MAY 9, 09.30 CET

Oriflame Holding AG

FIRST QUARTER 2019

INVESTOR PRESENTATION

Magnus Brännström, CEO
Gabriel Bennet, CFO
Nathalie Redmo, Sr. Manager IR

Important information concerning IFRS

- Oriflame has implemented IFRS 15 Revenue from Contracts with Customers from 1st January 2018. Early adoption of IFRS 16 Leases has been carried out to allow all changes to be implemented at the same time.
- Unless otherwise stated, comparisons and comments on the numbers are now prepared according to the implemented IFRS 15 and IFRS 16.

FIRST QUARTER

HIGHLIGHTS

Q1 highlights

- **Sales** €309.2m (€330.8m) -7% in €, -6% in lc*
  - Positive development in Latin America, Africa, Europe and CIS
  - Sales decline in Asia & Turkey
  - Stable profitability despite weaker sales and changed geographical mix
  - Q2 update: -4% QTD and -5% YTD lc sales
- **Operating margin** 10.5% (10.5%)
  - Currency impact -30 bps
  - Net profit €23.0m (€21.0m)
- **Strong** net financial position
  - Net debt at hedged values/EBITDA 0.7 (0.4)
  - Previous definition: Net debt at hedged values/EBITDA 0.3 (0.0)

**Sales comparables were negatively impacted by 2 percentage points due to a one-off effect caused by the implementation of IFRS 15 (deferred sales in prior year comparable) in 2018.*

Operational highlights

- **Price/mix** -5%
  - Unit decline -1%
- **Registered actives** -5%
  - Lc productivity -1%
- The new ***Ecollagen Wrinkle Power*** introduced
- Several launches in the ***Colour Cosmetics*** and ***Fragrance*** category
- Continued **strong online** development
  - Total traffic to sites and apps exceeded **1 million daily** sessions
- **Cetes Cosmetics** agreed to enter a **collaboration** with Pharma & Beauty Group for parts of its business

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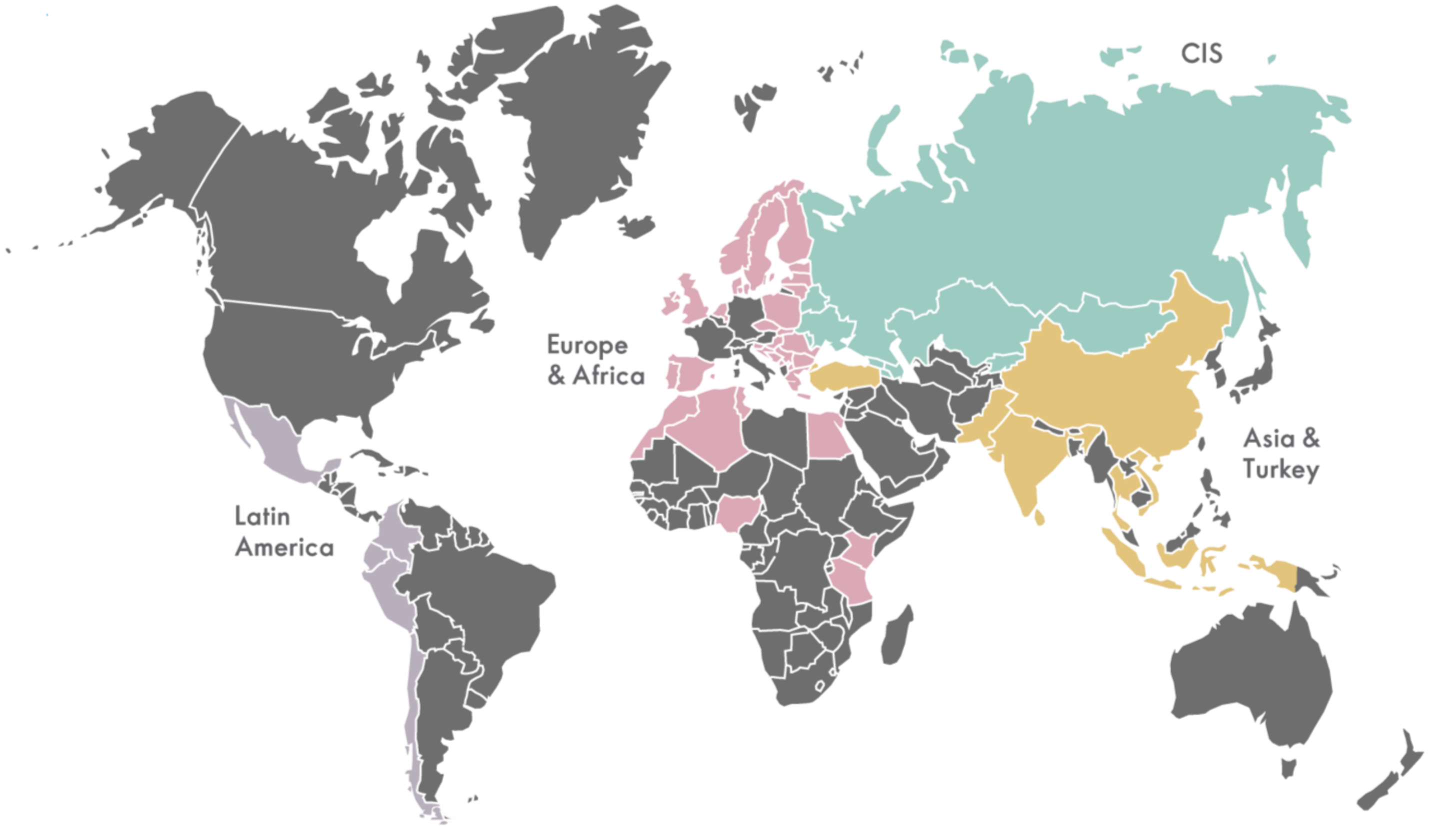
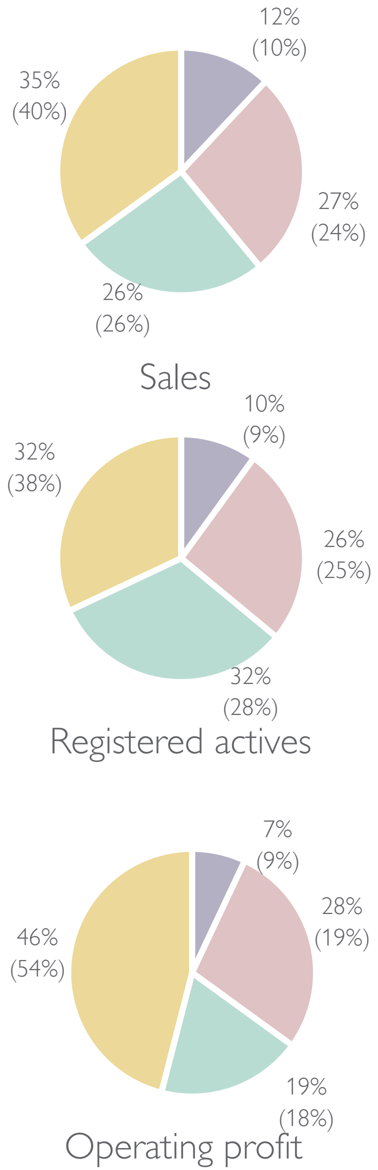
Regions



CIS
Europe
& Africa
Latin
America
Asia &
Turkey

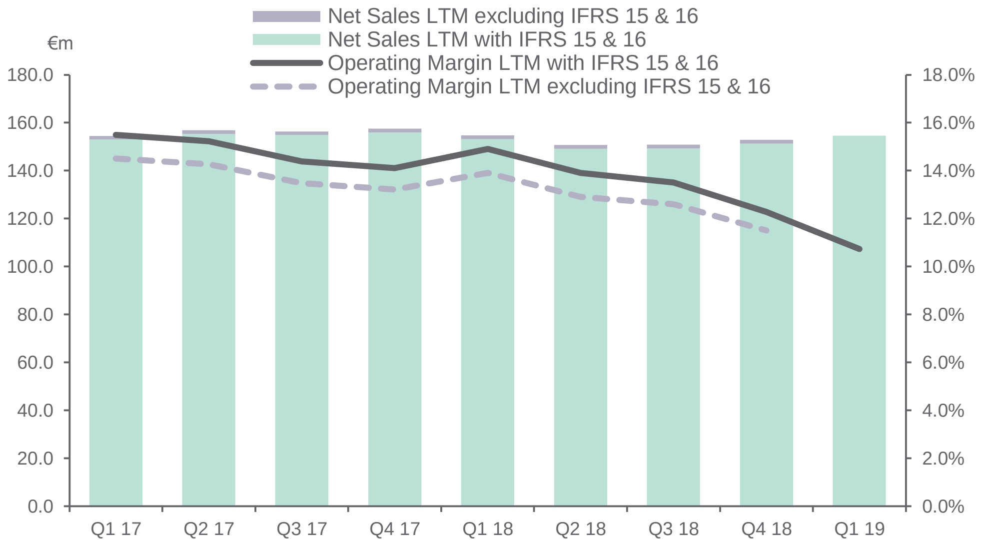


12%
(10%)
27%
(24%)
26%
(26%)
35%
(40%)
Sales
10%
(9%)
26%
(25%)
32%
(28%)
32%
(38%)
Registered actives
7%
(9%)
28%
(19%)
19%
(18%)
46%
(54%)
Operating profit

Latin America

- Sales force and productivity
  - Registered actives +8%
  - Lc productivity -3%
  - € productivity +1%
- Solid performance in Mexico
  - Successful recruitment campaigns
  - Higher activity and retention
- Positive development in Peru and Ecuador, improvements in Chile
- Operating margin -670 bps
  - Costs related to recruitment and activity campaigns
  - Higher administrative costs

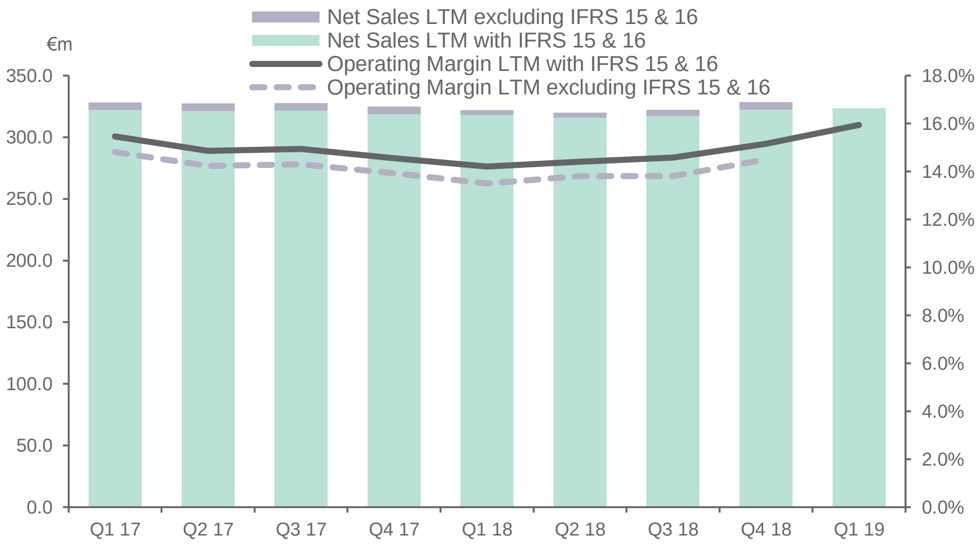
	Q1'19	Q1'18	Change	LTM, April'18 - March'19	YE'18
Sales, €m	37.3	34.0	10%	154.6	151.3
Lc sales	-	-	5%	-	-
Operating profit, €m	3.2	5.2	(39%)	16.6	18.6
Operating margin	8.5%	15.2%	-	10.7%	12.3%
Registered actives '000	286	264	8%	286	306



Europe & Africa

	Q1'19	Q1'18	Change	LTM, April'18 - March'19	YE'18
Sales, €m	80.6	79.3	2%	323.5	322.2
Lc sales	-	-	1%	-	-
Operating profit, €m	13.0	10.3	27%	51.5	48.8
Operating margin	16.1%	12.9%	-	15.9%	15.1%
Registered actives '000	737	750	(2%)	737	791

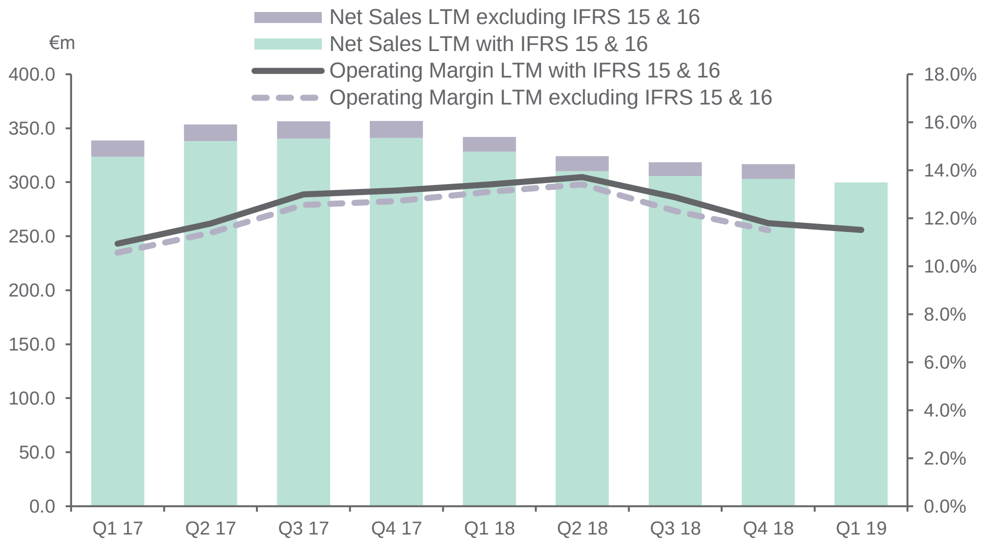
- Sales force and productivity
  - Registered actives -2%
  - Lc productivity +3%
  - € productivity +3%
- Stable development in Central Europe
  - Strongest performance in Poland and Greece
- Improved development in Western Europe
  - Solid online leadership development in the UK and Holland
- Africa driven by strong productivity levels in Egypt and Nigeria
- Operating margin +320 bps
  - Sales leverage
  - Savings of administrative costs



CIS

- Sales force and productivity
  - Registered actives +9%
  - Lc productivity -9%
  - € productivity -12%
- Stable development in Russia
  - High activity following successful recruitment campaigns
- Healthy growth in Ukraine and Kazakhstan
- Reopening of Uzbekistan during 2019
- Operating margin -100 bps
  - Negative exchange rates
  - Ongoing recruitment driving initiatives

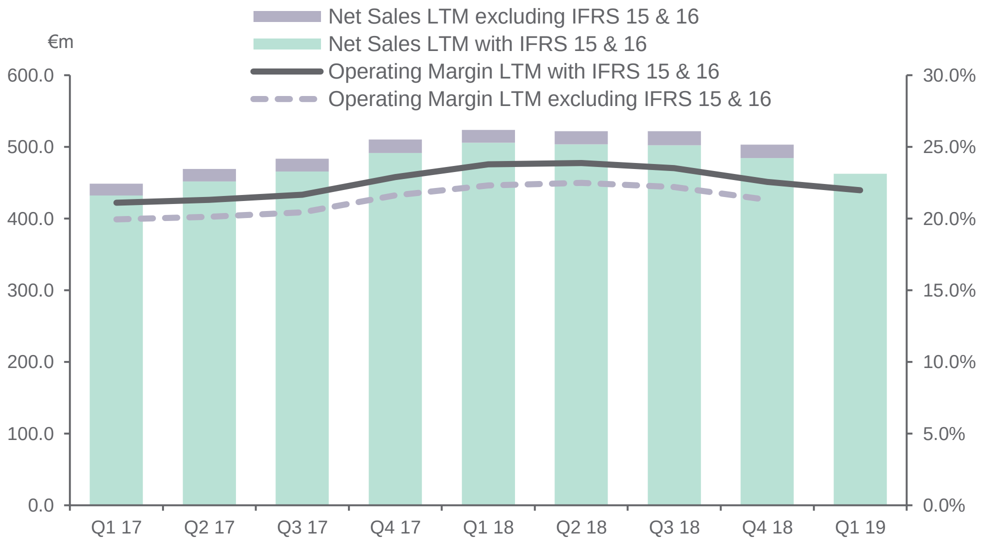
	Q1'19	Q1'18	Change	LTM, April'18 - March'19	YE'18
Sales, €m	79.0	82.2	(4%)	299.8	303.0
Lc sales	-	-	0%	-	-
Operating profit, €m	8.9	10.1	(12%)	34.5	35.7
Operating margin	11.3%	12.3%	-	11.5%	11.8%
Registered actives '000	912	836	9%	912	966



Asia & Turkey

- Sales force and productivity
  - Registered actives -20%
  - Lc productivity +4%
  - € productivity +3%
- Challenging market conditions in Turkey and Indonesia
- China unfavourably impacted by governmental initiatives
- Vietnam negatively affected by the new direct selling legislation
- Healthy growth in India
- Operating margin -250 bps
  - Negative currency movements
  - Unfavourable geographical and product mix
  - Favourable timing of selling and marketing expenses

	Q1'19	Q1'18	Change	LTM, April'18 - March'19	YE'18
Sales, €m	106.3	128.4	(17%)	462.5	484.6
Lc sales	-	-	(16%)	-	-
Operating profit, €m	21.7	29.4	(26%)	101.6	109.3
Operating margin	20.4%	22.9%	-	22.0%	22.6%
Registered actives '000	951	1,184	(20%)	951	1,042

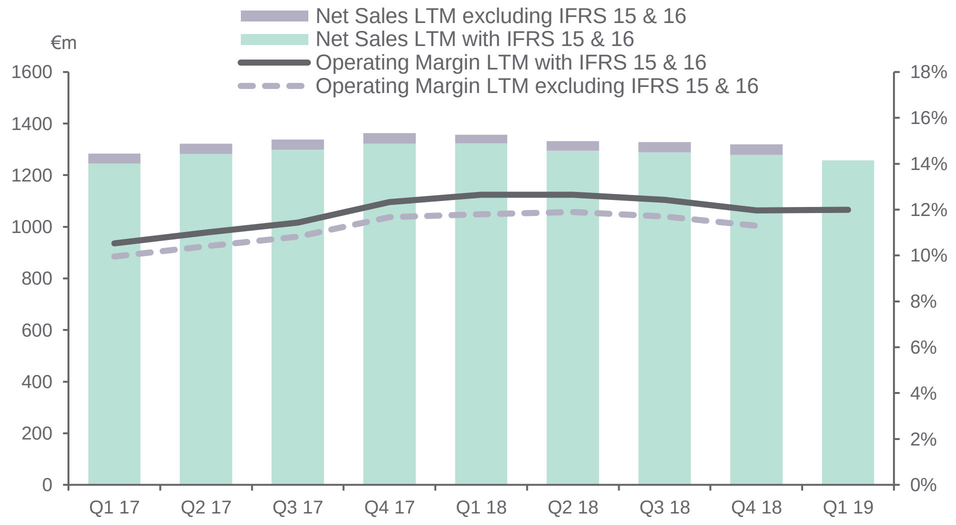


FINANCIALS

Q1 income statement

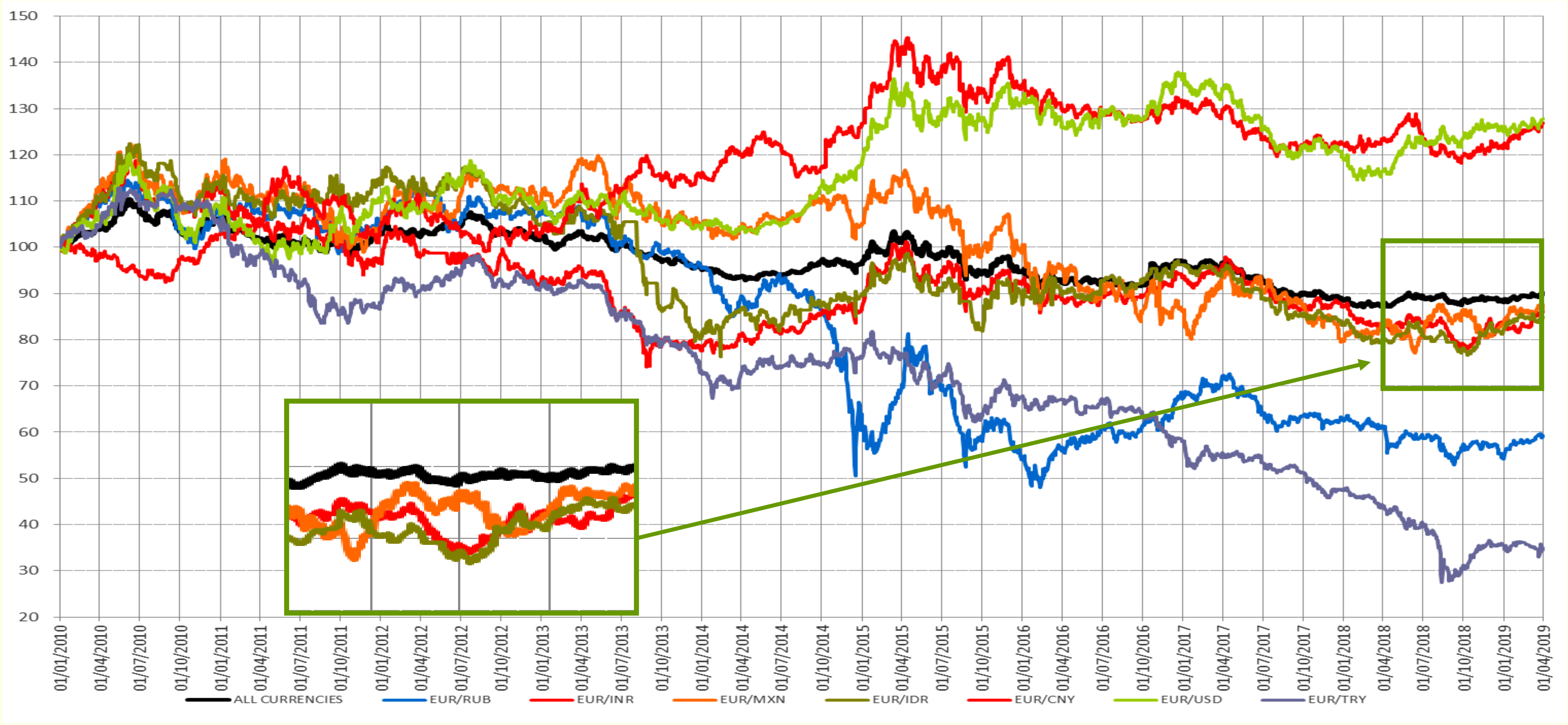
- Sales mix
  - Unit sales -1%
  - Price/mix -5%
- Gross margin 68.0% (69.7%)
  - Negative currency movements
  - Negative price and geographical mix effect
- Operating margin +/-0 bps
  - Negative currency impact -30 bps
  - Lower sales comparable
  - Higher distribution and infrastructure costs
  - Lower administrative costs
  - Lower selling and marketing expenses*
- Net profit €23.0m (€21.0m)
  - Diluted EPS €0.40 (€0.36)

	Q1'19	Q1'18	Change	LTM, April'18 - March'19	YE'18
Sales, €m	309.2	330.8	(7%)	1,257.2	1,278.8
Lc sales	-	-	(6%)	-	-
Operating profit, €m	32.5	34.8	(7%)	150.8	153.1
Operating margin	10.5%	10.5%	-	12.0%	12.0%
Registered actives '000	2,886	3,034	(5%)	2,886	3,105

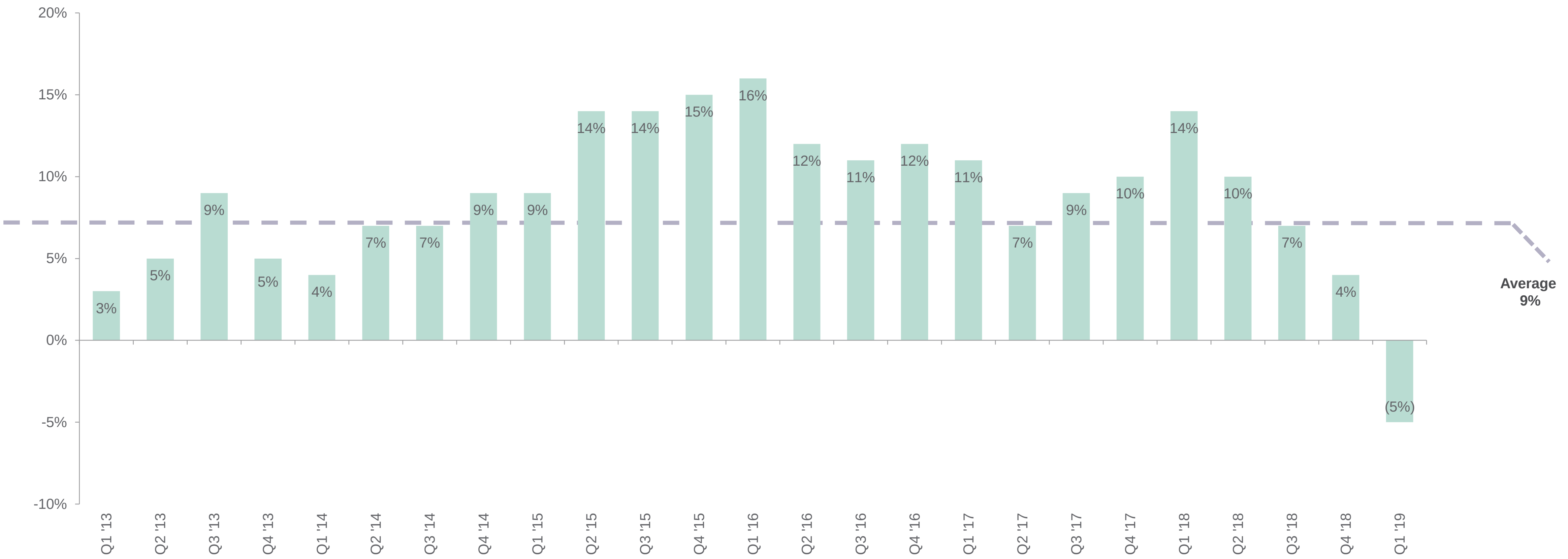


Prior year had a negative one-off effect as a result of the new accounting rules. The operating margin impact from this was fully offset by the one-off effect on sales caused by the implementation of IFRS 15 in 2018.

Group currency impact on sales since 2010



Price/mix impact on sales



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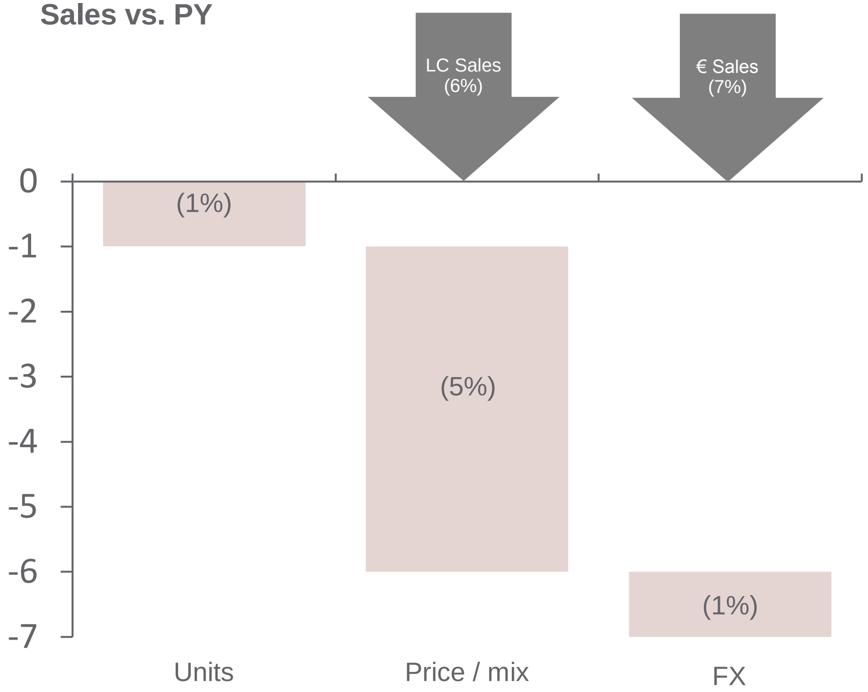
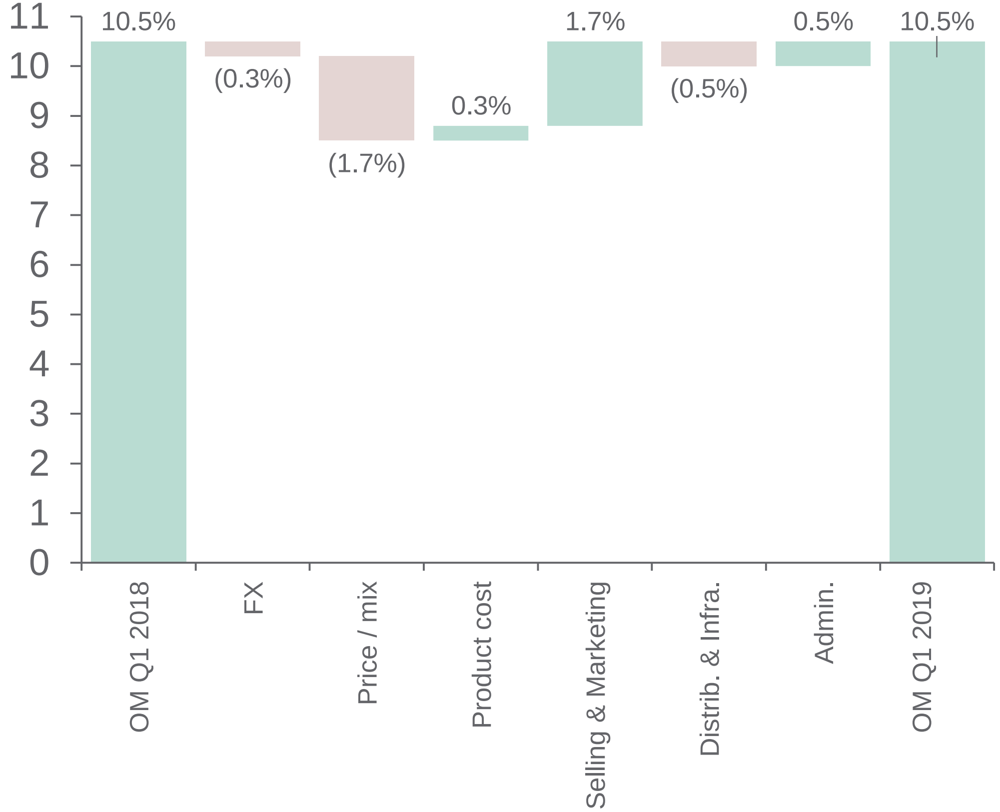
Q1 sales and operating margin analysis

Sales vs. PY



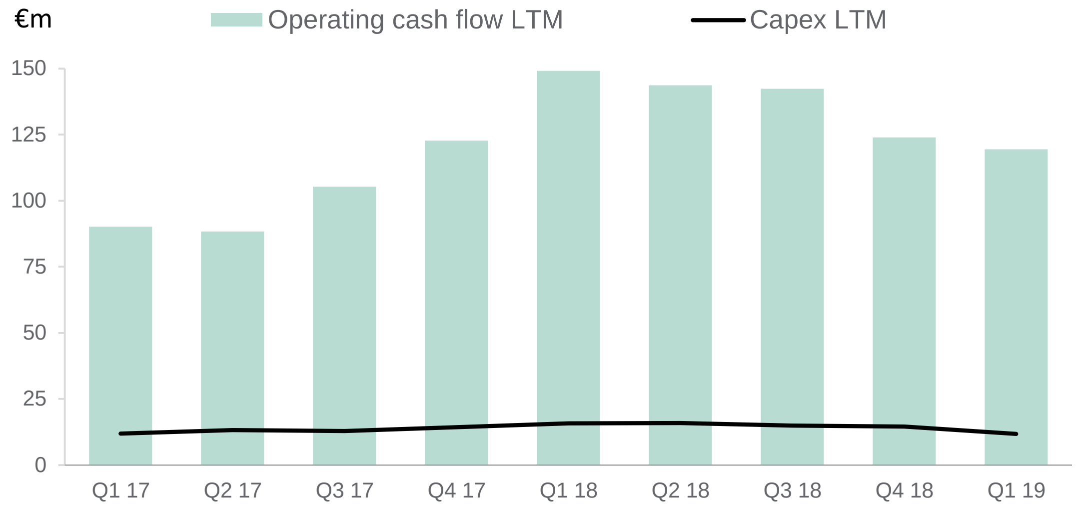
OP Margin vs. PY



The deviation analysis is impacted by one-off comparable effects due to the implementation of new accounting rules.

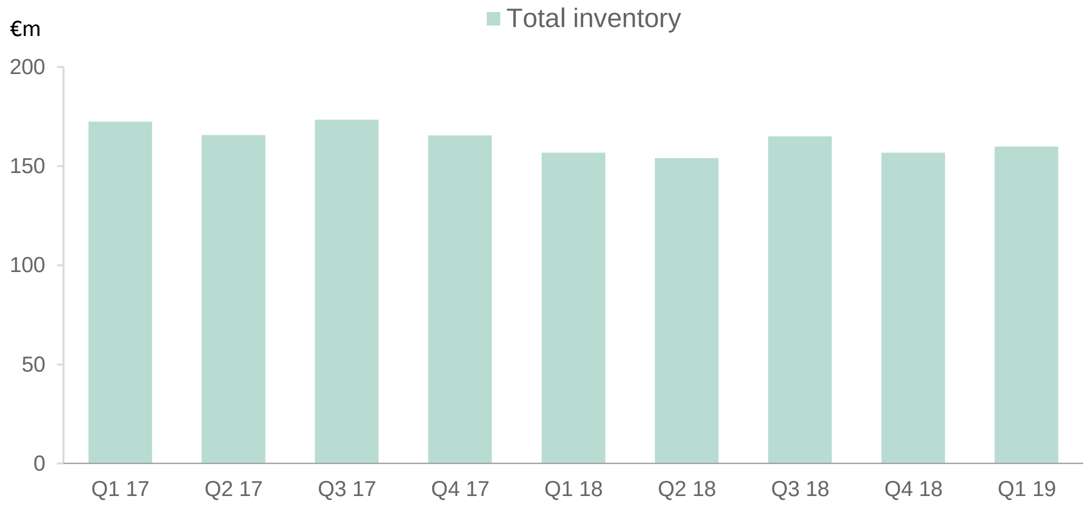
Cash flow

	Q1 19	Q1'18	LTM, April'18 - March'19	YE '18
Net profit before income tax, €m	31.6	30.3	136.2	134.9
Op. profit before changes in wc, €m	40.0	41.2	177.5	178.8
Change in working cap. and provisions, €m	(5.5)	3.1	(7.8)	0.8
Operating CF, €m	20.5	24.9	119.5	123.9
CF Investing Activities, €m	(3.0)	(3.1)	(11.7)	(11.8)



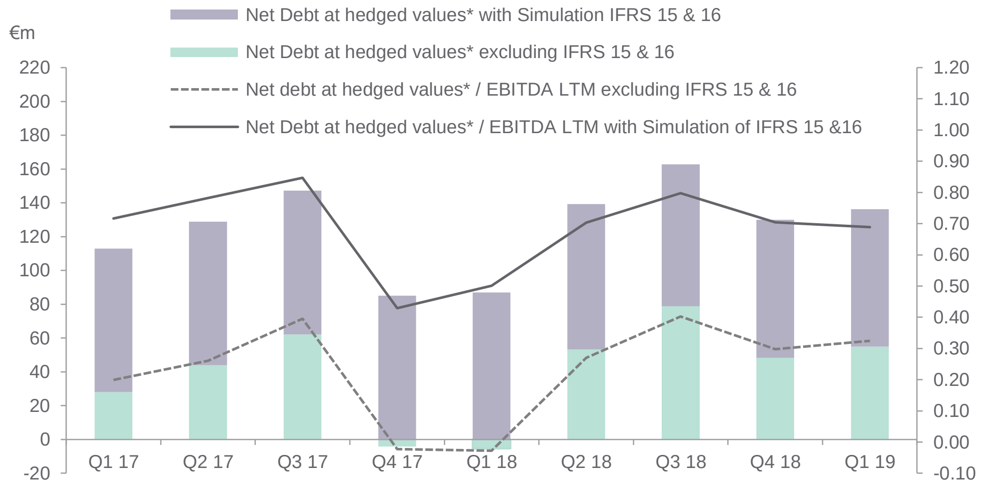
Q1 operating cash flow €20.5m (€24.9m)

- Net profit before tax €+1.3m
- Non-cash items in net profit before tax €-2.6m
- Impact from changes in working capital and provisions €-8.6m
  - Inventories €-4.6m
  - Receivables, prepaid exp., asset derivatives €-15.4m
  - Payables, accrued exp., liability derivatives €+11.2m
  - Provisions €+0.2m
- Interest, charges, taxes €+5.5m



Financial position

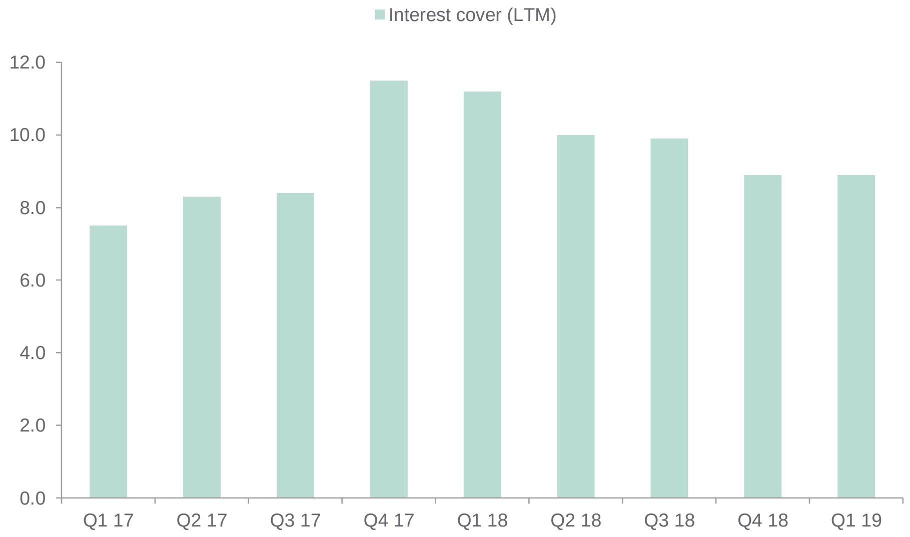
- Net debt at hedged values €136.2m (€81.6m)
  - Prev definition: Net debt at hedged values €54.9 (-€5.4m net cash)
- Net debt at hedged values/ EBITDA (LTM) 0.7 (0.4)
  - Prev definition: Net debt at hedged values/ EBITDA (LTM) 0.3 (0.0)
- Net debt €163.1m (€103.3m)
- Net debt/EBITDA (LTM) 0.8 (0.5)
- Interest cover (Q1): 7.7 (8.5)
- Interest cover (LTM): 8.9 (11.2)



** Adjusted for fair value movements of the USD private placement notes*

Covenant disclosure

- Consolidated Net Debt to Consolidated EBITDA: 0.4 (covenant at ≤ 3.0 times)
- Consolidated EBITDA to Consolidated Finance costs: 18.1 (covenant at ≥ 5.0 times / 4.0 times for RCF)
- Consolidated Net Worth: €152.1m (covenant at ≥ €120m / N/A for RCF or in 2017 and 2018 Euro denominated private placement notes)



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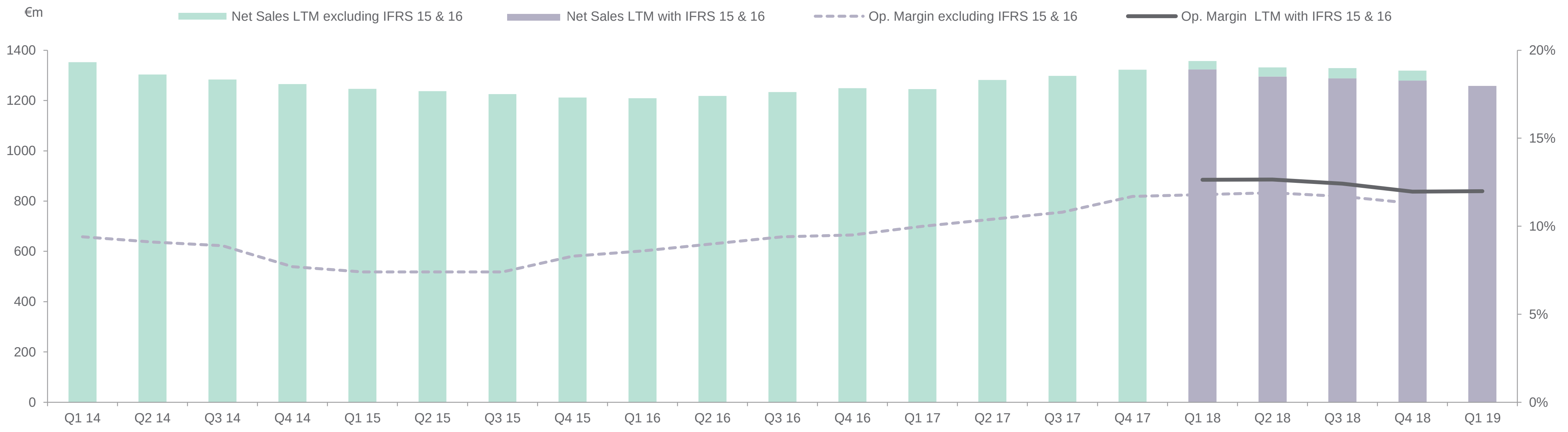

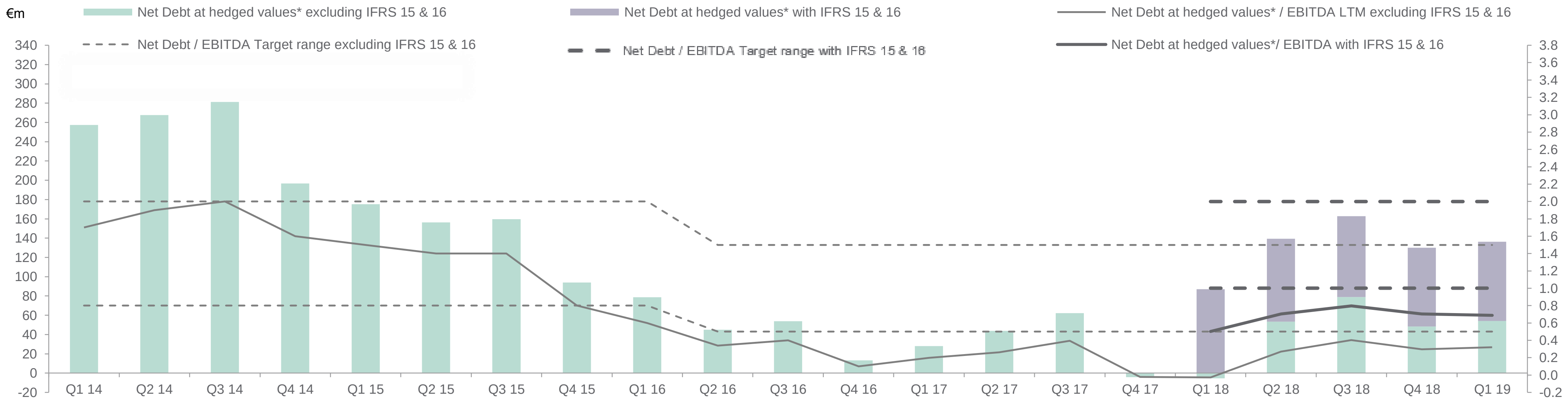

** Adjusted for fair value movements of the USD private placement notes*

CONCLUSIONS

AND GOING FORWARD

Conclusions and going forward

- Q1 lc sales development -6%:
  - Positive development in Latin America, Africa, Europe and CIS
  - Sales decline in Asia & Turkey
  - Stable profitability despite weaker sales and changed geographical mix
  - Q2 update: -4% QTD and -5% YTD lc sales

- Confidence in long-term strategy and in ability to return to profitable growth:
  - Solid financial position
  - Growth in the vast majority of markets
  - Responsible steps to drive sales and healthy margins
  - Focus on strategic implementations
    - Improved earnings opportunity
    - Skin Care and Wellness daily routines
    - Increased digitalisation

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CAUTIONARY STATEMENT

Some statements herein are forward-looking and the actual outcome could be materially different. In addition to the factors explicitly commented upon, the actual outcome could be materially affected by other factors like, for example, the effect of economic conditions, exchange-rate and interest-rate movements, political risks, impact of competing products and their pricing, product development, commercialisation and supply disturbances.