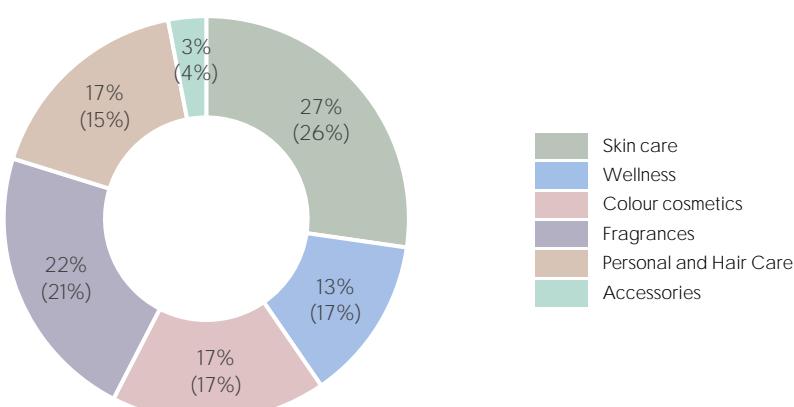
In the Wellness category, the Women and Men packs, providing 22 essential vitamins and minerals as well as antioxidants, maintained the overall top product positions with Omega 3 and Astaxanthin as additional crucial products in the category for the quarter.

The Colour cosmetics category showed solid performance with great activations in the mass market cosmetic brand THE ONE with Valentine and the launch of THE ONE Smart Sync lipstick. The quarter ended with a celebration launch of the iconic THE ONE Wonderlash birthday edition.

Fragrances successfully launched Miss Giordani Floral in Europe & CIS, outperforming expectations, thanks to robust 360 communication execution.

Within Personal and Hair Care the Seasonal collections showed strong come-back via both new ranges in Valentine and Women's Day, as well as the Crystologie collection. Also, there was positive momentum with DUOLOGI launch in India appreciated by customers and spot-on for their needs.

### Product categories Q1 2024 (Q1 2023)





## Other

Conference call for the financial community

The company will host a conference call on Tuesday 23 April 2024 at 10.00 CEST.

Participant access numbers:

Sweden: +46 (0)8 5051 0031

United Kingdom: +44 (0) 207 107 06 13

United States: +1 (1) 631 570 56 13

Denmark: +45 3 272 7526

Finland: +358 94 245 0051

The conference call will also be audio web cast in "listen-only" mode through Oriflame's website: [www.oriflame.com](http://www.oriflame.com) or through the following link **creo-live.creomediamanager.com/8ec499f0-ceb7-4436-99c9-d16062e9d976**

### Subscription service

You can subscribe or update your subscription to company press releases and different types of financial information through Oriflame's website: [www.oriflame.com](http://www.oriflame.com) or through the following link: <http://investors.oriflame.com/index.php/en/subscribe>

Financial calendar for 2024

The date for the second quarter 2024 report will be communicated at a later stage

For further information, please contact:

Anna Malmhake, Chief Executive Officer

Carl Rogberg, Chief Financial Officer

Janice Wood, [IR@oriflame.com](mailto:IR@oriflame.com)



## Definitions

### Adjusted EBITDA

Operating profit before financial items, taxes, depreciation and amortisation, excluding non-recurring items and purchase price allocation items.

### Adjusted gross profit

Gross profit excluding purchase price allocation items.

### Adjusted net profit

Net profit 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 less cash flow used in investing activities (excluding net proceeds on sale of a subsidiary), payment of lease liabilities, interest paid on leases and other interest and other financial charges paid.

### Independent Brand Partners

Independent Brand Partners (also referred as Brand Partners) correspond to 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 condensed consolidated income statements on page 11.

Financial summary, €m	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24
Sales	264.4	208.3	181.9	161.7	199.1	156.5
Adj. Gross margin	66.4%	66.1%	68.4%	65.7%	58.4%	64.9%
Adj. EBITDA	37.8	16.8	11.9	4.1	6.2	6.7
Adj. EBITDA margin	14.3%	8.1%	6.6%	2.5%	3.1%	4.3%
Adj. Operating profit	30.4	10.3	5.9	-1.7	0.3	0.9
Adj. Operating margin	11.5%	5.0%	3.3%	-1.1%	0.1%	0.6%
Adj. Net profit	17.9	-6.8	-1.2	-54.2	-19.6	-24.3
Adj. Cash flow from op. activities	50.9	-9.5	4.2	-6.9	47.9	-1.0
Adj. Cash flow before financing activities	42.8	-16.2	-1.7	-13.9	43.3	-6.0
Cash flow used in investing activities	-2.8	-2.0	24.7	-2.4	-0.7	-0.7
Cash and cash equivalents	121.9	67.4	76.4	63.7	80.6	57.3
Total debt	812.3	795.0	792.4	803.6	784.1	789.0
Secured debt	765.7	755.7	756.2	769.2	751.7	758.7
Net Secured Debt ratio	6.0	6.8	7.4	10.0	17.2	24.3
Sales, €m	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24
Latin America	34.3	30.9	30.3	30.3	27.7	24.7
Europe & CIS	156.4	110.8	94.3	81.8	111.0	81.0
Asia	46.2	39.7	35.7	30.9	36.2	30.2
Türkiye & Africa	18.9	15.5	15.0	13.1	13.7	11.1
Manufacturing	6.8	10.1	5.2	4.2	9.0	8.1
Other	1.8	1.3	1.5	1.4	1.5	1.4
Oriflame	264.4	208.3	181.9	161.7	199.1	156.5
€ Sales growth in %	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24
Latin America	-1%	7%	-6%	-9%	-19%	-20%
Europe & CIS	2%	-5%	-11%	-28%	-29%	-27%
Asia	-25%	-26%	-26%	-36%	-22%	-24%
Türkiye & Africa	-13%	-32%	-12%	-27%	-28%	-28%
Oriflame	-5%	-9%	-14%	-26%	-25%	-25%
Adjusted EBITDA, €m	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24
Latin America	2.3	1.8	1.7	2.1	1.8	4.1
Europe & CIS	29.7	13.9	13.6	9.2	14.8	13.1
Asia	9.6	3.3	1.5	0.6	1.4	-0.6
Türkiye & Africa	4.4	1.3	1.5	1.6	2.0	1.6
Manufacturing	3.4	5.8	3.0	2.0	1.0	2.7
Other	-11.6	-9.3	-9.5	-11.5	-14.9	-14.3
Oriflame	37.8	16.8	11.9	4.1	6.2	6.7
Adjusted EBITDA margin, %	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24
Latin America	6.8%	5.8%	5.5%	6.9%	6.5%	16.8%
Europe & CIS	19.0%	12.6%	14.5%	11.3%	13.3%	16.2%
Asia	20.7%	8.2%	4.3%	1.9%	3.9%	-1.9%
Türkiye & Africa	23.5%	8.3%	10.3%	12.4%	14.9%	14.5%
Oriflame	14.3%	8.1%	6.6%	2.5%	3.1%	4.3%
Registered Active Members, '000 (as of end of quarter)	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24
Latin America	235	198	194	182	171	149
Europe & CIS	1,275	1,021	878	834	956	872
Asia	409	390	363	356	371	331
Türkiye & Africa	217	180	179	167	169	156
Oriflame	2,135	1,790	1,614	1,538	1,668	1,507



## Condensed consolidated income statements

### Three months ended 31 March

€'000	2024	Non-recurring items*	PPA items**	Adjusted		Non-recurring items*	PPA items**	Adjusted
				2024	2023			
Sales	156,463			156,463	208,263			208,263
Cost of sales	-54,915			-54,915	-70,646			-70,646
Gross profit	101,548	-	-	101,548	137,617	-	-	137,617
Selling and marketing expenses	-49,962			-49,962	-66,834			-66,834
Distribution and infrastructure	-4,847			-4,847	-5,887			-5,887
Administrative expenses	-48,300	624	1,876	-45,800	-57,921	1,486	1,876	-54,559
Operating profit / loss (-)	-1,561	624	1,876	939	6,975	1,486	1,876	10,337
Financial income	8,423			8,423	7,759			7,759
Financial expenses	-30,227			-30,227	-22,661			-22,661
Net financing costs	-21,804	-	-	-21,804	-14,902	-	-	-14,902
Gain / loss (-) from associates	3			3	-34			-34
Loss before tax	-23,362	624	1,876	-20,861	-7,962	1,486	1,876	-4,600
Income tax expense	-3,100	-54	-281	-3,435	-1,756	-287	-181	-2,224
Net loss	-26,462	570	1,595	-24,297	-9,718	1,199	1,695	-6,824

\* Non-recurring items cover:  
2024 and 2023: Restructuring costs

\*\* Purchase Price Allocation (PPA) items cover the income statement impact from the purchase price allocation on the 2019 business combination. These elements, mainly amortisation of newly identified intangible assets during the PPA, are excluded to normalise 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](https://vp233.alertir.com/sites/default/files/report/oriflame_purchase_price_allocation_summary.pdf?v2assets).



## Condensed consolidated statements of comprehensive income

€'000	three months ended 31 March	
	2024	2023
Net loss	-26,462	-9,718
<b>Other comprehensive income</b>		
<i>Items that will not be reclassified subsequently to profit or loss:</i>		
Remeasurements of net defined liability, net of tax	-	-
<i>Total items that will not be reclassified subsequently to profit or loss</i>	<b>-</b>	<b>-</b>
<i>Items that are or may be reclassified subsequently to profit or loss:</i>		
Foreign currency translation differences for foreign operations	1,553	-6,664
Cash flow hedges – effective portion of changes in fair value, net of tax	-892	2,792
<i>Total items that are or may be reclassified subsequently to profit or loss</i>	<b>661</b>	<b>-3,872</b>
Other comprehensive income, net of tax	<b>661</b>	<b>-3,872</b>
<b>Total comprehensive income</b>	<b>-25,801</b>	<b>-13,590</b>



## Condensed consolidated statements of financial position

€'000	31 March 2024	31 December 2023	31 March 2023
<b>Assets</b>			
Property, plant and equipment	41,110	42,121	44,164
Right-of-use assets	28,724	30,675	36,628
Intangible assets	535,983	538,016	561,556
Goodwill	-	-	238,447
Investment in associates	4	1	53
Investment property	-	-	542
Deferred tax assets	18,853	17,320	34,537
Other long-term receivables	4,523	4,599	1,433
Derivative financial assets	28,275	26,521	59,019
<b>Total non-current assets</b>	<b>657,472</b>	<b>659,253</b>	<b>976,380</b>
Inventories	83,166	90,449	126,849
Trade and other receivables	40,701	39,400	50,950
Tax receivables	13,648	13,645	15,817
Prepaid expenses	14,110	13,528	25,587
Derivative financial assets	4	30	189
Cash and cash equivalents*	57,169	80,166	66,228
Assets held for sale	8,292	8,619	31,649
<b>Total current assets</b>	<b>217,089</b>	<b>245,837</b>	<b>317,269</b>
<b>Total assets</b>	<b>874,561</b>	<b>905,090</b>	<b>1,293,649</b>
<b>Equity</b>			
Share capital	653,081	653,081	653,081
Reserves	-5,625	-6,286	-16,271
Retained earnings	-813,623	-787,161	-396,165
<b>Total equity</b>	<b>-166,167</b>	<b>-140,366</b>	<b>240,645</b>
<b>Liabilities</b>			
Interest-bearing loans	3	752,017	745,804
Employee benefits		4,393	4,344
Lease liabilities		18,955	21,034
Other long-term liabilities		1,892	1,924
Deferred income	-	-	118
Provisions		2,680	2,582
Deferred tax liabilities		77,890	76,128
<b>Total non-current liabilities</b>	<b>857,827</b>	<b>846,219</b>	<b>836,279</b>
Current portion of interest-bearing loans	3	-	4,000
Lease liabilities		11,291	11,357
Trade and other payables		74,622	76,242
Contract liabilities		5,748	6,980
Tax payables		5,645	10,672
Accrued expenses		75,694	72,109
Derivative financial liabilities		516	302
Provisions		7,068	15,073
Liabilities directly associated with assets held for sale		2,317	2,502
<b>Total current liabilities</b>	<b>182,901</b>	<b>199,237</b>	<b>216,725</b>
<b>Total liabilities</b>	<b>1,040,728</b>	<b>1,045,456</b>	<b>1,053,004</b>
<b>Total equity and liabilities</b>	<b>874,561</b>	<b>905,090</b>	<b>1,293,649</b>

\* Cash & cash equivalents including cash in assets held for sale

57,304 80,645 67,408



## Condensed consolidated statements of changes in equity

€'000	Share capital	Reserves	Retained earnings	Total Equity
At 31 December 2022	653,081	-12,398	-356,133	284,549
IAS 29 Hyperinflation adjustment	-	-	186	186
At 1 January 2023	653,081	-12,398	-355,947	284,735
Net loss	-	-	-9,718	-9,718
Other comprehensive income, net of tax	-	-3,872	-	-3,872
Total comprehensive income for the period	-	-3,872	-9,718	-13,590
Dividends	-	-	-30,500	-30,500
Total contributions and distributions	-	-	-30,500	-30,500
At 31 March 2023	653,081	-16,271	-396,165	240,645

€'000	Share capital	Reserves	Retained earnings	Total Equity
At 1 January 2024	653,081	-6,286	-787,161	-140,366
Net loss	-	-	-26,462	-26,462
Other comprehensive income, net of tax	-	661	-	661
Total comprehensive income	-	661	-26,462	-25,801
At 31 March 2024	653,081	-5,625	-813,623	-166,167



## Condensed consolidated statements of cash flows – three months ended 31 March

€'000	2024		2024		2023		2023 Adjusted
	Non-recurring items	Purchase Price allocation items	Adjusted		Non-recurring items	Purchase Price allocation items	
<b>Operating activities</b>							
Loss before tax	-23,362	624	1,876	-20,861	-7,962	1,486	1,876
Adjustments for:							
Depreciation of property, plant and equipment and right-of-use assets	5,559			5,559	6,513	-240	6,273
Amortisation of intangible assets	2,035		-1,876	158	2,072		-1,876
Change in fair value of borrowings and derivatives financial instruments	251			251	1,214		1,214
Deferred income	-1,314			-1,314	-2,133		-2,133
Unrealised exchange rate differences	13,028			13,028	3,812		3,812
Profit on disposal of property, plant and equipment, intangible assets, leased assets	-176			-176	-774	641	-134
Loss from associates, net of tax	-3			-3	34		34
Interest and other financial income	-8,419			-8,419	-7,582		-7,582
Interest and other financial expense	17,593			17,593	16,509		16,509
	5,192	624	-	5,815	11,704	1,886	-
Increase in trade and other receivables, prepaid expenses	-2,201			-2,201	-6,349		-6,349
Increase (-) / Decrease in inventories	8,411			8,411	-1,639		-1,639
Decrease in trade and other payables, accrued expenses	-5,509	1,867		-3,642	-9,718	-202	-9,920
Decrease in provisions	-7,925	6,210		-1,715	-1,613	1,105	-508
Cash generated from operations	-2,032	8,701	-	6,668	-7,615	2,789	-
Interest received	315			315	335		335
Income taxes paid	-7,943			-7,943	-4,964		-4,964
Cash flow used in operating activities	-9,660	8,701	-	-959	-12,244	2,789	-
							-9,455



## Condensed consolidated statements of cash flows – three months ended 31 March (continued)

€'000	2024		2024		2023		2023 Adjusted	
	Non-recurring items	Purchase Price allocation items	Adjusted		Non-recurring items	Purchase Price allocation items		
Cash flow used in operating activities	-9,660	8,701	-	-959	-12,244	2,789	-	-9,455
Investing activities								
Proceeds on sale of property, plant and equipment, intangible assets	82			82	163			163
Purchases of property, plant, equipment	-771			-771	-2,113			-2,113
Purchases of intangible assets	-			-	-5			-5
Cash flow used in investing activities	-689	-	-	-689	-1,955	-	-	-1,955
Financing activities								
Proceeds from borrowings	-4,000			-4,000	-			-
Interest and other financial charges paid	-4,850			-4,850	-4,301			-4,301
Payment of lease liabilities	-3,427			-3,427	-3,772			-3,772
Dividends paid	-			-	-30,500			-30,500
Cash flow used in financing activities	-12,277	-	-	-12,277	-38,574	-	-	-38,574
Change in cash and cash equivalents	-22,626	8,701	-	-13,925	-52,773	2,789	-	-49,983
Cash and cash equivalents at the beginning of the period net of bank overdrafts	80,645			80,645	121,936			121,936
Effect of exchange rate fluctuations on cash held	-715			-715	-1,755			-1,755
Cash and cash equivalents at the end of the period, net of bank overdrafts	57,304	8,701	-	66,005*	67,408	2,789	-	70,197*
Cash reclassified to assets held for sale	-135			-135	-1,180			-1,180
Cash and cash equivalents at 31 December (as reported)	57,169	8,701	-	65,869*	66,228	2,789	-	69,017*

\* Represents the cash that Oriflame would have had without the non-recurring items at the end of the period (without considering impacts in previous periods).



## Notes to the condensed consolidated financial statements of Oriflame Holding Limited

### 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 sale of cosmetics. The condensed consolidated financial statements of the Company as at and for the three months ended 31 March 2024 comprise the Company and its subsidiaries (together referred to as the "Group").

### 2 Basis of preparation and summary of material accounting policies

#### Statement of compliance

The condensed consolidated financial statements for the three months period ended 31 March 2024 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 2023.

The condensed consolidated financial statements were authorised for issue by the Directors on 22 April 2024.

#### Change in material accounting policies, use of judgements and estimates

In preparing these condensed consolidated 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 financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2023. Other new or amended IFRS standards which became effective January 2024 have had no material effect on the Group's financial statements.

### 3 Interest-bearing loans

The terms and conditions of outstanding loans were as follows as at 31 March 2024.

€'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	508,741	508,741	-
Front end fees deducted from proceeds	-	2025- 2026	-6,724	-6,724	-
Total interest-bearing liabilities			752,017	752,017	-

\* €150m notional swapped into fixed EUR with margin 0.14%

\*\* Swapped € interest rate 3.53%

The Revolving Credit Facility (RCF) was not drawn down as of 31 March 2024 and 2023.



#### 4 Additional information

##### Consolidated financial statements – Restricted and unrestricted subsidiaries

The following consolidated financial statements present, on a supplemental basis, the results of operations and the financial position for those subsidiaries of Oriflame which have been designated unrestricted subsidiaries for purposes of the Indenture and the Revolving Facility Agreement.

Cetes Cosmetics LLC and Oriflame Cosmetics LLC were designated as unrestricted subsidiaries on March 21, 2022 (the "Unrestricted Subsidiaries"). In this section, the Unrestricted Subsidiaries are excluded from the Oriflame's financial results as if they were unrestricted subsidiaries as of and for the period ended 31 March 2024. Cetes Cosmetics LLC was sold in April 2023. Therefore, the 2024 income statement and the balance sheet as of 31 March 2024 of the "Unrestricted subsidiaries" only include Oriflame Cosmetics LLC (sales entity). Accordingly, management believes that the following presentation is helpful to current and potential investors in the Senior Secured Notes as well as others.

The 12<sup>th</sup> EU sanction package will potentially have an impact on our ability to provide IT and business services to Russia and Belarus going forward.

#### Consolidated income statement

PERIOD ENDED 31 March 2024

€'000	Oriflame Group Consolidated	"Restricted" subsidiaries	"Unrestricted" subsidiaries
Sales	156,463	134,273	22,190
Cost of sales	-54,915	-42,769	-12,147
Gross profit	101,548	91,504	10,043
Selling and marketing expenses	-49,962	-42,981	-6,981
Distribution and infrastructure	-4,847	-4,272	-575
Administrative expenses	-48,300	-44,393	-3,907
Operating loss	-1,561	-142	-1,419
Financial income	8,423	8,423	-
Financial expenses	-30,227	-30,177	-49
Net financing costs	-21,804	-21,754	-49
Loss from associates, net of tax	3	3	-
Loss before tax	-23,362	-21,893	-1,469
Income tax expense	-3,100	-3,107	7
Net Loss	-26,462	-22,904	-3,557



## Consolidated statement of financial position

31 March 2024

€'000	Oriflame Group Consolidated	"Restricted" subsidiaries	"Unrestricted" subsidiaries
<b>Assets</b>			
Property, plant and equipment	41,470	41,177	293
Right-of-use assets	28,724	28,130	594
Intangible assets	535,983	535,940	43
Investment in associates	4	4	-
Investment property	5,458	5,458	-
Deferred tax assets	18,853	18,546	308
Other long-term receivables	4,523	4,523	-
Derivative financial assets	28,275	28,275	-
<b>Total non-current assets</b>	<b>663,290</b>	<b>662,052</b>	<b>1,237</b>
 Inventories	 83,166	 72,989	 10,177
Trade and other receivables	43,040	41,747	1,293
Intercompany receivables	-	-469	469
Tax receivables	13,648	13,389	259
Prepaid expenses	14,110	13,431	678
Derivative financial assets	4	4	-
Cash and cash equivalents	57,304	56,703	601
<b>Total current assets</b>	<b>211,271</b>	<b>197,795</b>	<b>13,476</b>
 Total assets	 874,561	 859,847	 14,714
 Total Equity	 -166,167	 -164,254	 -1,913
 <b>Liabilities</b>			
Interest-bearing notes	752,017	752,017	-
Employee benefits	4,393	4,393	-
Lease liabilities	18,955	18,652	303
Other long-term liabilities	1,892	1,892	-
Provisions	2,680	2,680	-
Deferred tax liabilities	77,890	77,582	308
<b>Total non-current liabilities</b>	<b>857,827</b>	<b>857,216</b>	<b>610</b>
 Lease liabilities	 11,291	 10,923	 368
Trade and other payables	76,862	70,848	6,014
Intercompany payables	-	-3,722	3,722
Contract liabilities	5,748	5,243	505
Tax payables	5,667	5,667	-
Accrued expenses	75,750	70,549	5,200
Derivative financial liabilities	516	516	-
Provisions	7,068	6,860	208
<b>Total current liabilities</b>	<b>182,901</b>	<b>166,885</b>	<b>16,017</b>
<b>Total liabilities</b>	<b>1,040,728</b>	<b>1,024,101</b>	<b>16,627</b>
 Total equity and liabilities	 874,561	 859,847	 14,714