

L'Oréal invests in global venture capital fund Cathay Innovation to develop *beauty tech* startups in China

Clichy, 23 October, 2019 - L'Oréal announced today a strategic investment in **Cathay Innovation**, a global venture capital fund founded to support entrepreneurs engaged in the sustainable transformation of the world through technology. With this transaction, L'Oréal strengthens its connection to the beauty tech startup ecosystem, particularly in China, the group's second largest market and a pioneer in digital innovation.

L'Oréal will accompany innovative Chinese *beauty tech* startups during their growth phase. Entrepreneurs will benefit from L'Oréal and its brands' expertise to test their innovations and accelerate their development.

This participation was done through L'Oréal's corporate venture capital fund **BOLD Business Opportunities for L'Oréal Development**, launched in December 2018.

Fabrice Megarbane, President of L'Oréal China, said: *"We are delighted to enter this strategic partnership with Cathay Innovation. It will enable us to connect to the dynamic ecosystem of disruptive beauty tech startups in China, a driving force in advanced technology and innovation. Our objective is to help young entrepreneurs by sharing L'Oréal's expertise and experience in order to co-create the products and services of tomorrow."*

Mingpo Cai, Founder and President of Cathay Capital, said: *"We are thrilled to welcome L'Oréal as an investor in our ecosystem and believe that we will develop together a partnership of exceptional quality. China is a breeding ground for innovation in the new uses of disruptive technology, and in particular in the world of beauty. We will work to identify new emerging trends and collaborate with the most promising startups. Together with L'Oréal teams and visionary Chinese entrepreneurs, we will develop new innovations for consumers in China and the world at large."*

Launched by Cathay Capital, Cathay Innovation funds early growth startups committed to the sustainable transformation of the world through innovation and technology in sectors ranging from e-commerce and consumer-centric digital platforms to fintech, health, new mobility and all segments of the artificial intelligence space.

BOLD Business Opportunities for L'Oréal Development is a corporate venture capital fund aiming to take minority stakes in innovative companies and brands with high growth potential. The fund invests in new business models in marketing, R&I, digital, retail, communication, supply chain and packaging and provides startups with L'Oréal's expertise, networking and mentorship.

About L'Oréal

L'Oréal has devoted itself to beauty for over 100 years. With its unique international portfolio of 36 diverse and complementary brands, the Group generated sales amounting to 26.9 billion euros in 2018 and employs 86,000 people worldwide. As the world's leading beauty company, L'Oréal is present across all distribution networks: mass market, department stores, pharmacies and drugstores, hair salons, travel retail, branded retail and e-commerce.

Research and innovation, and a dedicated research team of 3,993 people, are at the core of L'Oréal's strategy, working to meet beauty aspirations all over the world. L'Oréal's sustainability commitment for 2020 "Sharing Beauty With All" sets out ambitious sustainable development objectives across the Group's value chain.

For more information: <http://mediaroom.loreal.com/en/>

About Cathay Innovation

Cathay Innovation is a global venture capital partnership, created in affiliation with Cathay Capital. It was founded around the shared conviction that supporting innovation entrepreneurs by providing them with a platform bridging 3 continents – North America, Europe and China – constitutes a particularly powerful value-creation strategy. As a multi-stage fund, Cathay Innovation partners with visionary entrepreneurs, committed to the sustainable transformation of the world through innovation and technology. Such transformation is accelerated by leveraging Cathay Capital extensive network with corporates and solid experience in operational excellence. Cathay Innovation has offices in San Francisco, Paris, Beijing and Shanghai.

To learn more, please visit www.cathayinnovation.com or follow us on Twitter @Cathayinnov.

"This news release does not constitute an offer to sell, or a solicitation of an offer to buy L'Oréal shares. If you wish to obtain more comprehensive information about L'Oréal, please refer to the public documents registered in France with the Autorité des Marchés Financiers, also available in English on our Internet site www.loreal-finance.com.

This news release may contain some forward-looking statements. Although the Company considers that these statements are based on reasonable hypotheses at the date of publication of this release, they are by their nature subject to risks and uncertainties which could cause actual results to differ materially from those indicated or projected in these statements."

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