

# 6 — 2024 parent company financial statements AFR

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The individual financial statements set out in this chapter are those of the L'Oréal parent company. They show the financial situation of the parent company. Unlike the consolidated financial statements, they do not include the results of the Group's subsidiaries.

The information regarding the parent company financial statements that was previously included in the Management Report of the Board of Directors is now included in this chapter. The pages concerned are the table showing the main changes and threshold crossings regarding equity investments, the five-year financial summary and the amount of expenses and charges provided for in Article 223 *quater* of the French Tax Code, and the table showing past due invoices issued and received and not paid at the closing date, provided for by Articles L. 441-14 and D. 441-6 of the French Commercial Code. The Statutory Auditor's Report on the parent company financial statements rounds out this information.

## 6.1 Compared income statements

€ millions	Notes	31.12.2024	31.12.2023	31.12.2022
<b>Operating revenue</b>		<b>5,794.6</b>	<b>6,909.6</b>	<b>7,164.5</b>
Sales	2	4,863.4	5,982.7	6,282.0
Reversals of provisions and transfers of charges		175.8	169.9	168.4
Other revenue	3	755.4	757.0	714.1
<b>Operating expenses</b>		<b>(4,934.7)</b>	<b>(5,917.1)</b>	<b>(6,290.3)</b>
Purchases and change in inventories		(2.3)	(478.9)	(792.8)
Other purchases and external charges		(3,084.0)	(3,296.1)	(3,309.4)
Taxes and similar payments		(125.7)	(120.6)	(129.7)
Personnel costs		(1,154.9)	(1,307.6)	(1,376.3)
Depreciation, amortisation and charges to provisions	5	(236.9)	(381.3)	(314.2)
Other charges		(331.0)	(332.6)	(367.9)
<b>Operating profit</b>		<b>859.9</b>	<b>992.5</b>	<b>874.2</b>
Net financial revenue	6	4,990.4	5,124.1	11,711.7
Net charges/reversals of provisions and transfers of charges	6	22.1	(2,010.5)	108.1
Exchange gains and losses		24.7	35.8	(316.1)
<b>Net financial income</b>		<b>5,037.2</b>	<b>3,149.4</b>	<b>11,503.7</b>
<b>Profit before tax and exceptional items</b>		<b>5,897.1</b>	<b>4,141.9</b>	<b>12,377.9</b>
<b>Exceptional items</b>	<b>7</b>	<b>(61.5)</b>	<b>(113.8)</b>	<b>246.6</b>
Employee profit-sharing		(42.5)	(37.7)	(31.0)
Income tax	8	(115.2)	(164.1)	(250.4)
<b>NET PROFIT</b>		<b>5,678.0</b>	<b>3,826.3</b>	<b>12,343.1</b>

## 6.2 Compared balance sheets

### ASSETS

€ millions (net values)	Notes	31.12.2024	31.12.2023	31.12.2022
Intangible assets	11	4,562.3	4,258.1	4,876.4
Property, plant and equipment	12	469.4	439.2	625.3
Financial assets	13	23,409.5	20,353.0	17,274.6
<b>Non-current assets</b>		<b>28,441.2</b>	<b>25,050.3</b>	<b>22,776.3</b>
Inventories		0.9	0.9	135.6
Prepayments to suppliers		11.9	12.5	11.6
Trade accounts receivable	15	543.5	722.9	1,030.9
Other current assets	15	329.7	347.8	513.6
Marketable securities and cash instruments	14	45.5	72.0	76.8
Cash and cash equivalents	26	290.7	347.1	618.0
<b>Current assets</b>		<b>1,222.3</b>	<b>1,503.2</b>	<b>2,386.5</b>
Prepaid expenses		51.3	61.0	90.8
Bond redemption premiums		7.9	7.4	—
Unrealised exchange losses	20	64.5	45.4	59.6
<b>TOTAL ASSETS</b>		<b>29,787.0</b>	<b>26,667.4</b>	<b>25,313.3</b>

### SHAREHOLDERS' EQUITY AND LIABILITIES

€ millions	Notes	31.12.2024	31.12.2023	31.12.2022
Share capital		106.9	106.9	107.0
Additional paid-in capital		3,444.3	3,370.2	3,368.7
Reserves and retained earnings		11,029.2	11,267.8	2,673.0
Net profit		5,678.0	3,826.3	12,343.1
Regulated provisions		14.6	16.9	22.0
<b>Shareholders' equity</b>		<b>20,273.0</b>	<b>18,588.1</b>	<b>18,513.8</b>
<b>Provisions for liabilities and charges</b>	<b>17</b>	<b>366.5</b>	<b>320.3</b>	<b>596.6</b>
Borrowings and debt	18	7,890.4	6,555.3	3,872.1
Trade accounts payable	19	592.7	597.1	1,201.8
Other current liabilities	19	624.2	543.9	1,051.2
<b>Other liabilities</b>		<b>9,107.3</b>	<b>7,696.3</b>	<b>6,125.1</b>
Unrealised exchange gains	20	40.3	62.6	77.8
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>29,787.0</b>	<b>26,667.3</b>	<b>25,313.3</b>

## 6.3 Statement of changes in shareholders' equity

The share capital comprises 534,312,021 shares with a par value of €0.2 each following transactions carried out in financial year 2024:

- issue of 230,423 shares under the employee shareholding plan;
- issue of 664,680 free shares;
- cancellation of 1,308,557 shares.

Changes in shareholders' equity are as follows:

€ millions	Share capital	Additional paid-in capital	1976 revaluation reserve	Reserves and retained earnings <sup>(1)</sup>	Net profit for the year	Regulated provisions and investment grants <sup>(2)</sup>	Total
<b>Balance at 31 December 2021 before appropriation of net profit</b>	<b>111.5</b>	<b>3,265.6</b>	<b>42.5</b>	<b>10,770.6</b>	<b>3,860.5</b>	<b>29.9</b>	<b>18,080.6</b>
Capital increase	0.3	103.1					103.4
Cancellation of shares	(4.8)			(9,399.4)			(9,404.2)
Appropriation of 2021 net profit				1,259.3	(1,259.3)		—
Dividends paid for 2021					(2,601.2)		(2,601.2)
2022 net profit					12,343.1		12,343.1
Other movements during the period						(7.9)	(7.9)
<b>Balance at 31 December 2022 before appropriation of net profit</b>	<b>107.0</b>	<b>3,368.7</b>	<b>42.5</b>	<b>2,630.5</b>	<b>12,343.1</b>	<b>22.0</b>	<b>18,513.8</b>
Capital increase	0.2	1.5					1.7
Cancellation of shares	(0.3)			(499.7)			(500.0)
Appropriation of 2022 net profit				9,094.7	(9,094.7)		—
Dividends paid for 2022					(3,248.4)		(3,248.4)
2023 net profit					3,826.3		3,826.3
Other movements during the period				(0.2)		(5.1)	(5.3)
<b>Balance at 31 December 2023 before appropriation of net profit</b>	<b>106.9</b>	<b>3,370.2</b>	<b>42.5</b>	<b>11,225.3</b>	<b>3,826.3</b>	<b>16.9</b>	<b>18,588.1</b>
Capital increase	0.2	69.8					70.0
Cancellation of shares	(0.2)			(499.7)			(499.9)
Appropriation of 2023 net profit				261.2	(261.2)		—
Dividends paid for 2023					(3,565.1)		(3,565.1)
2024 net profit					5,678.0		5,678.0
Other movements during the period		4.3		(0.1)		(2.3)	1.9
<b>BALANCE AT 31 DECEMBER 2024 BEFORE APPROPRIATION OF NET PROFIT</b>	<b>106.9</b>	<b>3,444.3</b>	<b>42.5</b>	<b>10,986.7</b>	<b>5,678.0</b>	<b>14.6</b>	<b>20,273.0</b>

(1) The amount added to reserves for (i) unpaid dividends on treasury shares held by L'Oréal, (ii) movements between 1 January and the dividend payment date, on maturing free share plans, (iii) and the final number of shares carrying preferential dividend rights, stood at a negative €1.1 million in 2024, compared with a negative €2.9 million in 2023 and a negative €4.5 million in 2022.

(2) The item "Regulated provisions and investment grants" amounted to €14.6 million at 31 December 2024, compared with €16.9 million at 31 December 2023 and €22 million at 31 December 2022. This item mainly consisted of accelerated tax-driven depreciation.

Details of share subscription option and free share plans are provided in note 16.

## 6.4 Statements of cash flows

€ millions	Notes	31.12.2024	31.12.2023	31.12.2022
<b>Operating activities</b>				
<b>Net profit</b>		<b>5,678.0</b>	<b>3,826.3</b>	<b>12,343.1</b>
Depreciation and amortisation	11-12	113.5	142.5	166.0
Charges to provisions (net of reversals) <sup>(1)</sup>		(74.4)	2,077.6	(208.9)
Gains and losses on disposals of non-current assets		72.3	122.8	4.3
Other non-cash transactions		(8.9)	16.2	—
<b>Gross cash flow</b>		<b>5,780.5</b>	<b>6,185.4</b>	<b>12,304.5</b>
Changes in working capital <sup>(1)</sup>	24	203.7	(566.8)	65.5
<b>Net cash provided by operating activities</b>		<b>5,984.3</b>	<b>5,618.6</b>	<b>12,370.0</b>
<b>Investing activities</b>				
Investments in non-current assets	11-12-13	(2,795.4)	(1,845.9)	(7,845.7)
Changes in other financial assets	25	(1,209.2)	(3,582.4)	(361.7)
Disposals of non-current assets		206.4	109.3	27.2
<b>Net cash used in investing activities</b>		<b>(3,798.3)</b>	<b>(5,319.0)</b>	<b>(8,180.2)</b>
<b>Financing activities</b>				
Capital increase		69.9	1.5	103.2
Dividends paid		(3,565.1)	(3,248.4)	(2,601.2)
Changes in financial debt	18	1,234.1	2,675.8	(1,074.4)
<b>Net cash from financing activities</b>		<b>(2,261.1)</b>	<b>(571.1)</b>	<b>(3,572.4)</b>
Cash acquired or sold in the period (complete transfer of assets and liabilities)		18.8	0.6	—
<b>Change in cash and cash equivalents</b>		<b>(56.3)</b>	<b>(270.9)</b>	<b>617.4</b>
Net cash and cash equivalents at beginning of the year	26	347.1	618.0	0.6
<b>NET CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>26</b>	<b>290.7</b>	<b>347.1</b>	<b>618.0</b>

(1) In 2022, following the settlement of the dispute with the French Competition Authority, the reversal of the provision and the reversal of the receivable for the same amount of €189.5 million have been presented as non-cash transactions.

## 6.5 Notes to the financial statements of L'Oréal S.A.

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### Highlights of the financial year

#### Reorganisation

As part of the ongoing simplification and streamlining of its activities in France during 2023, L'Oréal conducted the following transactions effective 1 January 2024:

- merger of Soproral (Aulnay-sous-Bois plant); followed by
- partial asset transfer of the Soproral and Open Manufacturing (OMA) units to a newly-formed Soproral entity.

#### Acquisition of non-controlling interests

In August 2024, L'Oréal Groupe acquired a 10% interest in Galderma Group AG, allowing L'Oréal and Galderma to work towards forming a strategic scientific partnership and leveraging their undisputed expertise: Galderma across a broad range of dermatological solutions, and L'Oréal in skin biology, diagnostic tools and evaluation methods.

#### Other events

On 6 November 2024, L'Oréal placed a dual tranche bond offering for a total nominal amount of €1.25 billion (see note 18). The offering comprised two tranches:

- a €750 million tranche with a 3-year maturity, with a fixed-rate coupon of 2.50% per year;
- a €500 million tranche with a 7-year maturity, with a fixed-rate coupon of 2.875% per year.

## Note 1 Accounting principles

The 2024 annual financial statements of L'Oréal SA have been prepared in accordance with French law and regulations, as set out in Regulation ANC 2014-03 (French Chart of Accounts) and generally accepted accounting principles and basic assumptions designed to provide a true and fair view of the company:

- going concern basis;
- consistency of methods between financial periods;
- accrual basis of accounting.

Items recorded in the financial statements are valued using the historical cost method, except for fixed assets that have been revalued for statutory purposes.

The main accounting methods used are described below.

The comparability of results between financial years 2024, 2023 and 2022 has been impaired by two partial asset transfers (i) on 1 July 2023 to L'Oréal France and L'Oréal International Distribution, and (ii) on 1 January 2024 to the newly-formed entity, Soproral.

## 1.1 Sales

Since July 2023, net sales have mainly comprised services and technology royalties.

## 1.2 Advertising and promotion expenses

Expenses relating to the advertisement and promotion of products to customers and consumers are recognised as expenses for the financial year in which the advertisement or promotional initiative takes place.

## 1.3 Research and innovation costs

Research and innovation costs are recognised in expenses in the period in which they are incurred.

## 1.4 Loan issue costs

Issuance costs of borrowings are expensed immediately in the financial year in which they are incurred.

## 1.5 Income tax

The Company has opted for the French tax group regime. French subsidiaries included in the scope of tax consolidation recognise an income tax charge in their own accounts on the basis of their own taxable profits and losses.

L'Oréal, as the parent company of the tax group, recognises as tax income the difference between the aggregate tax charges recognised by the subsidiaries and the tax due on the basis of consolidated taxable profit or loss of the tax group.

Established by the OECD and transposed in December 2023 in France, the Pillar 2 global tax reform aims to establish a minimum taxation of multinational groups at 15% and is applicable from the 2024 financial year (see note 8).

## 1.6 Intangible assets

Intangible assets are recorded in the balance sheet at purchase cost, including acquisition costs.

Technical merger losses are allocated to the corresponding underlying assets and amortised where appropriate.

The value of newly acquired trademarks is calculated based on a multi-criteria approach taking into consideration their reputation and their future contribution to profits.

In accordance with regulation No. 2004-06 on assets, certain trademarks have been identified as amortisable regarding their estimated useful life.

Non-amortisable trademarks are tested for impairment at least once a year on the basis of the valuation model used at the time of their acquisition. An impairment is recorded where appropriate. Initial trademark registration costs are recorded as expenses.

Patents are amortised over a period ranging from 2 to 10 years.

Business goodwill is not amortised. It is impaired whenever the present value of future cash flows is less than the carrying amount. Impairment tests are conducted at least once a year, even when there is no evidence of impairment loss.

Software of material value is amortised using the straight-line method over its probable useful life, generally between three and eight years.

Other intangible assets are usually amortised over periods not exceeding 20 years.

## 1.7 Property, plant and equipment

Property, plant and equipment are recognised at purchase cost, including acquisition expenses.

The useful lives of property, plant and equipment are as follows:

	Duration (years)
Buildings	20-50
Fixtures and fittings	5-10
Industrial machinery and equipment	10
Other property, plant and equipment	3-10

Both straight-line and declining-balance depreciation is calculated over the actual useful lives of the assets concerned. Exceptionally, industrial machinery and equipment is depreciated using the straight-line method over a period of 10 years, with all additional depreciation classified as accelerated tax-driven depreciation. Exceptional depreciation may be recognised where events and circumstances lead to a review of the asset's useful life.

## 1.8 Financial assets

### 1.8.1 Equity investments

These items are recognised in the balance sheet at purchase cost, excluding incidental expenses.

Their value is assessed annually by reference to their value in use, which is mainly based on the current and forecast profitability of the subsidiary concerned and the share of shareholders' equity owned. If the value in use falls below the carrying amount, an impairment is recognised.

### 1.8.2 Other financial assets

Loans and other receivables are valued at their nominal amount and those denominated in foreign currencies are translated at the exchange rate prevailing at the end of the financial year. If necessary, impairments are also recognised against them to reflect their value in use at the end of the financial year.

Treasury shares acquired in connection with buyback programmes with a view to being cancelled are recognised in other long-term investments.

At the end of the financial year, other long-term investments are compared with their probable sale price and a provision for impairment recognised where appropriate.

## 1.9 Trade accounts receivable and other receivables

Trade accounts receivable and other receivables are recorded at their nominal value. Where appropriate, an impairment is recognised based on an assessment of the risk of non-recovery.

### 1.10 Marketable securities and cash instruments

#### Cash instruments

Derivatives that are not designated as hedges are classified as isolated open positions. These are recognised at their fair value in the balance sheet, and offset a "Translation adjustments" account.

### 1.11 Translation of foreign currency transactions and exchange rate hedges

All receivables, payables, loans and borrowings denominated in foreign currencies are translated on the balance sheet at the exchange rate prevailing as of the reporting date for the financial year. These exchange rate variations, as well as those linked to the hedging instruments taken out to cover the said receivables, payables, loans and borrowings denominated in foreign currencies, are recorded in the balance sheet under the heading "Unrealised exchange losses/gains".

A provision is recognised if the sum of these translation adjustments shows a potential exchange loss based on the overall exchange position, calculated on a currency-by-currency basis. The overall foreign exchange position excludes translation differences of hedging instruments and hedged items

In accordance with French accounting standards, the potential gain resulting from the overall foreign exchange position is not recognised as income in the income statement.

Exchange rate hedging instruments are contracted to hedge commercial transactions recognised in the balance sheet and future transactions that are considered to be highly probable. Gains and losses generated by these instruments are recognised symmetrically with the gains and losses arising on the hedged items, in the same aggregate as profit and loss. Option premium income/discounts are recognised in profit and loss when the hedged item is recognised in profit and loss.

Hedges have already been taken out in respect of forecasted operating transactions for the next financial year. The impact of such hedges on profit or loss will be recorded during the same financial year as the transactions hedged.

### 1.12 Accounting for interest rate instruments

In the case of interest-rate hedges, for gains and losses arising on interest rate swaps and caps, hedging financial liabilities are recorded on a pro rata basis symmetrically with the gains and losses on the items hedged.

### 1.13 Provisions for liabilities and charges

Provisions for liabilities and charges are recognised to cover probable outflows of resources to third parties, without receipt of equivalent consideration by the Company. They mainly concern risks and disputes of a commercial, financial, tax or employee-related nature.

The estimated amount included in provisions corresponds to the outflow of resources that the Company is likely to incur in the settlement of its obligation. Depending on the type of provision, the estimate takes account of the most probable assumptions of realisation, or is assessed in line with statistical methods.

Contingent liabilities are potential obligations arising from past events, whose existence will only be confirmed by the occurrence of future (uncertain) events that are not wholly within the control of the Company or probable liabilities for which the outflow of resources is also not within its control. Contingent liabilities are not recognised and are disclosed where applicable.

### 1.14 Employee retirement obligations and related benefits

The L'Oréal parent company operates pension, early retirement and other benefit schemes for employees and retirees depending on local legislation and regulations. Directors and corporate officers are regarded as employees for all additional benefits relating to their remuneration, and are therefore covered by the same employee benefit schemes.

These obligations are partially funded by an external scheme where the funds are gradually built up through contributions paid. The contributions are expensed as incurred under other purchases and external charges.

The related obligations are measured using an actuarial valuation method based on final salaries. The method takes account of length of service, life expectancy, turnover by category of personnel and economic assumptions such as inflation and discount rates. The Company has opted for the new method provided by recommendation ANC 2013-02 on the accounting treatment of pension obligations and similar benefits as amended on 5 November 2021. That is to say, the increase in the obligation for each employee is no longer recognised on a straight-line basis over his or her term of employment but straight-line only over the vesting period for his or her benefit rights.

No provision is recognised in the balance sheet for net unfunded obligations. These thus appear as off-balance sheet commitments.

Only obligations in respect of long-service awards are no longer recognised as an off-balance sheet commitment; instead, a provision is recognised in the balance sheet based on an actuarial valuation of the obligation (see note 17).

## Note 2 Sales

€ millions	31.12.2024	31.12.2023	31.12.2022
Sales of goods	—	1,484.9	2,488.1
Services <sup>(1)</sup>	4,784.9	4,361.3	3,672.7
Other revenue	78.5	136.5	121.2
<b>TOTAL</b>	<b>4,863.4</b>	<b>5,982.7</b>	<b>6,282.0</b>

(1) Including invoicing of technological royalties.

The Company generated €908.5 million of its net sales in France in 2024, compared with €2,693.1 million in 2023 and €3,400.8 million in 2022.

The fall in net sales is mainly due to partial asset transfers carried out on 1 July 2023.

## Note 3 Other revenue

This item mainly comprises brand royalties and foreign exchange gains from operations.

## Note 4 Average headcount

Average headcount can be broken down as follows:

	2024	2023	2022
Executives	5,277	5,982	6,482
Supervisors	1,167	1,665	2,062
Administrative staff	30	81	129
Manual workers	—	232	337
Sales representatives	—	259	533
<b>TOTAL<sup>(1)</sup></b>	<b>6,474</b>	<b>8,219</b>	<b>9,543</b>
Apprentices	421	462	515

(1) The decrease in average headcount reflects the partial asset transfers involving the transfer of the workforce from the Affaires Marchés France, Domaines d'Excellence and International Distribution activities to the companies L'Oréal France and L'Oréal International Distribution as of 1 July 2023, and the employees of Soporéal and Open Manufacturing to a newly-formed Soporéal entity on 1 January 2024.

## Note 5 Depreciation, amortisation and charges to provisions

Depreciation, amortisation and charges to provisions can be broken down as follows:

€ millions	31.12.2024	31.12.2023	31.12.2022
Depreciation and amortisation	(112.7)	(131.8)	(157.2)
Impairment of non-current assets	—	(94.2)	(49.4)
Impairment of current assets	(0.2)	(11.8)	(8.2)
Provisions for liabilities and charges	(124.0)	(143.5)	(99.4)
<b>TOTAL</b>	<b>(236.9)</b>	<b>(381.3)</b>	<b>(314.2)</b>

## Note 6 Net financial income

Net financial income amounts include the following items:

€ millions	31.12.2024	31.12.2023	31.12.2022
Dividends received <sup>(1)</sup>	5,052.4	5,179.8	11,726.2
Revenues on other receivables and marketable securities	143.7	105.4	27.8
Interest expense on borrowings and financial debt	(214.8)	(140.6)	(4.9)
Other	9.2	(20.5)	(37.4)
<b>TOTAL</b>	<b>4,990.4</b>	<b>5,124.1</b>	<b>11,711.7</b>

(1) In 2022, L'Oréal received an exceptional dividend of €6.8 billion from its subsidiary L'Oréal Hong Kong following the transfer of the Travel Retail Asia business to L'Oréal Singapore.

Charges to provisions net of reversals and expense transfers chiefly concern:

€ millions	31.12.2024	31.12.2023	31.12.2022
Equity investments <sup>(1)</sup>	62.9	(2,044.1)	(49.2)
Impairment of other financial assets	—	—	—
Impairment of Treasury shares	—	—	—
Provisions for liabilities and charges relating to financial items <sup>(2)</sup>	(38.7)	31.6	154.8
Other	(2.0)	2.0	2.5
<b>TOTAL</b>	<b>22.1</b>	<b>(2,010.5)</b>	<b>108.1</b>

(1) In 2024, net reversals in the amount of €62 million chiefly correspond to the liquidation of Atelier Cologne France (€42.5 million) and L'Oréal West Africa (€25.3 million), and the disposal of Canan Kozmetik (€27.4 million).

In 2023, this mainly related to the impairment of shares in L'Oréal Singapore. This is the inevitable consequence of the overall deterioration in L'Oréal Singapore's situation, which was itself due to various operational reorganisations of Travel Retail.

(2) In 2024, this mainly related to provisions for currency risk amounting to €39.6 million.

In 2023, this mainly related to the reversal of provisions for risks relating to the subsidiaries' negative overall situation, amounting to €39.2 million.

In 2022, this mainly related to reversals of provisions for currency risk amounting to €165.1 million.

## Note 7 Exceptional items

Exceptional items represented an expense of €61.5 million in 2024, compared to an expense of €113.8 million in 2023 and income of €246.6 million in 2022.

## Note 8 Income tax

The income tax breaks down as follows:

€ millions	31.12.2024	31.12.2023	31.12.2022
Tax on profit before tax and exceptional items	(94.8)	(175.1)	(262.5)
Tax on exceptional items and employee Profit Sharing	10.1	11.0	12.1
Pillar Two tax charge	(30.4)	—	—
<b>INCOME TAX</b>	<b>(115.2)</b>	<b>(164.1)</b>	<b>(250.4)</b>

In 2024, the tax charge recognised by L'Oréal included a tax consolidation loss of €0.9 million.

In 2023, the tax charge recognised by L'Oréal included a tax consolidation loss of €43.9 million.

In 2022, the tax charge recognised by L'Oréal included a tax consolidation loss of €65.0 million.

## Note 9 Increases or reductions in future tax liabilities

€ millions	31.12.2022		31.12.2023		Changes		31.12.2024	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
<b>Temporary differences</b>								
Regulated provisions	—	5.6	—	4.1	1.2	0.6		3.5
Temporarily non-deductible charges	100.5	—	93.4	—	53.2	0.5	146.1	
Charges deducted (or revenue taxed) for tax purposes but not yet recognised	4.7	—	4.5	—		10.7		6.3
Temporarily non-taxable revenue	—	—	—	—				
<b>Deductible items</b>								
Tax losses, deferred items	—	—	—	—				
<b>Potentially taxable items</b>								
Special reserve for long-term capital gains	—	137.0	—	137.0				137.0

These figures factor in the social contribution of 3.3% which is added to corporate income tax, both at normal and reduced rates.

## Note 10 Research costs

Expenses booked for Research activities in 2024 totalled €1,356.9 million, compared with €1,293.2 million in 2023 and €1,188.3 million in 2022.

## Note 11 Intangible assets

€ millions	31.12.2022	31.12.2023	Acquisitions/ Depreciation	Disposals/ Reversals	Other movements	31.12.2024
Patents and trademarks <sup>(1)</sup>	1,196.7	1,162.4	80.5	(0.1)	—	1,242.9
Business goodwill <sup>(2)</sup>	3,132.7	2,487.4	75.4	—	97.5	2,660.2
Software	665.0	527.1	19.0	(10.6)	131.4	666.9
Other intangible assets <sup>(3)</sup>	551.0	525.7	—	(58.8)	(97.5)	369.4
Intangible assets in progress	377.4	520.4	214.3	—	(134.4)	600.3
<b>Gross value</b>	<b>5,922.6</b>	<b>5,223.0</b>	<b>389.2</b>	<b>(69.5)</b>	<b>(3.0)</b>	<b>5,539.7</b>
Patents and trademarks	210.0	214.0	20.0	(0.1)	—	234.0
Business goodwill	0.1	—	—	—	59.0	59.1
Software	491.4	380.1	60.0	(8.6)	—	431.4
Other intangible assets	74.8	68.2	—	—	(59.0)	9.2
<b>Amortisation</b>	<b>776.3</b>	<b>662.4</b>	<b>80.0</b>	<b>(8.7)</b>	<b>—</b>	<b>733.7</b>
Patents and trademarks	76.1	77.3	—	—	—	77.3
Business goodwill	189.3	221.4	—	(58.8)	3.6	166.2
Software	1.0	0.1	—	—	—	0.1
Other intangible assets	3.6	3.6	—	—	(3.6)	—
<b>Impairment</b>	<b>269.9</b>	<b>302.4</b>	<b>—</b>	<b>(58.8)</b>	<b>—</b>	<b>243.6</b>
<b>NET VALUE</b>	<b>4,876.4</b>	<b>4,258.1</b>	<b>309.2</b>	<b>(2.0)</b>	<b>(3.0)</b>	<b>4,562.3</b>

(1) Acquisitions of patents and trademarks mainly concern the Gjosa technology and the Ushuaia brands.

(2) Acquisitions in 2024 relate to business goodwill at Lactobio, Gjosa and Nanda (International Business).

(3) The Decléor brand, classified within merger losses and written down in full, was sold in 2024.

## Note 12 Property, plant and equipment

€ millions	31.12.2022	31.12.2023	Acquisitions/ Depreciation	Disposals/ Reversals	Other movements	31.12.2024
Land	81.3	80.5	—	—	0.1	80.6
Buildings	749.5	676.9	22.6	—	—	699.5
Industrial machinery and equipment	215.0	196.3	3.0	(0.5)	(1.3)	197.5
Other property, plant and equipment	351.9	59.9	0.6	(6.2)	1.2	55.5
Property, plant and equipment in progress	85.9	28.3	40.3	—	(1.1)	67.5
Advances and prepayments	4.6	1.9	—	—	(1.7)	0.2
<b>Gross value</b>	<b>1,488.2</b>	<b>1,043.8</b>	<b>66.5</b>	<b>(6.7)</b>	<b>(2.8)</b>	<b>1,100.8</b>
Land	2.4	2.5	0.2	—	—	2.7
Buildings	459.5	393.7	21.1	—	—	414.8
Industrial machinery and equipment	171.2	160.8	8.7	(0.5)	(1.1)	167.9
Other property, plant and equipment	227.3	46.4	3.5	(6.2)	1.1	44.8
<b>Amortisation</b>	<b>860.4</b>	<b>603.4</b>	<b>33.5</b>	<b>(6.7)</b>	<b>—</b>	<b>630.2</b>
Land	—	—	—	—	—	—
Industrial machinery and equipment	2.6	1.2	—	—	—	1.2
<b>Impairment</b>	<b>2.6</b>	<b>1.2</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1.2</b>
<b>NET VALUE</b>	<b>625.2</b>	<b>439.2</b>	<b>33.0</b>	<b>—</b>	<b>(2.8)</b>	<b>469.4</b>

The annual depreciation and amortisation charge for property, plant and equipment and intangible assets in 2024 amounted to:

- €112.7 million on a straight-line basis;
- €0.8 million relating to accelerated depreciation and amortisation.

## Note 13 Financial assets

€ millions	31.12.2022	31.12.2023	Allocation of technical merger losses	Acquisitions/ Subscriptions	Disposals/ Reductions	Partial asset transfers <sup>(5)</sup>	Other movements	31.12.2024
Equity investments <sup>(1)</sup>	17,832.8	19,384.6	—	1,859.9	(213.6)	105.4	(26.6)	21,109.8
Loans and advances <sup>(2)</sup>	223.2	3,753.6	—	4,746.7	(3,479.9)	—	—	5,020.4
L'Oréal shares <sup>(3)</sup>	—	—	—	500.0	—	—	(500.0)	—
Other	4.9	4.3	—	2.8	(0.7)	—	—	6.4
<b>Gross value</b>	<b>18,060.9</b>	<b>23,142.5</b>	<b>—</b>	<b>7,109.3</b>	<b>(3,694.2)</b>	<b>105.4</b>	<b>(526.6)</b>	<b>26,136.5</b>
Equity investments <sup>(4)</sup>	785.6	2,789.3	—	43.5	(106.0)	—	—	2,726.8
Loans and advances	0.4	—	—	—	—	—	—	—
Other	0.3	0.2	—	—	—	—	—	0.2
<b>Impairment</b>	<b>786.3</b>	<b>2,789.5</b>	<b>—</b>	<b>43.5</b>	<b>(106.0)</b>	<b>—</b>	<b>—</b>	<b>2,727.0</b>
<b>NET VALUE</b>	<b>17,274.6</b>	<b>20,353.0</b>	<b>—</b>	<b>7,065.8</b>	<b>(3,588.2)</b>	<b>105.4</b>	<b>(526.6)</b>	<b>23,409.5</b>

(1) Acquisitions essentially corresponded to Galderma shares for €1,798.5 million. Disposals/reductions mainly concern the liquidation of Atelier Cologne Luxembourg for €88.9 million and L'Oréal West Africa for €25.3 million, the disposal of Beautycos International for €46.2 million and of Canan Kozmetik for €30.3 million.

(2) Loans and advances correspond mainly to long-term investments with the Group's cash pool, amounting to €5,000 million (€3,750 million at 31 December 2023), with maturities between 2026 and 2031. Changes in this item correspond to short-term investments with the cash pool that we reimbursed during the year.

(3) On 30 July 2024, the Board of Directors resolved, in connection with the authorisation approved by the Annual General Meeting of 23 April 2024, to buy back L'Oréal shares in the maximum amount of €500 million. The shares thus bought back for €500 million were cancelled in line with the Board of Directors' decision on 10 October 2024.

(4) See note 6 "Net financial income".

(5) Concerns shares received as consideration for the partial asset transfer from L'Oréal to Soporéal.

The table of subsidiaries and holdings is included in note 29 to the parent company financial statements.

## Note 14 Marketable securities and cash instruments

This item breaks down as follows:

€ millions	31.12.2024	31.12.2023	31.12.2022
Financial instruments/Premiums paid on options	45.5	72.0	76.8
<b>Gross value</b>	<b>45.5</b>	<b>72.0</b>	<b>76.8</b>
Financial instruments/Premiums paid on options	—	—	—
<b>Impairment</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>NET VALUE</b>	<b>45.5</b>	<b>72.0</b>	<b>76.8</b>

## Note 15 Maturity of receivables

€ millions	1 year or less	More than 1 year	Gross	Impairment	Net
<b>Loans and other receivables with equity investments<sup>(1)</sup></b>	<b>20.3</b>	<b>5,000.1</b>	<b>5,020.3</b>	<b>—</b>	<b>5,020.3</b>
<b>Other financial assets</b>	<b>6.1</b>	<b>—</b>	<b>6.1</b>	<b>—</b>	<b>6.1</b>
<b>Trade accounts receivable</b>	<b>543.6</b>	<b>—</b>	<b>543.7</b>	<b>0.2</b>	<b>543.6</b>
<b>Other current assets, of which</b>	<b>329.7</b>	<b>—</b>	<b>329.7</b>	<b>—</b>	<b>329.7</b>
Tax and employee-related receivables <sup>(2)</sup>	281.1	—	281.1	—	281.1
Other receivables	48.5	—	48.5	—	48.5
<b>Prepaid expenses</b>	<b>48.2</b>	<b>3.1</b>	<b>51.3</b>	<b>—</b>	<b>51.3</b>

(1) Loans and advances correspond mainly to long-term investments with the Group's cash pool, amounting to €5,000 million (€3,750 million at 31 December 2023), with maturities between 2026 and 2031. This item also includes €17 million in accrued interest receivable at 31 December 2024.

(2) Including a corporate income tax receivable in the amount of €24.7 million.

Accrued receivables included in receivables and current assets break down as follows:

€ millions	31.12.2024	31.12.2023	31.12.2022
Trade accounts receivable	0.9	3.3	3.0
Other receivables	3.3	4.7	20.5
<b>TOTAL</b>	<b>4.2</b>	<b>8.0</b>	<b>23.5</b>

## Note 16 Free shares - Employee shareholding plan

### 16.1 Free shares

The table below summarises data relating to the free share plan.

Grant date	Vesting date	Number of shares granted	Number of shares issued/allotted	Number of shares not fully vested
<b>Stock subscription plans</b>				
17.04.2018	18.04.2022	931,000	868,575	—
18.04.2019	19.04.2023	843,075	776,975	—
14.10.2020	15.10.2024	713,660	661,270	—
07.10.2021	08.10.2025	588,750	1,875	559,100
13.10.2022	14.10.2026	700,000	2,025	686,530
12.10.2023	13.10.2027	650,580	—	644,700
10.10.2024	11.10.2028	700,000	—	700,000

For the conditional grant of shares, the plan provides for a four-year vesting period after which vesting is effective and final, subject to meeting the conditions of the plan.

The performance conditions for the 14 October 2020 and 7 October 2021 plans are:

- for 50%, growth in comparable cosmetics net sales versus a panel of competitors for the period covered by the plan:
  - 2021, 2022 and 2023 for the 2020 plan,
  - 2022, 2023 and 2024 for the 2021 plan;
- for 50% of shares granted, the increase over the same period in the Group's consolidated operating profit for the 14 October 2020 and 7 October 2021 plans.

The calculation will be made on the basis of the arithmetic average of the performances for financial years:

- 2021, 2022 and 2023 for the 2020 plan,
- 2022, 2023 and 2024 for the 2021 plan,

and it will use a predefined allocation scale based on the performance percentage achieved. No performance condition applies below a block of 200 shares.

The performance conditions for the 12 October 2023 and 13 October 2022 plans are:

- for 80%, based on financial performance criteria that include:
  - for one half, the growth in comparable cosmetics net sales - in relation to those of a panel of competitors - for the financial years:
    - 2024, 2025 and 2026 for the 2023 plan,
    - 2023, 2024 and 2025 for the 2022 plan,
  - for the other half, the increase over the same period in the Group's consolidated operating profit. The calculation will be made on the basis of the arithmetic average of the performances for financial years:
    - 2024, 2025 and 2026 for the 2023 plan,
    - 2023, 2024 and 2025 for the 2022 plan,
- for 20%, based on non-financial performance criteria that include:
  - 15% is associated with the fulfilment of environmental and social responsibility commitments made by the Group as part of the L'Oréal for the Future programme;
  - 5% is associated with the gender balance within strategic positions, including the Executive Committee.

No performance condition applies below a block of 100 shares.

As at 31 December 2024, the performance conditions of the plans in progress were deemed achieved.

## 16.2 Capital increase reserved for employees

### June 2022 plan

In June 2022, Group employees had the opportunity to join a Shareholding Plan based on a traditional format with discount and matching contribution.

The subscription price was set at €254.9, representing 80% of the average share price over the 20 trading sessions prior to the decision by the Chief Executive Officer setting the subscription period from 8 June to 22 June 2022 during which 410,943 shares were subscribed. This number does not include the subscription reserved for a Trustee under the laws of England and Wales, as part of a Share Incentive Plan established for Group employees in the UK, in respect of which 3,376 subscribed shares were agreed in October 2023.

For French employees, free shares were offered upon subscription in proportion to their personal contribution to the plan with a maximum of 4 shares offered for 10 shares subscribed.

For employees in other countries, shares were offered under a free share plan with a continued employment condition for the employee and proportionate to how much the employee contributes to the plan, with a maximum of 4 shares offered for 10 subscribed shares. The shares will be allocated to employees on 26 July 2027 provided they are still with the Group on that date.

The share capital increase took place on 26 July 2022 for a total of 448,267 shares and on 12 October 2023 for a total of 4,643 shares, including subscribed shares.

### 2024 plan

In June 2024, Group employees had the opportunity to join a Shareholding Plan based on a traditional format with discount and matching contribution.

The subscription price was set at €358.71, representing 80% of the average share price over the 20 trading sessions prior to the decision by the Chief Executive Officer setting the subscription period from 5 June to 19 June 2024 during which 199,641 shares were subscribed giving entitlement to 72,795 matching shares. This number does not include the subscription reserved for a Trustee under the laws of England and Wales, as part of a Share Incentive Plan established for Group employees in the United Kingdom, in respect of which the final number of subscribed shares will not be known until April 2025.

For French employees, free matching shares were offered upon subscription in proportion to their personal contribution to the plan with a maximum of 3 shares offered for 6 shares subscribed.

For employees in other countries, shares were offered under a free share plan with a continued employment condition for the employee and proportionate to how much the employee contributes to the plan, with a maximum of 3 shares offered for 6 subscribed shares. The shares will be allocated to employees on 31 July 2029 provided they are still with the Group on that date.

The capital was increased on 30 July 2024 by 230,423 shares including matching shares for French employees.

Grant date	Vesting date France	Vesting date outside France	Number of shares granted	Number of shares issued/allotted	Number of shares not fully vested
18.06.2018	18.06.2018	19.06.2023	498,974	490,740	—
02.10.2020	02.10.2023	03.10.2025	496,991	456,695	34,843
22.06.2022	22.06.2022	23.06.2027	494,433	451,643	39,861
19.06.2024	19.06.2024	20.06.2029	276,236	230,423	43,490

## Note 17 Provisions for liabilities and charges

€ millions	31.12.2022	31.12.2023	Charges	Reversals (used)	Reversals (not used)	Partial asset transfers	31.12.2024
Provisions for disputes	192.5	0.4	—	—	(0.4)	—	—
Provisions for foreign exchange losses	16.0	35.0	57.2	(35.0)	—	—	57.2
Provisions for expenses <sup>(1)</sup>	158.5	135.7	112.7	(62.6)	(11.2)	(0.8)	173.8
Other provisions for liabilities <sup>(2)</sup>	229.6	149.2	62.1	(4.3)	(71.6)	—	135.4
<b>TOTAL</b>	<b>596.6</b>	<b>320.3</b>	<b>231.9</b>	<b>(101.9)</b>	<b>(83.1)</b>	<b>(0.8)</b>	<b>366.5</b>

(1) This caption includes provisions for employee-related expenses.

(2) This caption mainly includes provisions set aside to cover risks related to government bodies, commercial and financial risks.

The changes in provisions for liabilities and charges impact the 2024 income statement as follows:

€ millions	Charges	Reversals (used)	Reversals (not used)
Operating profit	124.0	(82.5)	(22.4)
Net financial income	56.7	(16.5)	(1.8)
Exceptional items	51.3	(2.9)	(58.9)
<b>TOTAL</b>	<b>232.0</b>	<b>(101.9)</b>	<b>(83.1)</b>

## Note 18 Borrowings and debt

L'Oréal obtains financing through medium-term bond loans and issues short-term marketable instruments in France and the United States. The amounts of the programmes are €5,000 million and \$5,000 million respectively. None of the Group's borrowings or debt contains an early repayment clause linked to financial ratios (covenants).

Liquidity on the short-term marketable instruments issues is provided by confirmed undrawn short-term credit facilities with banks, which amounted to €5,000 million at 31 December 2024, compared to €5,000 million at 31 December 2023 and €5,000 million at 31 December 2022.

All borrowings and debt are denominated in euros and can be broken down as follows:

### BREAKDOWN BY TYPE OF DEBT

€ millions	31.12.2024	31.12.2023	31.12.2022
Bonds	6,080.1	6,551.1	3,014.5
Short-term marketable instruments	—	—	795.2
Bank overdrafts and financing with the Group's cash pool <sup>(1)</sup>	1,807.3	—	—
Other borrowings and debt	3.1	4.2	62.4
<b>TOTAL</b>	<b>7,890.4</b>	<b>6,555.3</b>	<b>3,872.1</b>

(1) This item also includes €7 million in accrued interest receivable.

## BONDS AND EMTNS

Tranche amount € millions	Type of issue	Issue date	Type of rate	Coupon	Issue price*	Maturity	Interest accrued	31.12.2024	31.12.2023	31.12.2022
750	—	March 2022	Variable	—	101.033%	March 2024	—	—	750.3	751.2
1,000	—	March 2022	Fixed	0.375%	99.693%	March 2024	—	—	1,002.8	1,004.3
1,250	SLB	March 2022	Fixed	0.875%	99.741%	June 2026	5.5	1,255.5	1,255.5	1,259.0
1,000	EMTN	May 2023	Fixed	3.125%	99.646%	May 2025	19.4	1,019.4	1,019.4	—
1,000	EMTN	May 2023	Fixed	2.875%	99.323%	May 2028	17.9	1,017.9	1,017.8	—
800	EMTN	November 2023	Fixed	3.375%	99.739%	January 2027	29.8	829.8	802.8	—
700	EMTN	November 2023	Fixed	3.375%	99.754%	November 2029	2.5	702.5	702.5	—
750	EMTN	November 2024	Fixed	2.500%	99.551%	November 2027	2.8	752.8	—	—
500	EMTN	November 2024	Fixed	2.875%	99.812%	November 2031	2.2	502.2	—	—
<b>TOTAL</b>	<b>7,750</b>						<b>80.1</b>	<b>6,080.1</b>	<b>6,551.1</b>	<b>3,014.5</b>

\* Net of fees.

Bonds have primarily been issued under a “Euro Medium-Term Notes” programme with a cap of €5 billion at 31 December 2024.

## BREAKDOWN BY MATURITY DATE

€ millions	31.12.2024	31.12.2023	31.12.2022
Less than 1 year	2,889.5	1,801.5	866.8
1 to 5 years	4,500.9	4,753.8	3,005.3
More than 5 years	500.0	—	—
<b>TOTAL</b>	<b>7,890.4</b>	<b>6,555.3</b>	<b>3,872.1</b>

## AVERAGE INTEREST RATE ON BORROWINGS AND DEBT

For 2024, the average rate of the debt in euros was 2.66% including bonds, compared to 2.09% in 2023 and 0.26% in 2022, and the average rate of short-term marketable instruments in dollars in the United States stands at 2.38%.

## Note 19 Maturity of payables

€ millions	1 year or less	More than 1 year	Total
<b>Suppliers</b>	<b>592.7</b>	<b>—</b>	<b>592.7</b>
<b>Other current liabilities, of which</b>	<b>624.2</b>	<b>—</b>	<b>624.2</b>
Payables related to non-current assets	49.8	—	49.8
Tax and employee-related payables	475.6	—	475.6
Other liabilities	98.8	—	98.8

Accrual accounts included in trade accounts payable and other current liabilities are as follows:

€ millions	31.12.2024	31.12.2023	31.12.2022
<b>Suppliers</b>	<b>184.1</b>	<b>264.7</b>	<b>662.4</b>
<b>Payables related to non-current assets</b>	<b>13.7</b>	<b>26.2</b>	<b>162.6</b>
<b>Tax and employee-related payables, of which</b>	<b>420.6</b>	<b>394.0</b>	<b>498.6</b>
Provision for employee Profit Sharing	43.4	32.3	31.7
Provision for incentives	107.5	100.0	143.8
<b>Other liabilities</b>	<b>0.6</b>	<b>4.1</b>	<b>210.2</b>
<b>TOTAL</b>	<b>619.0</b>	<b>689.0</b>	<b>1,546.3</b>

## Note 20 Translation adjustments

The revaluation of foreign currency receivables and payables at the exchange rates prevailing at 31 December, taking account of hedging instruments, led to the recognition of the following translation adjustments:

€ millions	Assets			Liabilities		
	31.12.2024	31.12.2023	31.12.2022	31.12.2024	31.12.2023	31.12.2022
Financial receivables	0.1	0.2	8.9	0.4	—	—
Trade accounts receivable	0.8	18.5	6.6	0.1	0.2	0.3
Liabilities	—	—	—	—	—	8.9
Suppliers	0.3	—	—	—	—	—
Derivative financial instruments	63.4	26.7	44.1	39.8	62.4	68.6
<b>TOTAL</b>	<b>64.5</b>	<b>45.4</b>	<b>59.6</b>	<b>40.3</b>	<b>62.6</b>	<b>77.8</b>

The overall foreign exchange position, calculated on a currency-per-currency basis at 31 December 2024, is an unrealised loss of €57.2 million recorded as a provision for unrealised foreign exchange losses (see note 17).

At 31 December 2023, the overall foreign exchange position was an unrealised loss of €35.0 million, compared with an unrealised loss of €16.0 million at 31 December 2022.

## Note 21 Derivative financial instruments

Foreign exchange derivative financial instruments can be broken down as follows:

€ millions	Notional			Market value		
	31.12.2024	31.12.2023	31.12.2022	31.12.2024	31.12.2023	31.12.2022
<b>Currency futures</b>						
<b>Purchase of EURO against foreign currencies</b>						
EUR/AUD	24.9	23.6	22.6	0.4	(0.4)	0.3
EUR/BRL	172.7	189.5	159.3	14.5	(5.1)	(0.9)
EUR/CAD	20.4	19.1	16.9	(0.1)	(0.1)	0.9
EUR/CLP	13.0	12.3	11.0	0.1	0.5	(0.8)
EUR/CNY	1,390.6	1,686.5	1,697.0	(33.2)	44.8	17.9
EUR/CZK	14.1	12.2	11.0	—	0.1	(0.5)
EUR/DKK	24.3	20.9	19.9	(0.1)	—	—
EUR/GBP	95.9	56.9	43.9	(2.8)	(0.6)	0.5
EUR/IDR	64.5	60.9	52.2	(3.4)	1.1	2.4
EUR/INR	32.9	13.7	33.5	(2.0)	—	1.6
EUR/KRW	68.0	74.2	73.2	1.3	(0.5)	(1.5)
EUR/PEN	23.3	24.1	17.3	(1.8)	0.4	(0.2)
EUR/PHP	14.6	10.9	7.3	(0.4)	(0.1)	0.1
EUR/PLN	21.4	22.3	—	(0.3)	(1.2)	—

€ millions	Notional			Market value		
	31.12.2024	31.12.2023	31.12.2022	31.12.2024	31.12.2023	31.12.2022
EUR/RSD	21.5	10.4	8.9	(0.1)	(0.1)	(0.5)
EUR/RUB	—	—	4.7	—	—	(1.0)
EUR/THB	82.5	69.2	62.0	(6.5)	—	(0.8)
EUR/TWD	64.7	69.6	59.1	(0.6)	0.3	2.7
EUR/USD	—	—	157.3	—	—	—
EUR/ZAR	50.1	39.0	28.4	(1.7)	(1.0)	0.2
EUR/Other currencies	18.7	19.9	23.2	(1.0)	(2.2)	0.2
<b>Sale of EUR against foreign currencies</b>						
EUR/PLN	—	—	28.2	—	—	1.3
EUR/SGD	175.0	140.1	129.0	3.1	(0.2)	3.2
EUR/USD	136.8	45.5	—	2.6	(1.2)	—
EUR/Other currencies	5.9	4.5	4.7	0.1	0.3	0.3
<b>Purchase of USD against foreign currencies</b>						
USD/BRL	84.9	78.2	80.8	9.6	(3.7)	(0.8)
USD/CNY	164.2	242.0	306.0	4.6	2.6	1.9
USD/INR	15.4	14.0	10.0	0.2	(0.1)	0.2
USD/KRW	20.4	7.5	9.2	1.5	(0.1)	0.1
USD/PEN	38.2	30.9	18.4	(0.3)	(0.6)	(0.7)
USD/PHP	12.4	10.7	8.8	0.5	(0.4)	(0.2)
USD/THB	57.0	33.1	32.9	(1.7)	(1.3)	(1.4)
USD/TWD	10.2	13.2	12.5	0.5	(0.4)	0.2
USD/Other currencies	6.5	7.7	5.9	—	(0.3)	(0.2)
<b>Sale of USD against foreign currencies</b>						
USD/IDR	26.5	26.6	29.8	(1.2)	—	(0.5)
USD/Other currencies	—	2.0	—	—	1.3	—
<b>Purchase of CNY against foreign currencies</b>						
CNY/IDR	21.4	25.7	29.0	(0.3)	0.2	0.3
CNY/INR	18.7	18.0	17.7	(0.7)	(0.1)	0.1
CNY/PHP	10.4	13.4	10.8	(0.3)	(0.4)	(0.3)
CNY/THB	17.5	19.7	20.2	(0.1)	(0.5)	(1.1)
CNY/Other currencies	7.5	7.5	7.0	0.1	(0.2)	0.1
<b>Sale of CNY against foreign currencies</b>						
CNY/JPY	44.4	58.5	66.7	(3.5)	(0.4)	0.9
CNY/KRW	12.3	35.0	25.6	(0.9)	—	1.3
CNY/SGD	3.8	11.2	2.2	—	—	—
CNY/Other currencies	5.0	7.6	6.6	0.1	(0.1)	—
Other currencies pairs	—	—	—	—	—	—
Other	20.8	11.0	25.5	(0.6)	(0.2)	1.2
<b>Currency futures total</b>	<b>3,133.3</b>	<b>3,298.8</b>	<b>3,396.2</b>	<b>(24.4)</b>	<b>30.1</b>	<b>26.5</b>
<b>TOTAL INSTRUMENTS</b>	<b>3,133.3</b>	<b>3,298.8</b>	<b>3,396.2</b>	<b>(24.4)</b>	<b>30.1</b>	<b>26.5</b>

## Note 22 Transactions with related entities and parties

All material related-party transactions were entered into on an arm's length basis.

## Note 23 Off-balance sheet commitments

### 23.1 Lease commitments

Operating lease commitments amounted to €7.1 million due in less than one year, €22.1 million due between one and five years and €4.9 million due after five years.

### 23.2 Other off-balance sheet commitments

Confirmed credit facilities are set out in note 18.

Other off-balance sheet commitments can be broken down as follows:

€ millions	31.12.2024	31.12.2023	31.12.2022
Commitments in connection with employee retirement obligations and related benefits <sup>(1)</sup>	(242.9)	(80.4)	(205.5)
Commitments to buy out non-controlling interests	15.1	12.2	11.6
Guarantees given <sup>(2)</sup>	2,011.8	1,927.1	2,002.9
Guarantees received	—	—	2.8
Capital expenditure orders and service contracts <sup>(3)</sup>	472.9	404.1	111.4
Documentary credits	—	—	—

(1) The discount rate used in 2024 to measure commitments was 3.50% for plans providing for the payment of capital and 3.50% for annuity plans, compared with 3.25% and 3.25% respectively in 2023, and 3.75% and 3.75% in 2022. Interest rate levels resulted in a funding surplus for pension liabilities in the amount of €218.7 million at end of 2024 versus €81.2 million at end-2023.

An agreement for the pooling of employee-related liabilities was set up in 2004. Pursuant to this agreement, commitments are allocated among the French companies in the Group and their financing is organised in proportion to their respective payroll costs (customised for each plan) so that the companies are joint and severally liable for meeting the aforementioned commitments within the limit of the collective funds built up.

(2) This caption includes various sureties and guarantees on behalf of direct and indirect subsidiaries amounting to €1,961.6 million at 31 December 2024, versus €1,842.1 million at 31 December 2023 and €1,922.9 million at 31 December 2022. It also includes funding commitments to a philanthropic fund that supports vulnerable women, and to the L'Oréal Climate Emergency Fund.

(3) Including irrevocable commitments for IT contracts and energy purchases (these services will be re-billed to Group entities).

### 23.3 Contingent liabilities

In the normal course of its activities, the Company is involved in legal proceedings and is subject to fiscal, customs and administrative controls. The Company sets aside a provision when a risk is found to exist and the related cost can be reliably estimated.

No exceptional event or dispute is highly likely to have a material impact on the Company's earnings, financial position, assets or operations.

## Note 24 Changes in working capital

Changes in working capital can be broken down as follows:

€ millions	31.12.2024	31.12.2023	31.12.2022
Inventories	—	14.2	(32.3)
Accounts Receivable	187.9	(758.2)	(100.1)
Accounts Payable	15.9	177.2	197.9
<b>TOTAL</b>	<b>203.7</b>	<b>(566.8)</b>	<b>65.5</b>

## Note 25 Changes in other financial assets

This caption mainly comprises long-term investments with the Group's cash pool.

## Note 26 Net cash and cash equivalents

Cash and cash equivalents can be broken down as follows:

€ millions	31.12.2024	31.12.2023	31.12.2022
Cash and cash equivalents	290.7	337.7	616.2
Accrued interest receivable		9.4	1.8
Accrued interest payable		—	—
<b>NET CASH AND CASH EQUIVALENTS</b>	<b>290.7</b>	<b>347.1</b>	<b>618.0</b>

## Note 27 Other information

Statutory audit fees are presented in note 16 to the consolidated financial statements.

## Note 28 Subsequent events

### Signing of an agreement for the sale of 2.3% of Sanofi shares

The L'Oréal Groupe announced on 3 February 2025 the signing of an agreement for the sale of approximately 29.6 million **Sanofi** shares to Sanofi at a price of €101.5 per share, i.e., a total consideration of €3 billion. Following

completion of the transaction and cancellation of the shares bought back, L'Oréal will hold 7.2% of Sanofi's share capital and 13.1% of the voting rights<sup>(1)</sup>.

The transaction, which will be carried out through an off-market block trade, is not subject to any condition precedent and should be finalized in the coming days.

## Note 29 Table of subsidiaries and equity investments

### DETAILED INFORMATION

	Share capital	Reserves and retained earnings before appropriation of net profit	% interest	Carrying amount of shares held		Profit or loss in last financial year	Dividends <sup>(1)</sup> booked during the financial year
				Gross	Net		
<b>A. Main French subsidiaries (more than 50% interest)</b>							
Azzaro Mugler Beauté France	78,723	945	100.00%	78,723	78,723	1,128	906
Beauté, Recherche & Industries	1,069	15,059	100.00%	9,495	9,495	9,298	3,802
Cosmétique Active International	19	13,947	88.97%	15,100	15,100	149,596	112,553
Cosmétique Active Production	186	24,834	80.13%	5,081	5,081	19,478	11,021
EpiSkin	13,609	13,060	99.92%	17,999	17,999	(169)	—
Fapagau & Cie	15	6,201	79.00%	12	12	20,653	11,009
Faporeal	11,944	5,430	100.00%	11,953	11,953	5,823	6,382
Finval	19,516	142,683	100.00%	75,677	75,677	74,410	40,258
Gemey Paris - Maybelline New York	35	8,532	99.96%	46	46	5,102	5,581
Holdial	1	1	98.00%	1	1	1,192	1,225

<sup>(1)</sup> Based on a total number of 1,263,122,721 shares outstanding and 1,413,130,110 voting rights at 31 December 2024, as published by Sanofi, it being specified that the percentage of theoretical voting rights held by L'Oréal after cancellation will be 13.0% based on the total number of 1,422,661,191 theoretical voting rights as at 31 December 2024, as published by Sanofi, in each case adjusted for the number of shares bought back and cancelled following or as a result of the transaction. Before cancellation of the shares bought back, L'Oréal's interest in Sanofi will represent 7.0% of the share capital and 12.7% of the total number of theoretical voting rights.

	Share capital	Reserves and retained earnings before appropriation of net profit	% interest	Carrying amount of shares held		Profit or loss in last financial year	Dividends <sup>(1)</sup> booked during the financial year
				Gross	Net		
L & J Ré	27,500	12,785	100.00%	27,500	27,500	2,835	—
La Roche-Posay Laboratoire Dermatologique	380	4,437	99.98%	27,579	27,579	60,590	46,797
Noveal	1,958	13,025	100.00%	21,501	21,501	(1,399)	452
Nutricos Technologies	1,070	(271)	50.00%	38,125	—	(108)	—
L'Oréal France	127,919	654,741	100.00%	772,495	772,495	171,551	50,097
L'Oréal International Distribution	6,414	5,223	100.00%	11,642	11,642	35,574	9,175
L'Oréal Fund For Nature Regeneration	75,000	(5,952)	100.00%	75,000	69,100	(2,056)	—
L'Oréal Produits de Luxe International	98	—	99.85%	2,556	2,556	10,130	—
BOLD (Business Opportunities for L'Oréal Development)	178,853	100,028	100.00%	299,603	299,603	(40,565)	—
Mugler Fashion	8	789	100.00%	3,929	3,112	1,310	—
Real Campus by L'Oréal	7,205	(7,517)	100.00%	7,205	5	(1,609)	—
Sciencemd	13,005	(8,883)	100.00%	13,005	635	(3,212)	—
Soproréal	6,525	111,765	100.00%	108,384	108,384	18,661	—
LOA15	50	(7)	99.98%	50	50	(3)	—
Prestige & Collections International	78	7,465	99.81%	98,364	98,364	582,601	526,110
Magic Holdings Group Limited	37	291	100.00%	63,411	11	991	—
Sicôs & Cie	375	12,679	100.00%	1,076	1,076	12,964	9,641
Soprosos	8,250	8,428	100.00%	12,165	12,165	8,164	—
Sparlys	7,378	8,073	100.00%	18,553	18,553	5,753	—
L'Oréal Travel Retail	51,791	89,459	99.80%	90,977	90,977	202,138	153,553

**B. Main French investments (less than 50% interest)**

Euroapi	95,054		5.47%	74,535	14,804		—
Sanofi <sup>(2)</sup>	2,529,600		9.32%	423,887	423,887		444,535

(1) Including profits distributed by the SNCs (general partnership), and Sociétés civiles (non trading companies), that are not tax consolidated.

(2) Listed company. At 31 December 2024, L'Oréal held 118,227,307 shares with a stock market value of €11,082,628 thousand.

	Share capital	Reserves and retained earnings before appropriation of net profit	% interest	Carrying amount of shares held		Profit or loss in last financial year	Dividends recognised during the financial year
				Gross	Net		
<b>A. Main foreign subsidiaries (more than 50% interest)<sup>(1)</sup></b>							
Aēsop UK Limited (United Kingdom)	—	71,665	100.00%	967,224	803,924	(20,617)	—
Beautylux International Cosmetics (Shanghai) Co. Ltd (China)	58,861	(12,559)	100.00%	16,871	4,871	238	—
Biotherm (Monaco)	152	16	99.80%	3,545	3,545	7,485	8,314
Cosmelor Ltd (Japan)	100	2,226	100.00%	35,810	27,370	1,751	7,762
Cosmephil Holdings Corporation (Philippines)	12,000	(9,069)	100.00%	400	14	—	—
Egyptelot LLC (Egypt)	50	(3,209)	99.80%	7	7	32,418	143
Elebelle (Proprietary) Ltd (South Africa)	6,705	431,723	100.00%	61,123	13,123	—	—
Erwiton SA (Uruguay)	5,359	(6,694)	100.00%	3	3	733,018	18,958
L'Oréal Israel Ltd (Israel)	22,871	50,364	92.97%	38,497	38,497	102,621	15,531
Kosmepol Sp. z.o.o. (Poland)	182,500	250,126	99.73%	48,965	48,965	33,187	5,370
L'Oréal Adria d.o.o. (Croatia)	133	3,475	100.00%	1,503	1,503	24,338	12,854

	Share capital	Reserves and retained earnings before appropriation of net profit	% interest	Carrying amount of shares held		Profit or loss in last financial year	Dividends recognised during the financial year
				Gross	Net		
L'Oréal Argentina SA (Argentina)	46,668,981	126,800,710	96.82%	183,864	61,964	24,213,879	—
L'Oréal Australia Pty Ltd	4,758	102,122	100.00%	33,867	33,867	3,043,747	—
L'Oréal Balkan d.o.o. (Serbia)	102,719	(13,851)	100.00%	1,285	1,285	370,610	4,486
L'Oréal Baltic SIA (Latvia)	370	49	100.00%	529	529	2,111	1,808
L'Oréal Bangladesh Ltd (Bangladesh)	400,544	(396,761)	100.00%	3,749	—	—	—
L'Oréal Brasil Comercial de Cosméticos Ltda	564,090	25,738	100.00%	164,599	164,599	524,142	59,706
L'Oréal Belgilux SA (Belgium)	16,124	23,460	98.93%	77,150	77,150	11,661	17,262
L'Oréal Brasil Pesquisas e Inovacao Ltda	165,000	39,367	99.99%	45,654	45,654	4,994	—
L'Oréal Bulgaria EOOD	200	1,377	100.00%	102	102	10,584	9,439
L'Oréal Canada Inc.	6,397	166,839	100.00%	146,517	146,517	185,409	109,836
L'Oréal Central America SA (Panama)	10	(6)	100.00%	8	—	(5)	119
L'Oréal Central West Africa (Nigeria)	11,040	(7,842)	99.91%	18,106	8	—	—
L'Oréal Ceska Republika s.r.o (Czech Republic)	106,790	9,619	100.00%	4,983	4,983	1,038,064	38,904
L'Oréal Chile SA (Chile)	4,635	7,572	100.00%	43,784	43,784	39,853	26,471
L'Oréal China Co Ltd (China)	454,555	(3,587,333)	100.00%	345,733	345,733	5,225,596	667,237
L'Oréal Colombia SAS. (Colombia)	13,036	206,824	100.00%	80,419	49,419	4,046	926
L'Oréal Cosmetics Industry SAE (Egypt)	484,939	92,819	100.00%	58,363	23,363	328,544	—
L'Oréal Danmark A/S (Denmark)	2,010	245,431	100.00%	8,336	8,336	555,276	33,405
L'Oréal Deutschland G.m.b.H. (Germany)	12,647	70,280	100.00%	76,855	76,855	274,788	259,263
L'Oréal East Africa Ltd (Kenya)	497	557,132	99.98%	70,150	7,520	(775,570)	—
L'Oréal Espana SAU (Spain)	59,911	71,824	100.00%	361,454	361,454	140,136	50,276
L'Oréal Finland Oy (Finland)	673	3,156	100.00%	1,280	1,280	3,914	—
L'Oréal Guatemala SA	10,554	10,868	100.00%	2,162	2,162	1,165	2,783
L'Oréal Hellas SA (Greece)	9,736	2,351	100.00%	35,307	35,307	29,470	25,598
L'Oréal Hong Kong Ltd	30	562,684	100.00%	24,276	24,276	659,392	—
L'Oréal India Private Ltd (India)	2,969,582	(967,128)	100.00%	75,987	75,987	5,352,543	38,005
L'Oréal Italia Spa	1,680	48,864	100.00%	226,469	226,469	98,503	80,016
L'Oréal Kazakhstan LLP (Kazakhstan)	77,495	303,670	100.00%	422	422	4,260,076	4,459
L'Oréal Korea Ltd (South Korea)	3,533	130,189	100.00%	506,932	506,932	(3,327)	—
L'Oréal Liban SAL	—	(198)	100.00%	4,136	6	2,242	662
L'Oréal Magyarország Kosmetikai Kft (Hungary)	112,000	38,612	100.00%	787	787	1,869,837	5,030
L'Oréal Malaysia SDN BHD	23,763	53,130	100.00%	6,762	6,762	68,057	15,526
L'Oréal Mexico SA de CV (Mexico)	33,294	3,237,813	100.00%	8,443	8,443	1,634,922	89,028
L'Oréal Middle East (United Arab Emirates)	11,437	(7,086)	100.00%	54,379	53,379	55,086	84,189
L'Oréal Nederland B.V. (Netherlands)	1,178	35,047	100.00%	22,014	22,014	49,480	—
L'Oréal New Zealand Ltd (New Zealand)	86	9,592	100.00%	6,110	6,110	5,100	70
L'Oréal Norge A/S (Norway)	11,580	24,944	100.00%	4,050	4,050	59,418	17,277

	Share capital	Reserves and retained earnings before appropriation of net profit	% interest	Carrying amount of shares held		Profit or loss in last financial year	Dividends recognised during the financial year
				Gross	Net		
L'Oréal Osterreich G.m.b.H. (Austria)	2,915	895	100.00%	3,818	3,818	4,461	5,234
L'Oréal Pakistan	3,356,376	(4,515,510)	100.00%	23,734	—	287,682	—
L'Oréal Panama SA	200	(3,068)	100.00%	168	168	34,588	23,487
L'Oréal Peru SA (Peru)	10,031	4,289	100.00%	3,739	3,739	46,441	8,574
L'Oréal Philippines Inc.	160,384	(107,700)	99.53%	39,107	5,117	38,611	—
L'Oréal Polska Sp. Z.O.O. (Poland)	1,887	(2,416)	100.00%	707	707	318,196	61,761
L'Oréal Portugal Unipessoal Lda	495	547	100.00%	6,459	6,459	6,070	7,991
L'Oréal Romania SRL (Romania)	2,693	6,106	100.00%	974	974	144,360	21,041
L'Oréal Saudi Arabia	31,370	39,999	78.16%	12,999	12,999	27,785	4,476
L'Oréal Singapore Pte Ltd (Singapore)	9,287,794	(385,014)	100.00%	6,394,939	4,656,039	(3,150,271)	(5,375)
L'Oréal Suisse SA	492	13,338	100.00%	160,311	145,311	10,313	210,157
L'Oréal Sverige AB (Sweden)	18,500	25,577	100.00%	2,247	2,247	150,012	43,346
L'Oréal Taiwan Co. Ltd (Taiwan Region)	8,000	12,964	100.00%	17,881	17,881	843,504	25,711
L'Oréal Thailand Ltd	200,000	29,753	100.00%	5,238	5,238	1,247,566	19,916
L'Oréal Türkiye Kozmetik Sanayi Ve Ticaret Anonim Sirketi	1,393,552	(620,623)	100.00%	55,093	14,243	1,340,916	15,510
L'Oréal UAE General Trading LLC (United Arab Emirates)	92,113	46,196	100.00%	34,523	34,523	31,430	7,618
L'Oréal UK Ltd (United Kingdom)	101,533	(66,561)	100.00%	145,573	145,573	185,168	194,650
L'Oréal Ukraine	27,067	1,499,738	100.00%	2,990	—	750,223	—
L'Oréal Uruguay SA	16,294	123,904	100.00%	2,718	2,718	187,633	—
L'Oréal USA Inc. <sup>(2)</sup>	730,562	4,119,169	100.00%	4,851,879	4,851,879	1,263,530	1,170,388
L'Oréal Vietnam Co. Ltd	356,565	(52,510)	100.00%	13,646	13,646	505,080	12,204
Masrelor LLC (Egypt)	144,277	15,606	100.00%	17,573	17,573	(13,961)	1,338
Nihon L'Oréal KK (Japan)	100	16,867	100.00%	351,504	351,504	4,552	—
L'Oréal Travel Retail Americas Inc. (USA)	51	(381)	100.00%	100,317	100,317	29,710	24,439
Procosa Produtos de Beleza Ltda (Brazil)	511,443	1,241	100.00%	223,938	103,138	82,313	3,991
P.T. L'Oréal Indonesia	16,050	22,926	99.00%	2,305	2,305	79,647	5,425
P.T. Yasulor Indonesia	822,754	403,310	99.99%	110,022	79,022	52,416	2,493
Scental Limited (Hong Kong SAR)	50	1,714	100.00%	8	8	—	—
<b>B. Main non-French investments (less than 50% interest)</b>							
LIPP Distribution (Tunisia)	21,471	38,868	49.00%	9,009	9,009	11,009	1,382
L'Oréal South Africa Holdings (South Africa)	688	188,332	36.00%	9,590	9,590	118,124	—
Galderma Group AG (Switzerland)	2,055,606		10.00%	1,798,506	1,798,506		—

(1) For non-French subsidiaries and investments, the capital, reserves and retained earnings have been translated into thousands of euros on the basis of year-end exchange rates, while profits and losses have been translated at average rate. It is specified that the list above is not exclusive.

(2) Data from the L'Oréal USA Inc. sub-consolidation group

## 6 — 2024 parent company financial statements

Other information relating to the financial statements of L'Oréal S.A.

### GLOBAL INFORMATION RELATING TO SUBSIDIARIES AND INVESTMENTS

	Subsidiaries		Other investments	
	French	Foreign	French	Foreign
Book value of shares held:				
• Gross (after revaluation)	1,907,223	16,466,102	510,885	1,817,105
• Net	1,779,410	13,946,474	451,155	1,817,105
Amount of loans and advances granted	5,000,000	3,200		
Amount of guarantees and security granted	3,908	1,955,740		
Amount of dividends booked	988,593	3,575,089	445,226	1,382

## 6.6 Other information relating to the financial statements of L'Oréal S.A.

### 6.6.1 Expenses and charges falling under Article 223 *quater* of the French Tax Code

The total amount of expenses and charges falling under Article 223 *quater* of the French Tax Code ("sumptuary expenses") and the amount of tax applicable to such expenses and charges are as follows:

Expenses and charges	€2.1 million
Corresponding tax	€0.5 million

## 6.6.2 Past due invoices issued and received but not paid at the closing date

In accordance with the French law on the Modernisation of the Economy of 4 August 2008 and Articles L. 441-14 and D. 441-6 of the French Commercial Code, past due invoices issued and received but not paid at 31 December 2023 are broken down as follows:

	Article D. 441-6 I.-1°: Past due invoices received but not paid at the closing date					Total (1 day or more) <sup>(1)</sup>	Article D. 441-6 I.-2°: Past due invoices issued but not paid at the closing date					Total (1 day or more)
	0 days (indicative)	1-30 days	31-60 days	61-90 days	91 days or more		0 days (indicative)	1-30 days	31-60 days	61-90 days	91 days or more	
<b>A. Late payment tranches</b>												
Number of invoices concerned	7					838	126					9,826
Total amount of invoices concerned, including taxes <sup>(2)</sup>	(3,710,703)	(1,271,579)	554,632	252,831	797,380	333,264	(10,010,231)	60,952,910	22,292,082	(2,179,518)	7,697,252	88,762,726
Percentage of total amount of purchases (including taxes) for the financial year <sup>(2)</sup>	-0.09%	-0.03%	0.01%	0.01%	0.02%	0.01%						
Percentage of sales (including tax) for the financial year <sup>(2)</sup>							-0.18%	1.09%	0.40%	-0.04%	0.14%	1.41%
<b>B. Invoices excluded from A. because of disputed or unrecognised payables and receivables</b>												
Number of invoices excluded						444						9
Total amount of invoices excluded						8,606,396						198,178
<b>C. Benchmark payment terms used (contractual or statutory term, Article L. 441-6 or L. 443-1 of the French Commercial Code)</b>												
Benchmark payment terms used to calculate late payments	Contractual payment terms: 45 days from end of month Statutory payment terms: 45 days from end of month											

(1) Including amount of invoices due to L'Oréal Groupe companies (intra-group): €6,123,776 for invoices received; €78,883,989 for invoices issued, i.e., 100.00% of the total amount.

(2) The negative amounts and percentages in the table below correspond to credit notes received by the Company.

## 6.6.3 Sales (excluding taxes)

€ millions	2024	2023	% change
<b>Sales</b>			
1 <sup>st</sup> quarter	1,201.8	1,823.1	-34.08%
2 <sup>nd</sup> quarter	1,249.8	1,821.3	-31.38%
3 <sup>rd</sup> quarter	1,172.4	1,118.8	+4.79%
4 <sup>th</sup> quarter	1,239.5	1,219.5	+1.64%
<b>TOTAL</b>	<b>4,863.4</b>	<b>5,982.7</b>	<b>-18.71%</b>

Sales includes sales of goods net of any rebates and discounts granted, along with services provided and technology royalties. The fall in net sales is mainly due to partial contributions of assets carried out on 1 July 2023.

## 6.7 Five-year financial summary

### L'ORÉAL (EXCLUDING SUBSIDIARIES)

€ millions (except for earnings per share, shown in €)

	2020	2021	2022	2023	2024
<b>I. Financial situation at financial year-end</b>					
a) Share capital	112.0	111.5	107.0	106.9	106.9
b) Number of shares	559,871,580	557,672,360	535,186,562	534,725,475	534,312,021 <sup>(1)</sup>
c) Number of convertible bonds	-	-	-	-	-
<b>II. Overall results of operations</b>					
a) Net pre-tax sales	4,837.8	5,255.4	6,282.0	5,982.7	4,863.4
b) Pre-tax profit before depreciation, amortisation, provisions and reversals of provisions (including provision for investment activities and profit-sharing reserve)	4,570.7	4,174.1	12,579.2	6,058.7	5,874.8
c) Income tax	(22.8)	(1.7)	(250.4)	(164.1)	(115.2)
d) Net profit	4,158.8	3,860.5	12,343.1	3,826.3	5,678.0
e) Amount of distributed profits	2,264.4	2,596.7	3,248.4	3,564.0	3,779.2 <sup>(2)</sup>
<b>III. Results of operations per share</b>					
a) Profit after tax and profit-sharing, but before charges to depreciation, amortisation and provisions	8.07	7.43	22.98	10.95	10.70
b) Net profit	7.43	6.92	23.06	7.16	10.63
c) Dividend paid on each share (not including tax credit)	4.00	4.80	6.00	6.60	7.00 <sup>(2)</sup>
<b>IV. Personnel</b>					
a) Number of employees	8,900	9,134	9,543	8,219	6,474
b) Total salaries	804.6	860.9	945.8	879.3	778.3
c) Amount paid for welfare benefits (social security, provident schemes, etc.)	408.6	415.8	430.5	428.4	376.6

(1) The share capital comprises 534,312,021 shares with a par value of €0.2, following the issue of 230,423 shares under the employee shareholding plan, the delivery of the 2020 ACAs plan representing 660,885 shares, the early exercise of 3,795 shares related to the 2021 and 2022 ACAs plans, and the cancellation of 1,308,557 shares.

(2) The dividend will be proposed to the Annual General Meeting of 29 April 2025.

## 6.8 Equity investments (main changes and threshold crossings)

### EQUITY INVESTMENTS

(Main changes and threshold crossings of more than 5%)

€ millions Heading	31 December 2023 (including revaluation)		Acquisitions	Subscriptions	Others	31 December 2024	
	Amount	%	Amount	Amount	Amount	Amount	%
Atelier Cologne	—	—	26.5		(26.5) <sup>(1)</sup>	—	—
Atelier Cologne (Luxembourg)	88.9	100.0			(88.9) <sup>(2)</sup>	—	—
Beautycos International Co. Ltd	46.2	73.5			(46.2) <sup>(2)</sup>	—	—
Canan Cozmetik Sanayi Ve Ticaret AS	30.3	100.0			(30.3) <sup>(2)</sup>	—	—
Galderma Group AG	—	—	1,798.5			1,798.5	10.0
L'Oréal Korea Ltd	20.8	100.0			486.1 <sup>(3)</sup>	506.9	100.0
L'Oréal Produits de Luxe International	73.8	99.9		19.7	(90.9) <sup>(4)</sup>	2.6	99.9
L'Oréal South Africa Ltd	—	—	9.6			9.6	36.0
L'Oréal Travel Retail	—	—			90.9 <sup>(4)</sup>	90.9	99.8
L'Oréal West Africa	25.3	100.0			(25.3) <sup>(2)</sup>	—	—
Nanda Co.Ltd	486.1	100.0			(486.1) <sup>(3)</sup>	—	—
Soprococ	11.9	100.0		3.1	(2.8) <sup>(4)</sup>	12.2	100.0
Soproréal	0.1	100.0			108.3 <sup>(1)(4)</sup>	108.4	100.0
Thermes de Saint Gervais Les Bains Le Fayet	22.9	100.0			(22.9) <sup>(2)</sup>	—	—

(1) Universal/partial asset transfers

(2) Disposal/liquidation.

(3) Merger between subsidiaries.

(4) Further to partial asset transfer.

## 6.9 Statutory Auditors' Report on the financial statements

Year ended December 31, 2024

*This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users. This statutory auditors' report includes information required by European regulations and French law, such as information about the appointment of the statutory auditors or the verification of the management report and the other documents provided to the shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

L'Oréal

Year ended December 31, 2024

To the Annual General Meeting of L'Oréal,

### Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of L'Oréal for the year ended December 31, 2024.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2024 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

### Basis for Opinion

#### Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

#### Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*) for the period from January 1, 2024 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

### Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

## Valuation of investments and intangible assets (excluding software and assets in progress)

See Notes "1.6 - Accounting principles - Intangible assets", "1.8.1 - Investments", "11 - Intangible assets", "13 - Financial fixed assets" and "29 - List of subsidiaries and investments" to the financial statements

Risk identified	Our response
<p>As at December 31, 2024, investments and intangible assets (excluding software and assets in progress) were recorded in the balance sheet for a net book value of € 18.3 billion and € 3.7 billion, respectively, i.e. 74% of the balance sheet total. They were recorded at their date of entry at acquisition cost.</p> <p>An impairment loss is recognized if their value in use falls below their net book value.</p> <p>As described in Notes 1.6 and 1.8 to the financial statements, their value is examined annually by reference to their value in use, which takes into account:</p> <ul style="list-style-type: none"> <li>• for investments: the current and projected profitability of the concerned holding and the share of equity held;</li> <li>• for intangible assets: discounted future cash flows.</li> </ul> <p>Estimating the value in use of these assets requires Management's judgment in determining future cash flow projections and key assumptions used.</p> <p>Given the weight of investments and intangible assets in the balance sheet and the uncertainties inherent in certain items, including the realization of forecasts used in the valuation of the value in use, we considered the valuation of these assets to be a key audit matter with a risk of material misstatements.</p>	<p>We examined the methodology employed by Management to estimate the value in use of investments and intangible assets (excluding software and assets in progress).</p> <p>Our audit work mainly focused on examining, on the basis of the information provided to us, that the estimated values determined by Management were based on an appropriate valuation method, and in assessing the quality of these estimates by considering the data, assumptions and calculations used.</p> <p>We focused our work primarily on investments and intangible assets with a value in use close to their net book value.</p> <p>We assessed the appropriateness of the key estimates, and more specifically:</p> <ul style="list-style-type: none"> <li>• the consistency of revenue projections and the margin rate, compared to past performance and to the economic and financial context;</li> <li>• the corroboration of the growth rates used with the performance analyses of the global cosmetics market, taking into account the specificities of the local markets and of the distribution channels in which the Company operates;</li> <li>• the discount rates applied to future cash flows by comparing their parameters with external references, by including valuation experts into our team.</li> </ul>

## Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

### Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D. 441-6 of the French Commercial Code (*Code de commerce*).

### Information relating to Corporate Governance

We attest that the section of the Board of Directors' management report on corporate governance sets out the information required by Articles L. 225-37-4, L. 22-10-10 and L. 22-10-9 of the French Commercial Code (*Code de commerce*).

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code (*Code de commerce*) relating to the remuneration and benefits received by, or allocated to the directors and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlled thereby, included in the consolidation scope. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your Company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code (*Code de commerce*), we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

### Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of voting rights has been properly disclosed in the management report.

## Report on Other Legal and Regulatory Requirements

### Format of preparation of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by statutory auditors regarding the annual and consolidated financial statements prepared in the European single electronic format, that the preparation of the financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the Chief Executive Officer's responsibility, complies with the single electronic format defined in Commission Delegated Regulation (EU) No. 2019/815 of 17 December 2018.

On the basis of our work, we conclude that the preparation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your Company in the annual financial report filed with the AMF (*Autorité des marchés financiers*) agree with those on which we have performed our work.

### Appointment of the Statutory Auditors

We were appointed as statutory auditors of L'Oréal by your annual general meeting of April 29, 2004 for DELOITTE & ASSOCIES and of April 21, 2022 for ERNST & YOUNG Audit.

As at December 31, 2024, DELOITTE & ASSOCIES was in the twenty-first year of total uninterrupted engagement and ERNST & YOUNG Audit in the third year.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

## Statutory Auditors' Responsibilities for the Audit of the Financial Statements

### Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As specified in Article L. 821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the financial statements.
- Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

### Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L. 821-27 to L. 821-34 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*). Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense, March 17, 2025

The Statutory Auditors  
*French original signed by*

DELOITTE & ASSOCIES  
 David Dupont-Noel

ERNST & YOUNG Audit  
 Céline Eydiou-Boutté