JULY 21ST 2023 10.00 CEST

Oriflame

SECOND QUARTER 2023

Anna Malmhake, CEO
Carl Rogberg, CFO

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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. commercialization and supply disturbances.

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HIGHLIGHTS

Q2 highlights

Sales €181.9m (€ 211.1m) -14% in €, -7% in Local Currency (LC)

- Members average 1.7m (2.2m) -22%
- Members average LC productivity +16%
- All regions with Euro/LC decline except Türkiye & Africa with LC sales increase

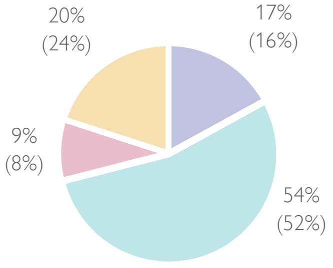
Adjusted EBITDA €11.9m (€21.8m)

- Adjusted EBITDA margin 6.6% (10.3%)
- Gross margins higher from price increases partially offset by negative exchange rate and product cost inflation increases
- Higher selling and marketing expenses from increased conference costs
- Lower administrative cost base from restructuring partially offset by inflationary increases

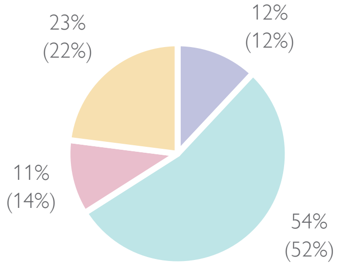
Adjusted cash flow before financing €-1.7m (€-11.1m)

Russia Manufacturing site (Cetes Cosmetics) sale successfully completed

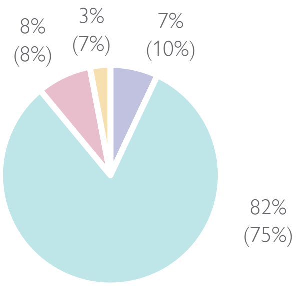
Q2 Regional overview



Sales

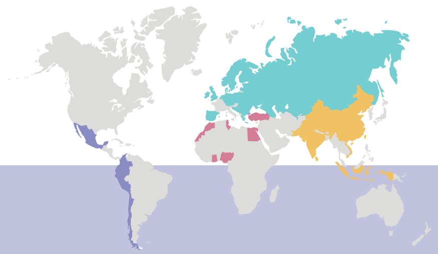


Members



Adj. Operating profit

Q2	Latin America	Europe & CIS	Asia	Türkiye & Africa	Group
EUR growth	-6%	-11%	-26%	-12%	-14%
LC growth	-9%	-3%	-20%	11%	-7%
Adj. Operating margin	3.6%	12.9%	1.0%	7.8%	3.3%



Latin America

Sales decrease in both € and local currency. Decrease is coming from less members due to weaker recruitment, partially offset by improved activity and productivity levels in all markets.

Europe & CIS

Sales decreased in € and local currency. Strong devaluation of the Russian rouble affected the € sales negatively. Lower sales from less members with certain improvements in activity among members and higher pricing levels. In Ukraine sales continues to recover. Operating margin decreased.

Asia

Sales drop in € and local currency due to less members. Sales remain challenging in all major markets in Asia. China is showing signs of improvements after Covid lockdowns. Operating margin decreased due to lower sales.

Türkiye & Africa

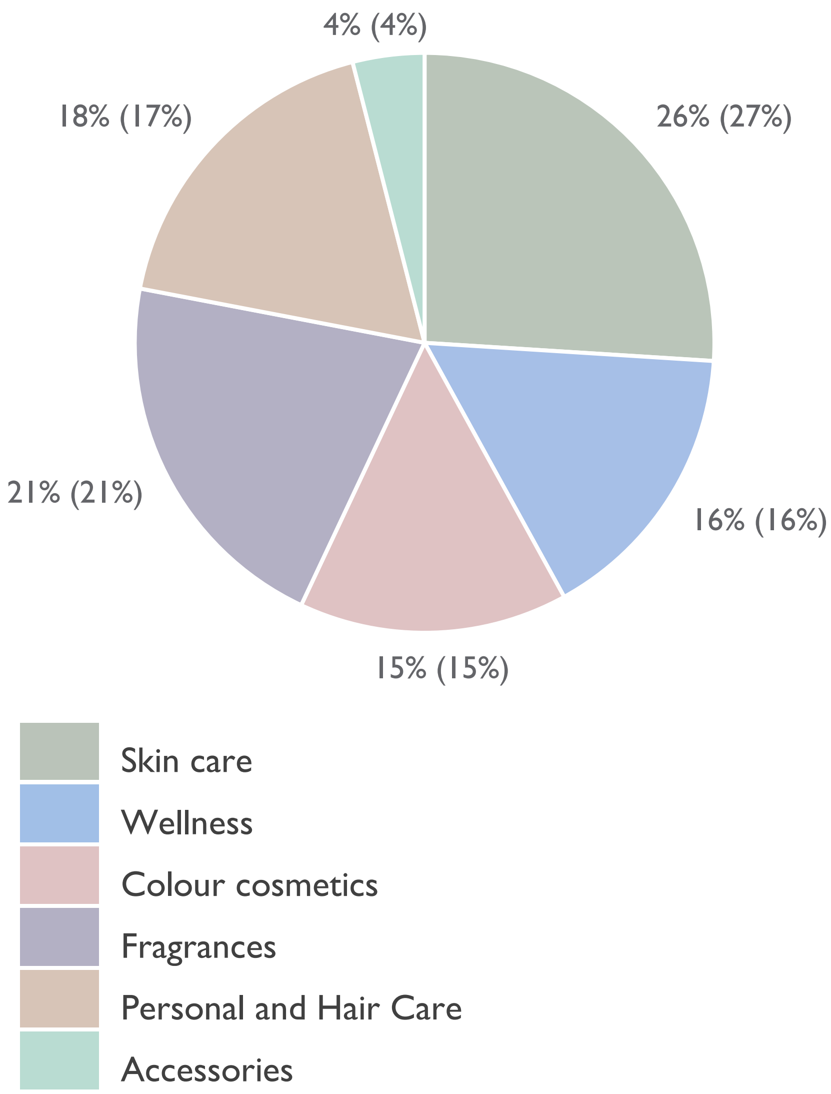
Türkiye & Africa region is experiencing high devaluation from the two major markets Türkiye and Nigeria leading to a Euro sales drop of 12% in the quarter. In local currencies the development is showing a growth of 11% supported by high inflationary pricing increases and continued strong development in Nigeria.

** Sales growth in local currencies calculation has been adjusted for Türkiye hyperinflation*

Operational highlights

Brand and Innovation

Product categories Q2 2023 (Q2 2022)



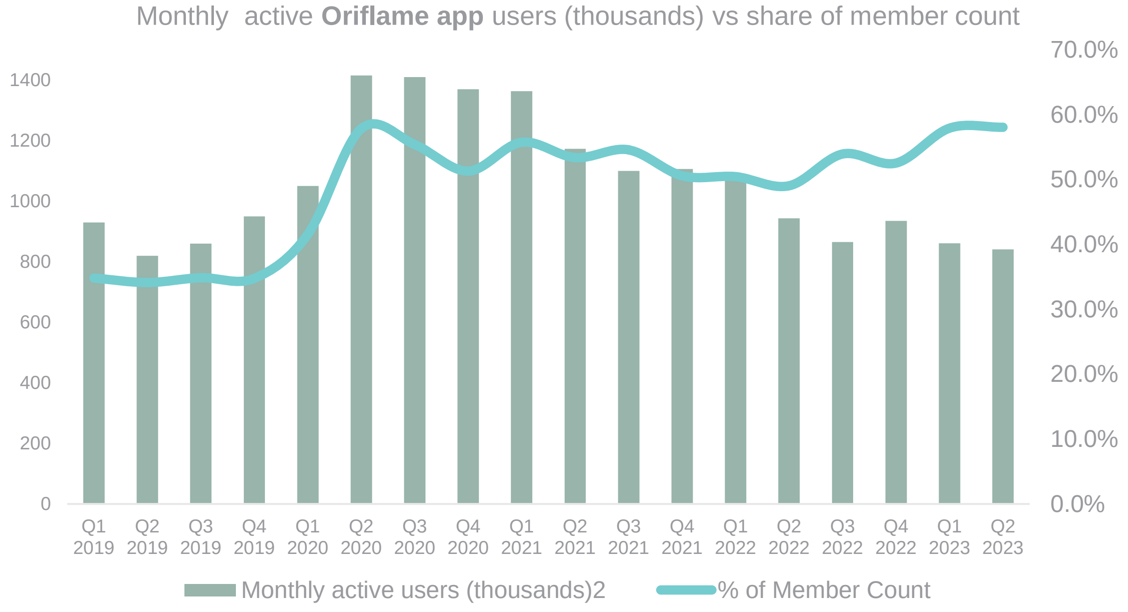
Skin Care was yet again the lead category in Q2. The flagship brand Novage was relaunched as Novage+ showing initial positive impact on the category.

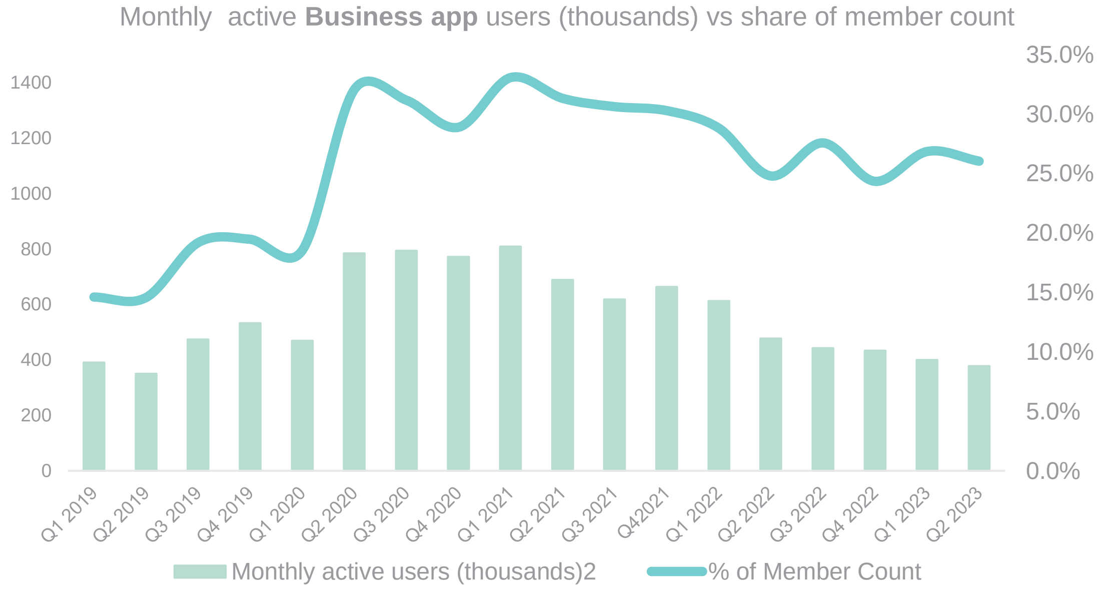
Fragrances remained relevant. The iconic and popular brands were in high demand along with the new Signature Generation for Her.

The Wellness packs Women and Men maintained the top product positions within *Wellness* category.

The One Wonderlash mascara range and the premium Giordani Gold Age Defying Serum Boost foundation range displayed great performance within the *Colour Cosmetics.*

In *Personal Care*, Love Nature and the intimate care range Feminelle were the highlights and strong contributors to the category.





Operational highlights

Digital

During the first six months, over 98 percent of all orders were placed online.

Notable is that key social selling initiatives such as the Share & Earn activity and eCatalogue utilization share are growing steadily.

During the period rollout activities continued and significant progress was achieved with focus on strategic initiatives:

- A new digital tool for skin diagnostics and beauty routine customization was released in the first quarter
- Work with the expansion of the company’s CRM system into additional markets continued
- The most important business tool for Brand Partners, the Virtual Business Coach, was released reaching global coverage
- Several digital processes started adopting AI in localization and translation activities.

Operational highlights

Sustainability

Oriflame continued to execute on its sustainability strategy and published the comprehensive **2022 Sustainability report.**

New launches / relaunches:

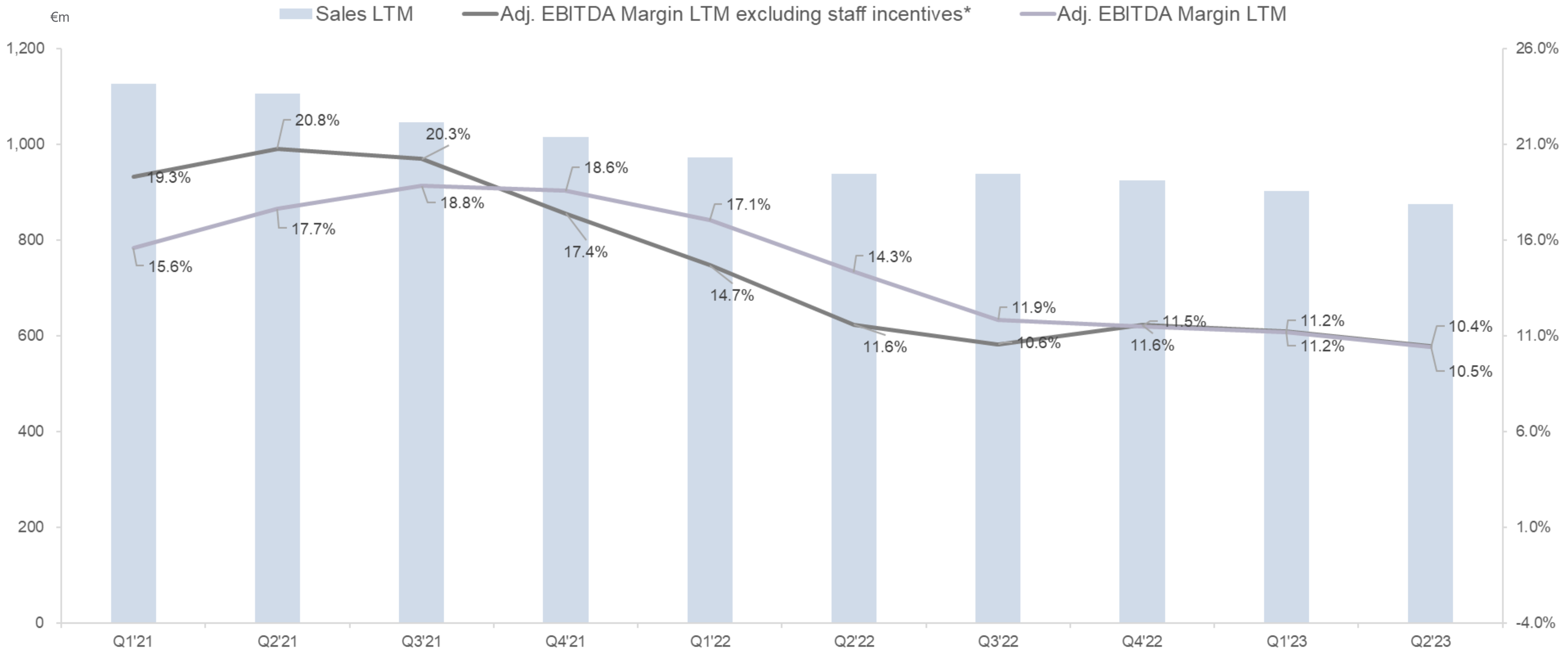
- **Novage+,** the premium skincare range, reflecting the responsible formulation approach with upcycled ingredients and natural origin technologies.
- **Duologi,** the first premium haircare range to be biodegradable.

Oriflame began **obligatory CDP 2022 (climate and forest**) reporting and in India data was successfully submitted in line with the amended **CPCB (Pollution Control Board**) Plastics Transactions Regulation.

Progression with the **UN Global Compact Business and Human Rights Accelerator Program**.

FINANCIALS

LTM Sales, adj. EBITDA margin LTM excl. staff incentives, adj. EBITDA Margin LTM



** Unaudited - Estimated amount of staff incentives*

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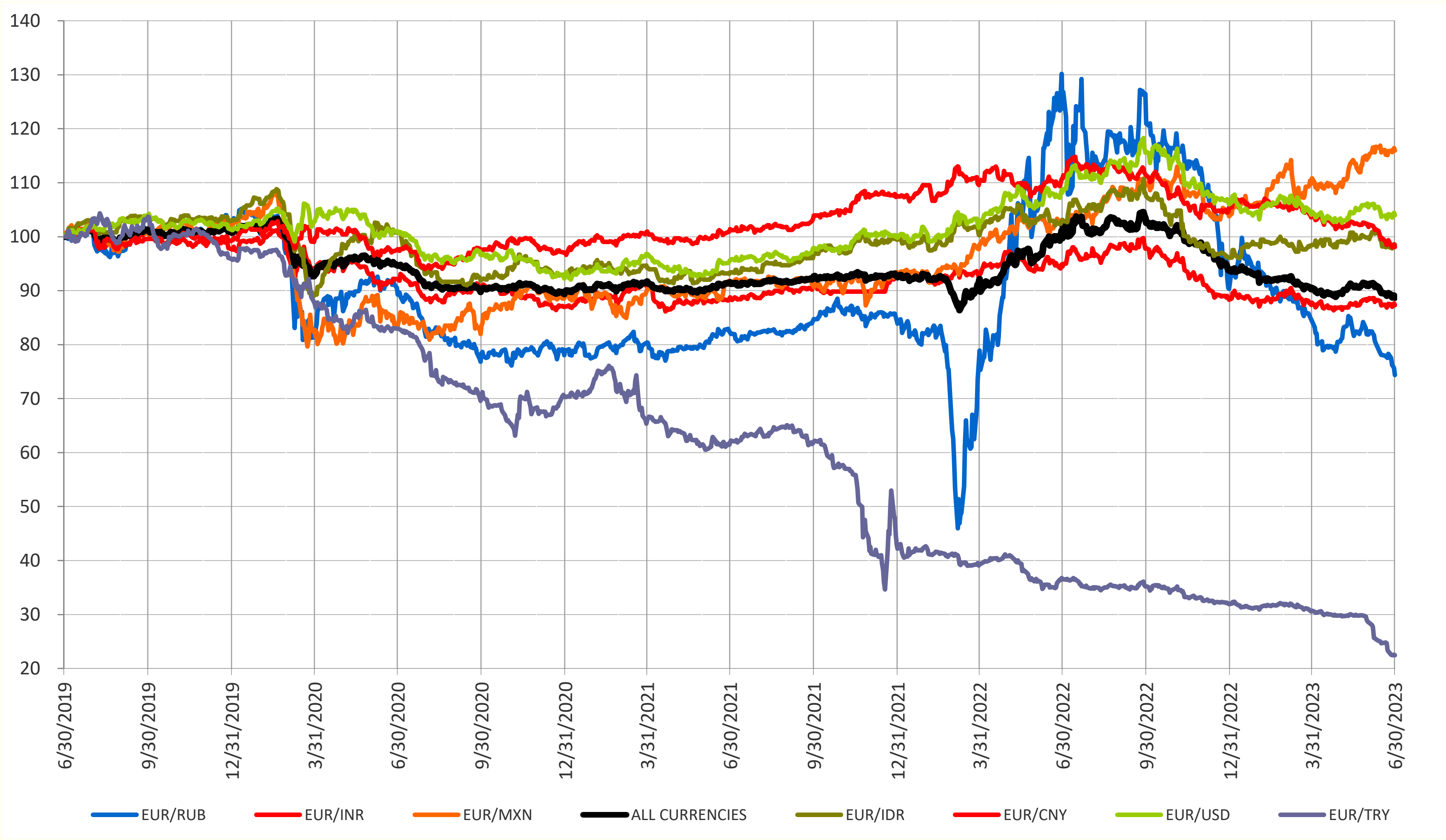
Group Currencies Impact (on Sales) – Q2 2023
Since July 2019



- All major currencies weakened during the quarter and in particular the Russian Rouble and Turkish Lira.
- Impact on operating profit was negative 200bps for the quarter and -70bps year to date.
- 2023 FX Impact overview

Impact on:	**Q1 Act**	**Q2 Act**	**YTD Act**
- Sales, around	+1%	-7%	-3%
- OP – approx. (bps)	+40	-200	-70

Adj. income statement Q2

€m	Q2'23	Q2'22	% change
Sales	181.9	211.1	-13.8%
	100%	*100%*	
Cost of Sales	-57.4	-68.5	-16.1%
	-31.6%	*-32.4%*	
Adj. Gross profit	**124.5**	**142.6**	**-12.7%**
	68.4%	***67.6%***	
Selling and marketing expenses	-58.7	-64.0	-8.2%
	-32.3%	*-30.3%*	
Distribution and Infrastructure	-5.2	-5.8	-10.9%
	-2.8%	*-2.7%*	
Administrative expenses	-54.7	-58.6	-6.7%
	-30.1%	*-27.8%*	
Adj. Operating profit	**5.9**	**14.2**	**-58.5%**
	3.3%	***6.7%***	
Net financing costs	-12.1	8.2	
	-6.6%	*3.9%*	
Net gain on disposal of a subsidiary	8.1	-	
	4.4%	*-*	
Loss from associates, net of tax	-0.0	-0.0	
	0.0%	*0.0%*	
Adj. Net profit before tax	**1.9**	**22.4**	**-91.5%**
	1.0%	***10.6%***	
Total income tax expense	-3.1	-6.3	-50.7%
	-1.7%	*-3.0%*	
Adjusted net loss (-) / profit	**-1.2**	**16.1**	
	-0.7%	***7.6%***	
Adj. EBITDA	**11.9**	**21.8**	**-45.4%**
	6.6%	***10.3%***	

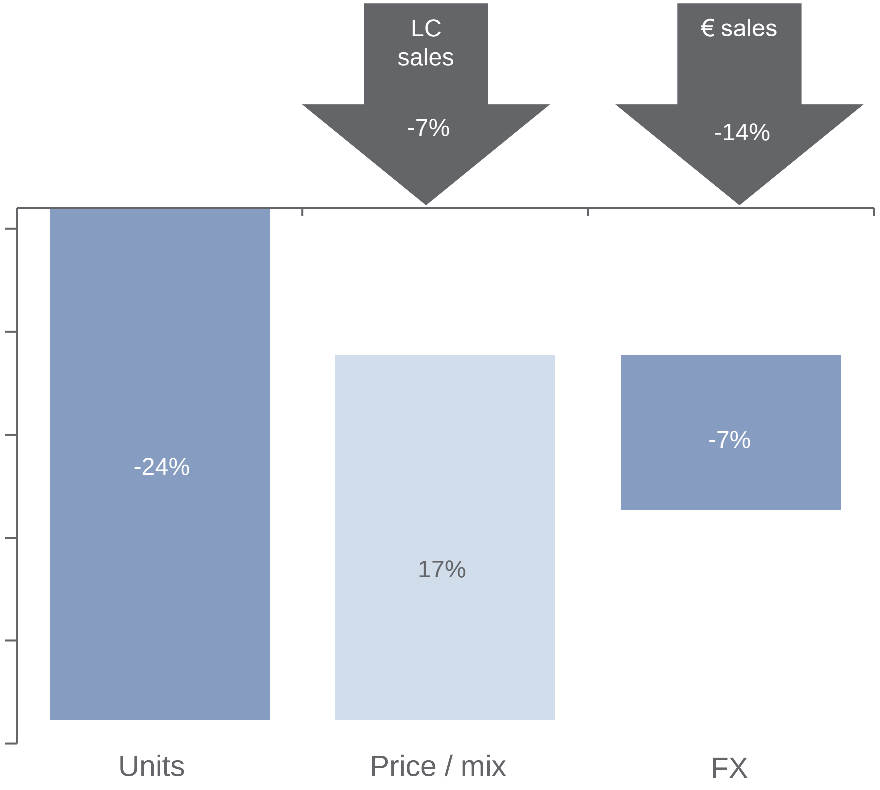
- Sales

  Unit sales -24%
  Price/mix 17%
  FX impact -7%
  EUR sales -14%

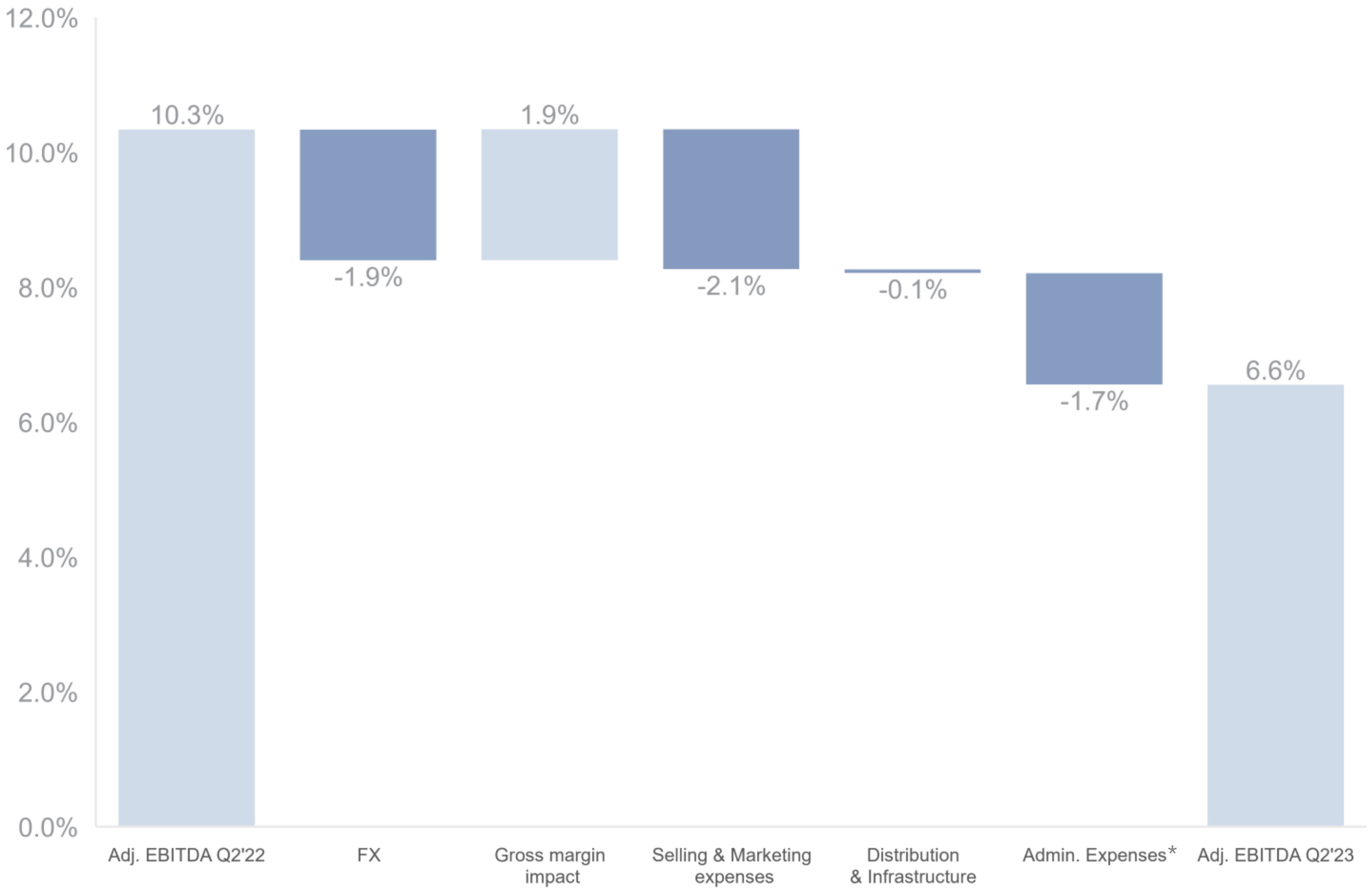
- Adj. Gross margin 68.4% (67.6%)
  - Positive impacts from price increase and lower inventory provision partially offset by negative FX impact and product cost inflation.
- Higher selling and marketing expenses from restarted higher activities for seminars and conferences
- Lower administrative expenses due to savings from restructuring programs in staff and office expenses, partly offset by inflationary increases. Increase as % of sales from deleverage effect of lower sales
- Adj. operating margin 3.3% (6.7%)
  - Currency impact was negative -200bps
- Net financing in Q2 prior year were positively impacted by significant gains on foreign exchange while losses in the current year
- Net gain on sales of Cetes Russia manufacturing €8.1m
- Adj. net loss €-1.2m (€16.1m net profit)
- Adj. EBITDA margin 6.6% (10.3%)

Q2 sales and adjusted EBITDA analysis

Sales vs. PY



Adj. EBITDA margin vs. PY



** Administrative expenses excluding FX and depreciation & amortisation went up from deleveraging of lower sales impact. In absolute value they decreased partially offset by higher inflation*

Adj. income statement YTD

€m	YTD'23	YTD'22	% change
Sales	390.2	441.0	-11.5%
	100%	*100%*	
Cost of Sales	-128.1	-150.7	-15.0%
	-32.8%	*-34.2%*	
Adj. Gross profit	**262.1**	**290.4**	**-9.7%**
	67.2%	***65.8%***	
Selling and marketing expenses	-125.6	-133.4	-5.9%
	-32.2%	*-30.3%*	
Distribution and Infrastructure	-11.1	-11.9	-7.4%
	-2.8%	*-2.7%*	
Administrative expenses	-109.2	-116.3	-6.1%
	-28.0%	*-26.4%*	
Adj. Operating profit	**16.3**	**28.7**	**-43.3%**
	4.2%	***6.5%***	
Net financing costs	-27.0	7.9	
	-6.9%	*1.8%*	
Net gain on disposal of a subsidiary	8.1	-	
	2.1%	*-*	
Loss from associates, net of tax	-0.0	-0.0	
	0.0%	*0.0%*	
Adj. Net loss (-) / profit before tax	**-2.7**	**36.6**	
	-0.7%	***8.3%***	
Total income tax expense	-5.3	-10.6	-49.7%
	-1.4%	*-2.4%*	
Adjusted net loss (-) / profit	**-8.0**	**25.9**	
	-2.1%	***5.9%***	
Adj. EBITDA	**28.7**	**44.0**	**-34.7%**
	7.4%	***10.0%***	

- Sales

  Unit sales -26%
  Price/mix 17%
  FX impact -3%
  EUR sales -12%

- Adj. Gross margin 67.2% (65.8%)
  - Positive impacts from price increase and lower inventory provision offset by negative FX impact and product cost inflation
- Higher selling and marketing expenses from restarted higher activities for seminars and conferences
- Lower administrative expenses due to savings from restructuring programs in staff and office expenses, partly offset by inflationary increases
- Adj. operating margin 4.2% (6.5%)
  - Currency impact was negative 70bps
- Net financing costs PY were strongly positively impacted from gains on foreign exchange included sale of Russia Rouble forward contracts, while negative impacts on foreign exchange in 2023.
- Adj. net profit €-8.0m (€25.9m)
- Adj. EBITDA margin 7.4% (10.0%)

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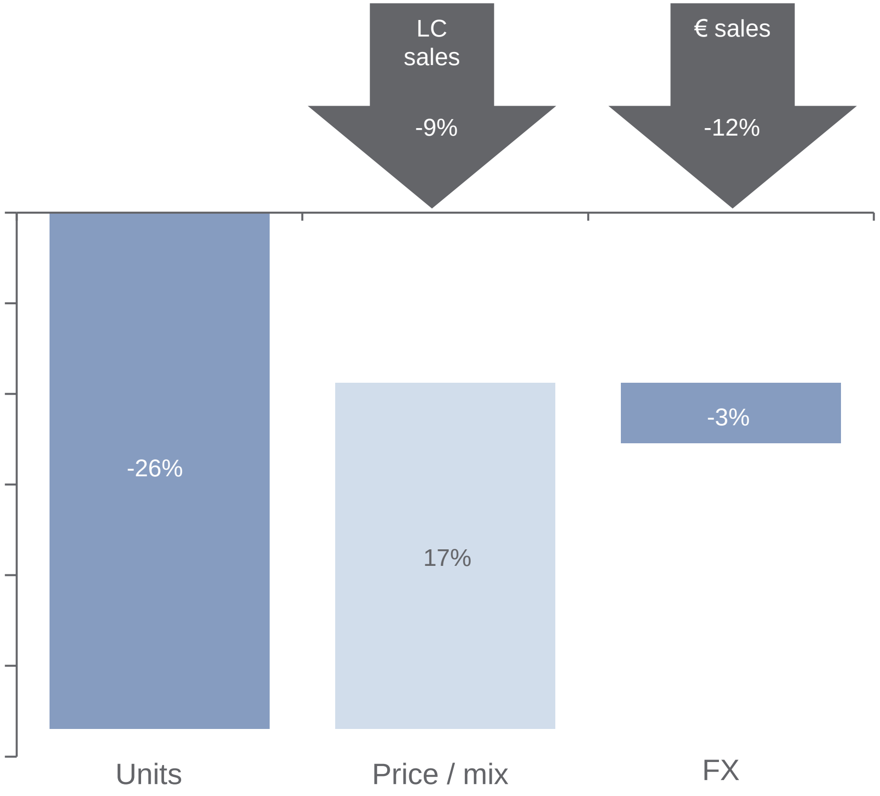
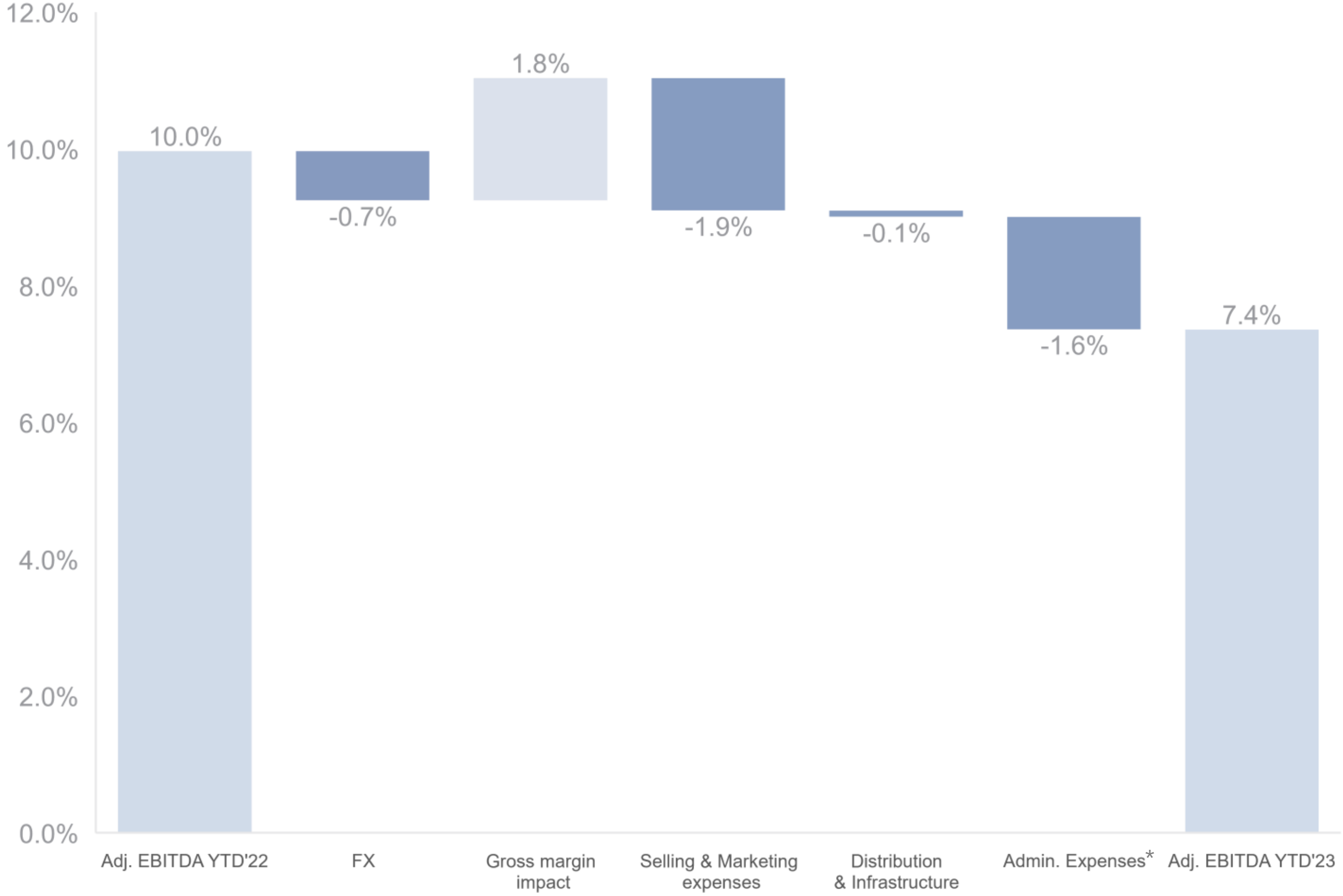
YTD sales and adjusted EBITDA analysis

Sales vs. PY

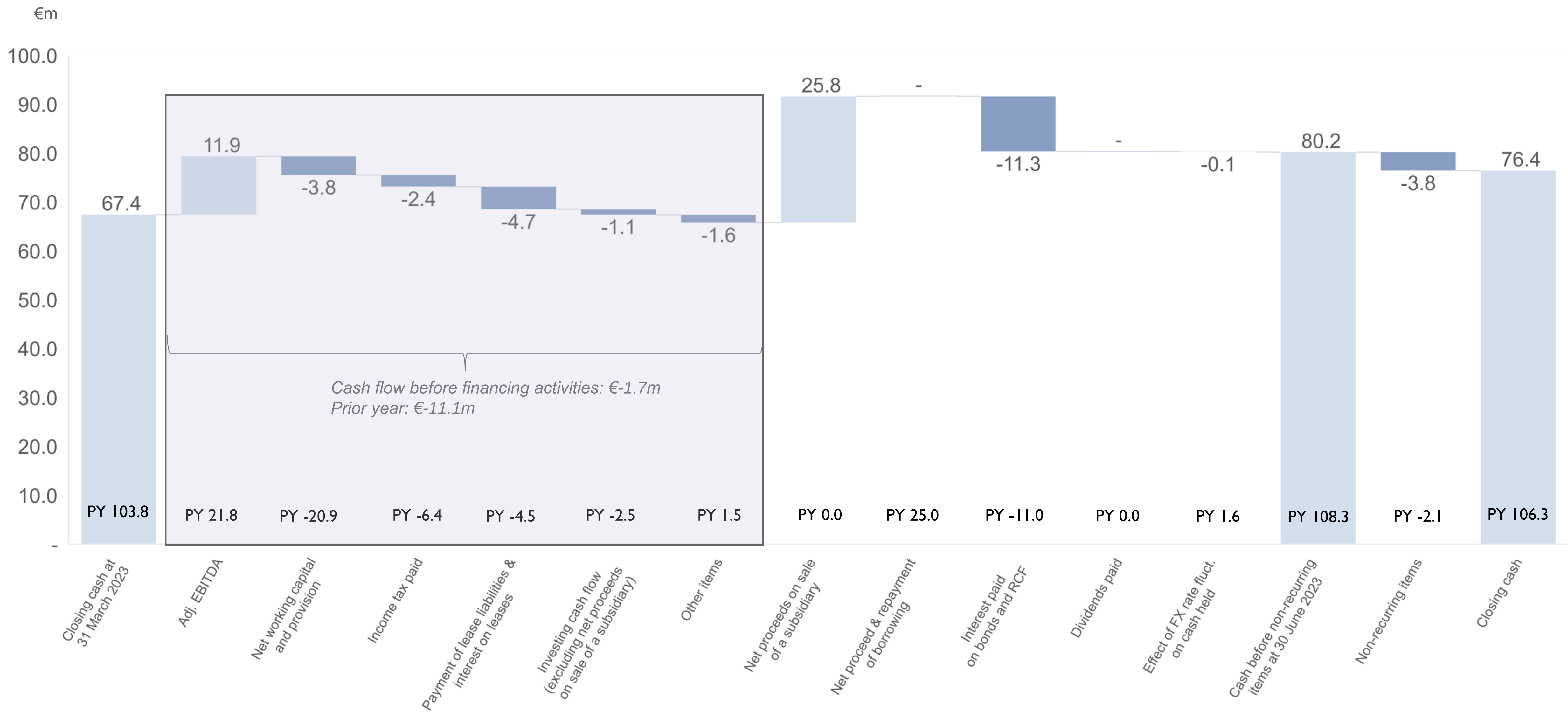


Adj. EBITDA margin vs. PY

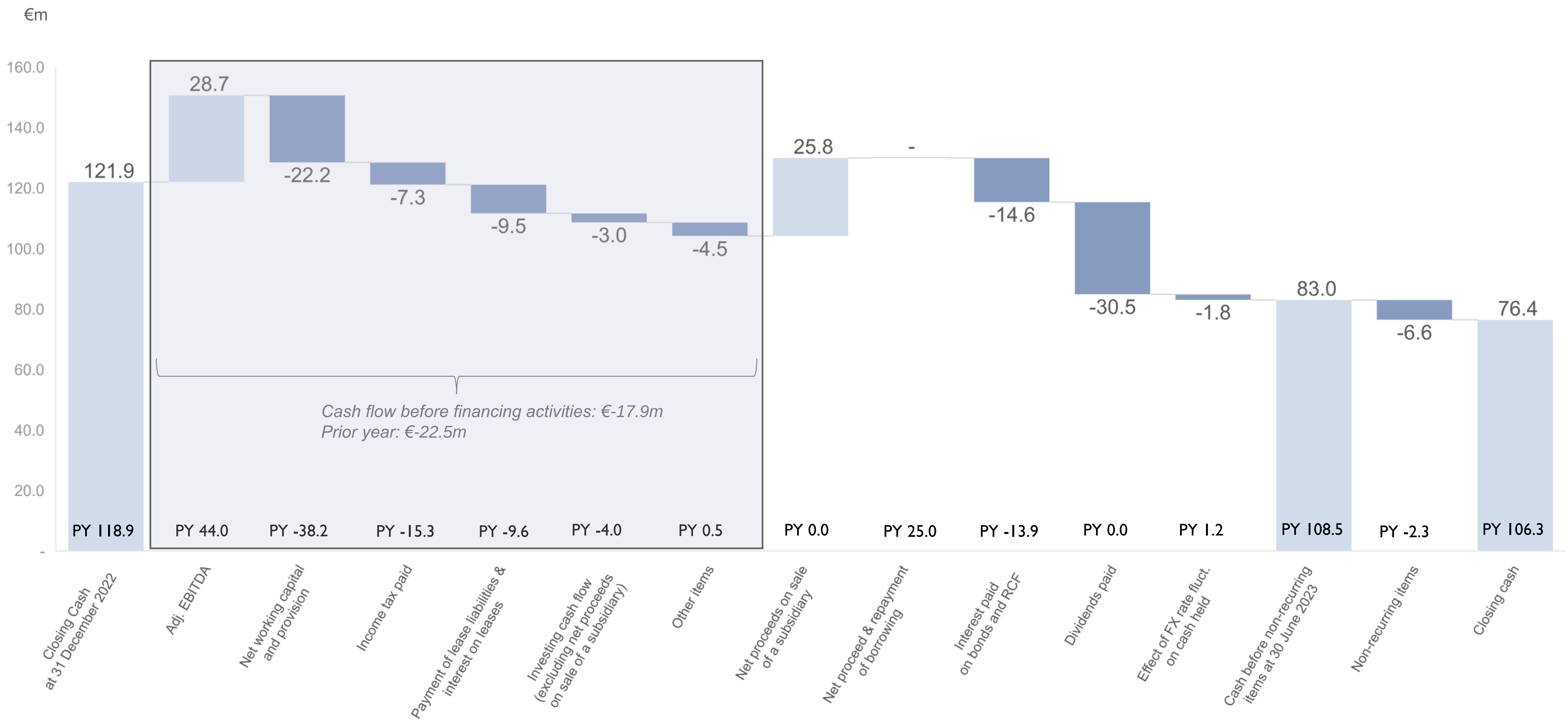


** Administrative expenses excluding FX and depreciation & amortisation went up from deleveraging of lower sales impact. In absolute value they decreased with partial offset from higher inflation*

Q2 Cash flow development



YTD Cash flow development



Funding and financial position

€m	30 June 2023	Year-end 2022
Notes*1	756.2	765.7
Revolving Facility	-	-
Total secured debt	756.2	765.7
Cash and Cash Equivalents	76.4	121.9
Total Net Secured Debt	679.8	643.7
Lease liabilities*1	36.3	46.6
Total Net Debt	716.0	690.3
Total debt *1	792.4	812.3

*1 *see appendix "Debt and debt ratio"*

*2 *see appendix "Adjusted EBITDA"*

Refinancing

- Refinancing completed May 2021
- €250m at a rate of 4.25% + 3-month Euribor *(€150m notional swapped into fixed EUR with margin 0.14%)*
- $550m at a rate of 5.125% (swapped € interest rate 3.53%)
- Maturity May 2026

Liquidity / Financial ratios

- Cash on balance sheet: €76.4m
- €100.0m Revolving Facility (maturity Oct 2025): no draw down as of 30 June 2023
- Net Secured Debt ratio: 7.4 *1
- Net Secured Debt ratio at hedged value: 6.9 *1
- Adj. EBITDA LTM: €91.3m *2

GOING FORWARD

Going forward

- Product Portfolio
  - Better utilisation of existing product portfolio to meet different market needs
  - Focus on Skin Care and Wellness in relevant markets to drive positive product mix
  - Pricing up in line with inflation
- Brand Partners
  - Beauty community model (BCM); test market implementation to prove concept
  - Further improvement in online and digital tools
- Structural changes
  - Further optimise cost and working capital to improve profitability

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Q&A

Appendix

- Oriflame snapshot 2022
- Purchase Price allocation (PPA) and non-reccuring items
- Adjusted EBITDA
- Debt & Debt ratio

Oriflame snapshot 2022

An international social selling beauty company with strong Swedish attributes operating in 60+ countries*

Approximately **2.1m** Members

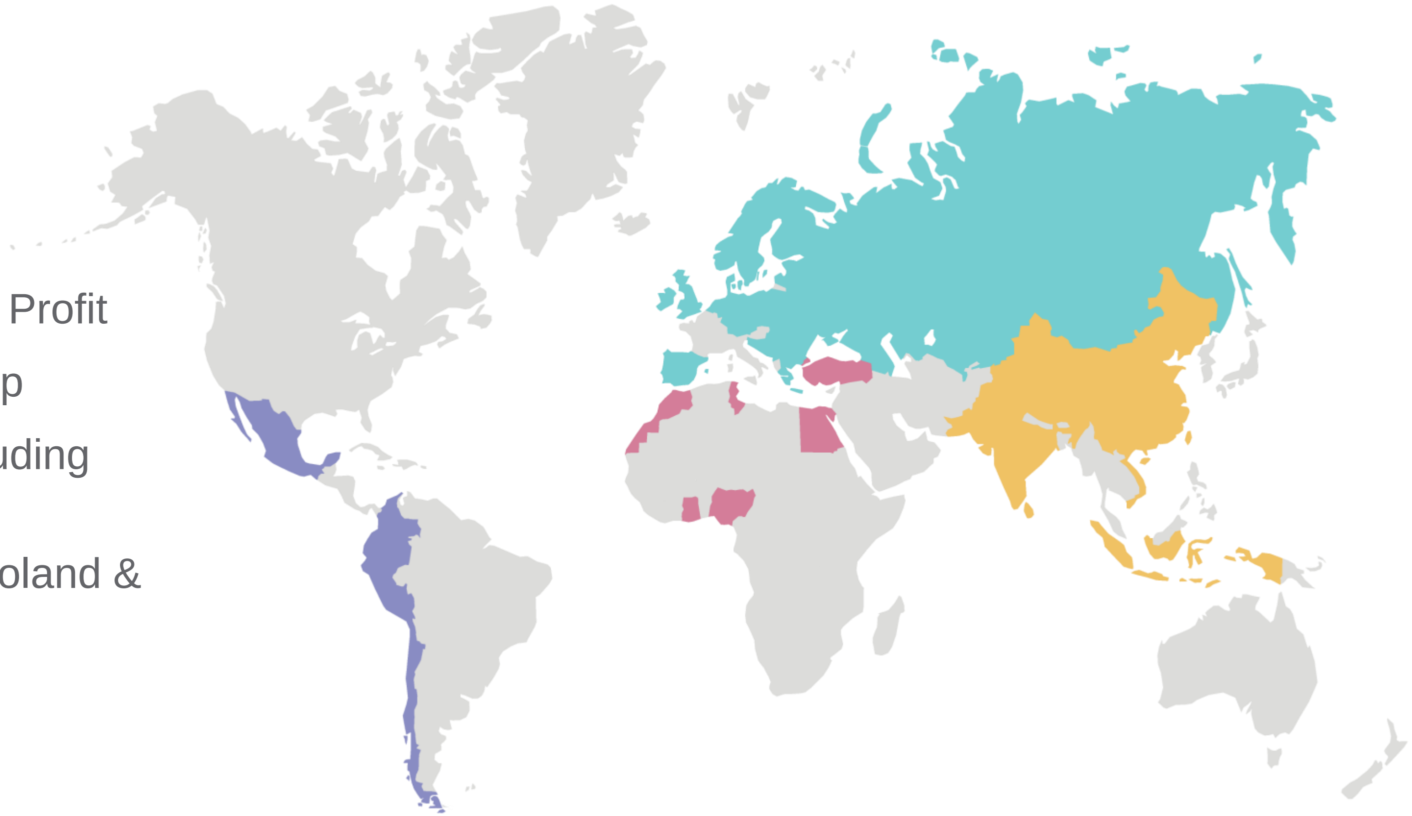
€0.9b in sales

Adj. EBITDA **€106.5m** and **€76.3m** Adj. Operating Profit

98% of orders online. Around 1 million Oriflame App

Around **1,400** beauty and wellness **products** (including approximately 200 accessories)

Founded in 1967. Manufacturing in China, India, Poland & Russia. Headquartered in UK & Switzerland



** including markets operated by franchisees*

Purchase Price Allocation (PPA) and non-recurring items

PPA Summary (M €)	BS Impact	P&L Impact							Comments
	2019	2019	2020	2021	2022	Q1'23	Q2'23	2023	
Inventory	322.0	**-308.5**	**-13.5**	**-**	**-**	-	-	**-**	Consumed by Q1 2020
Customer list	14.1	**-3.5**	**-7.0**	**-3.5**	**-**	-	-	**-**	Depreciated over 2 years
Manufacturing know-how	37.5	**-3.8**	**-7.5**	**-7.5**	**-7.5**	**-1.9**	**-1.9**	**-3.8**	Depreciated over 5 years
Brand	546.2	**-**	**-**	**-**	**-**	-	-	**-**	indefinite life time with annual impairment test
Goodwill	279.2	**-**	**-**	**-**	**-18.8**	-	-	**-**	Impairment recognised during Q4'22
Other	4.1	**0.0**	**-0.1**	**0.2**	**-**	-	-	**-**	Software and Right-of-use assets
Total PPA on EBIT		**-315.8**	**-28.1**	**-10.8**	**-26.3**	**-1.9**	**-1.9**	**-3.8**	
Financial expenses		**-0.8**	**-1.2**	**-0.6**	**-**	-	-	**-**	IFRS 16 leases
Total PPA on PBT		**-316.6**	**-29.2**	**-11.4**	**-26.3**	**-1.9**	**-1.9**	**-3.8**	
Tax	-135.4	**72.7**	**6.1**	1.7	0.7	0.2	0.2	0.4	
Total PPA	**1,067.6**	**-243.9**	**-23.1**	**-9.7**	**-25.5**	**-1.7**	**-1.7**	**-3.4**	
Non-recurring Items		-16.6	-10.1	-61.1	-74.5	-1.5	-3.4	-4.9	Restructuring / Impact from war in Ukraine / 2021 Refinancing / Impairment / staff related costs
Tax on non-recurring items		-	2.1	-	2.8	0.3	0.6	0.9	
Total PPA and non-recurring items		**-260.6**	**-31.1**	**-70.8**	**-97.3**	**-2.9**	**-4.5**	**-7.4**	

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Adjusted EBITDA

€ million	Q2'23	Q2'22	YTD Q2'23	YTD Q2'22	LTM Q2'23	Year end 2022
Operating profit	0.6	-52.2	7.6	-43.5	26.5	-24.6
Depreciation, amortisation and impairment	8.1	64.8	16.7	74.4	54.2	111.9
EBITDA	**8.7**	**12.6**	**24.2**	**30.8**	**80.7**	**87.3**
Purchase Price Allocation (PPA) items	1.9	1.9	3.8	3.8	26.3	26.3
Non-recurring items (NRI) *	3.4	64.5	4.9	68.5	11.0	74.6
Amortisation and impairment included in PPA & NRI	-2.1	-57.2	-4.2	-59.1	-26.7	-81.6
Adjusted EBITDA	**11.9**	**21.8**	**28.7**	**44.0**	**91.3**	**106.5**

** Non-recurring items*	*3.4*	*64.5*	*4.9*	*68.5*	*11.0*	*74.6*
Impairment of property, plant and equipment	*-*	*55.3*	*-*	*55.3*	*-*	*55.3*
Restructuring costs and employee related costs	*3.4*	*9.4*	*4.9*	*11.8*	*11.5*	*18.4*
Impact from the war in Ukraine	*-*	*-0.2*	*-*	*1.3*	*-0.4*	*0.9*

Debt & Debt ratio

€ million	30 June 2023	Year end 2022
Senior Secured Notes - € 250.0 million	*250.0*	*250.0*
Senior Secured Notes - $ 550.0 million	*506.2*	*515.7*
Notes	756.2	765.7
RCF	-	-
Secured debt	**756.2**	**765.7**
less cash and cash equivalents	*-76.4*	*-121.9*
(a) Net Secured Debt	**679.8**	**643.7**
Hedge on Secured Debt	*-48.6*	*-58.1*
(b) Net Secured Debt at hedged value	**631.1**	**585.6**
Secured debt	*756.2*	*765.7*
Lease liabilities short term	*12.0*	*13.1*
Lease liabilities long term	*24.3*	*33.5*
Lease liabilities	*36.3*	*46.6*
Total debt	**792.4**	**812.3**
less cash and cash equivalents	*-76.4*	*-121.9*
Total Net debt	**716.0**	**690.3**

€ million	30 June 2023	Year end 2022
Net Secured debt	679.8	643.7
Adjusted EBITDA LTM	91.3	106.5
(a) Net Secured debt ratio	**7.4**	**6.0**
Net Secured debt at hedged value	631.1	585.6
Adjusted EBITDA LTM	91.3	106.5
(b) Net Secured debt ratio at hedged value	**6.9**	**5.5**

More than 50 years in, Oriflame is the choice of more than two million people. Looking ahead, we are committed to continuing to build on this simple formula – empowering people and enabling positive change around the world.