

Oriflame as an investment

SEVEN REASONS TO INVEST

1

Sustainability is an inseparable part of the strategy

Sustainability has been an inseparable part of Oriflame's operational framework and business strategies since the beginning. The focus of Oriflame's sustainability strategy is to create opportunities to improve people's lives, to bring beauty and well-being through responsible products and to drive environmental sustainability throughout the value chain. Oriflame has set a range of commitments and time-bound targets designed to improve performance and move the company closer to its long-term vision of becoming sustainable.



2

Business model well suited to modern social networking

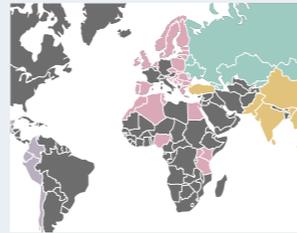
Oriflame has a direct selling business model that is well suited to the modern network society – leveraging the power of personal recommendation in the digital environment. With the global retail market in rapid transformation and many markets experiencing decreasing traffic in physical stores, Oriflame has a strong position since the company does not operate retail stores. Instead, it operates through 3.1 million independent Consultants who recommend and sell its products directly to friends, family and followers using digital tools.



3

Balanced geographic footprint with growth potential

Oriflame has a global business footprint with a presence in markets with high growth potential. Oriflame currently operates in over 60 countries, which are primarily markets where consumer spending on beauty products per capita is low but growing in combination with strong growth in GDP per capita. The geographical mix also provides a balanced risk elimination between more mature and emerging markets.



4

Strong growth orientation with a clear strategic direction

Oriflame has a clear strategy with a strong growth orientation. The company sees significant growth opportunities in the markets where it operates, and continuously evaluates its capacity to establish itself in new markets. Oriflame is committed to its long-term financial targets and will continue to deliver on its growth strategy.



5

Focus on continued margin expansion

Oriflame's profitability has improved over the past few years. The company will continue to drive its price/mix, efficiency measures and sales leverage across its business to reach its long-term financial target of an operating margin of 15%.

- Price/mix
- Efficiency measures
- Sales leverage

6

Asset-light company structure, strong cash flow generation and dividend

Oriflame has an asset-light company structure that allows for low and stable maintenance capital expenditures. Combined with effective management of working capital, this results in strong cash flow generation and thereby allows for dividends in accordance with the goal to distribute at least 50% of the annual profit after tax.



7

50-year track record, strong corporate culture and long-term ownership

Oriflame was founded by Jonas and Robert af Jochnick and a former partner with a clear mission. Today, 50 years later, the af Jochnick family is still the largest owner of Oriflame with close to 30% of the share capital and voting rights. One of the company's strategic differentiators, and a key to tackling macroeconomic challenges along the way, is the strong entrepreneurial corporate culture that is a natural part of the DNA of the company.

