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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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If you are in any doubt about this circular or as to the action to be taken, you should consult a stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in L'Occitane International S.A., you should at once hand this circular and the enclosed form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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**L'OCCITANE**  
E N P R O V E N C E

**L'OCCITANE INTERNATIONAL S.A.**

*1, rue du Fort Rheinsheim L-2419 Luxembourg*

*R.C.S. Luxembourg: B80359*

*(Incorporated under the laws of Luxembourg with limited liability)*

*(Stock code: 973)*

**NOTICE OF ANNUAL GENERAL MEETING  
AND  
INFORMATION ON THE PROPOSALS FOR:  
GENERAL MANDATE TO ISSUE SHARES OR TRANSFER  
SHARES OUT OF TREASURY,  
REPURCHASE MANDATE TO REPURCHASE SHARES,  
ELECTION OF DIRECTORS, AND  
ADOPTION OF SHARE OPTION PLAN 2013 AND FREE SHARE PLAN 2013**

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A notice convening an Annual General Meeting of L'Occitane International S.A. (the "**Company**") to be held at the registered office of the Company at 1, rue du Fort Rheinsheim, L-2419 Luxembourg, Grand Duchy of Luxembourg and by tele-conference at 38/F Tower 2, Times Square, 1 Matheson Road, Causeway Bay, Hong Kong on Wednesday, 25 September 2013 at 10:00 a.m. (CET)/4:00 p.m. (Hong Kong time) is set out on pages 30 to 36 of this circular.

A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.loccitane.com](http://www.loccitane.com)).

Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the meeting or any adjournment thereof if they so wish in which case any proxy provided in advance shall be deemed to be withdrawn.

31 July 2013

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

|                           |   |
|---------------------------|---|
| “Annual General Meeting”  | the annual general meeting of the Company to be held at the registered office of the Company at 1, rue du Fort Rheinsheim, L-2419 Luxembourg, Grand Duchy of Luxembourg and by tele-conference at 38/F Tower 2, Times Square, 1 Matheson Road, Causeway Bay, Hong Kong on Wednesday, 25 September 2013 at 10:00 a.m. (CET)/4:00 p.m. (Hong Kong time) or any adjournment thereof and notice of which is set out on pages 30 to 36 of this circular      |
| “Articles of Association” | the articles of association of the Company currently in force   |
| “Board”                   | the board of Directors of the Company   |
| “Company”                 | L’Occitane International S.A., a <i>société anonyme</i> incorporated on 22 December 2000 under the laws of the Grand-Duchy of Luxembourg having its registered office at 1, rue du Fort Rheinsheim, L-2419 Luxembourg, Grand Duchy of Luxembourg, registered with the Luxembourg trade and companies register under registration number B80359 with limited liability, the Shares of which are listed on the main board of the Hong Kong Stock Exchange |
| “deemed interest”         | has the meaning given to it in Part XV of the Securities and Futures Ordinance  |
| “Director(s)”             | the director(s) of the Company  |
| “Eligible Person(s)”      | Employees, Directors and Shareholders selected to participate in the Share Option Plan 2013   |
| “Employee(s)”             | employees of the Group  |
| “Free Share(s)”           | Share to be issued pursuant to the Free Share Plan 2013   |
| “Free Share Plan 2010”    | the Company’s existing free share plan adopted on 30 September 2010, as amended from time to time, and which will expire on 29 September 2013   |
| “Free Share Plan 2013”    | the proposed 2013 free share plan to be adopted by the Company  |

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## DEFINITIONS

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|----------------------------|---|
| “General Mandate”          | a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to allot or issue (or in the case of Treasury Shares, transfer or sell), securities in the Company to new or existing shareholders provided that otherwise than in particular circumstances the aggregate nominal amount of the issued share capital allotted or transferred, shall not exceed 20% of the nominal amount of share capital of the Company as at the date of passing of the relevant resolution, excluding for these purposes the nominal amount of any Treasury Shares held in treasury at such date |
| “Grantee”                  | any Participant who accepts an offer in accordance with the terms of the Share Option Plan 2013 or Free Share Plan 2013, as applicable, or (where the context so permits) any person who is entitled to any Option or Free Share, as applicable, in consequence of the death of the original Grantee  |
| “Group”                    | the Company and its subsidiaries  |
| “Hong Kong”                | the Hong Kong Special Administrative Region of the People’s Republic of China   |
| “Latest Practicable Date”  | 23 July 2013, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular   |
| “Listing Rules”            | the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time   |
| “LOG”                      | L’Occitane Group S.A., a <i>société anonyme</i> incorporated on 26 March 2007 under the laws of the Grand Duchy of Luxembourg with limited liability having its registered office at 1, rue du Fort Rheinsheim, L-2419 Luxembourg, Grand Duchy of Luxembourg, registered with the Luxembourg trade and companies register under registration number B125718, the controlling shareholder of the Company   |
| “Luxembourg Companies Law” | the Luxembourg law of 10 August 1915 on commercial companies, as amended from time to time  |
| “Option(s)”                | options to subscribe for the shares pursuant to the Share Option Plan 2013  |

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## DEFINITIONS

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|------------------------------------|---|
| “Participant”                      | (i) any eligible Director, Employee or Shareholder in the case of the Share Option Plan 2013 or (ii) any eligible Employee in the case of the Free Share Plan 2013, who the Board considers, in its sole discretion, have contributed or will contribute to the business growth and value of the Group  |
| “Plan Period”                      | the validity of the authorization of the Share Option Plan 2013 or Free Share Plan 2013, as applicable, representing the time period in which the Board could grant the Options or Free Shares, as applicable, being three years  |
| “Remuneration Committee”           | the remuneration committee of the Board   |
| “Repurchase Mandate”               | a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase, and either cancel or hold in treasury, Shares not exceeding 10 per cent of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution granting such repurchase mandate (excluding the nominal value of any Treasury Shares as at such date), provided that to comply with the Luxembourg Companies Law all such repurchases are made within a price range of between HK\$10 and HK\$30 |
| “Securities and Futures Ordinance” | Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended from time to time  |
| “Share(s)”                         | ordinary share(s) of nominal value of EUR 0.03 each in the capital of the Company   |
| “Share Option Plan 2010”           | the Company’s existing share option scheme adopted on 30 September 2010, as amended from time to time, and which will expire on 29 September 2013   |
| “Share Option Plan 2013”           | the proposed 2013 share option plan to be adopted by the Company, the principal terms of which are set out in Appendix IV of this circular  |
| “Shareholder(s)”                   | the holder(s) of the Share(s)   |
| “Stock Exchange”                   | The Stock Exchange of Hong Kong Limited   |
| “Takeovers Code”                   | The Codes on Takeovers and Mergers and Share Repurchases issued by the Securities and Futures Commission in Hong Kong, as amended from time to time   |

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## DEFINITIONS

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|--------------------------|---|
| “Treasury Shares”        | Shares that have been repurchased by the Company and are held in treasury, as authorized by the Luxembourg Companies Laws   |
| “Treasury Shares Waiver” | The waiver currently being sought by the Company from the Stock Exchange of Rule 10.06(5) of the Listing Rules to allow it to hold repurchased Shares in treasury |
| “€ or EUR”               | Euros, the single currency of participating members of the European Union   |

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LETTER FROM THE BOARD

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L'OCCITANE  
EN PROVENCE

L'OCCITANE INTERNATIONAL S.A.

*1, rue du Fort Rheinsheim L-2419 Luxembourg*

*R.C.S. Luxembourg: B80359*

*(Incorporated under the laws of Luxembourg with limited liability)*

*(Stock code: 973)*

*Executive Directors:*

Reinold Geiger (*Chairman and Chief Executive Officer*)

Emmanuel Laurent Jacques Osti

André Joseph Hoffmann

Thomas Levilion

Domenico Luigi Trizio

*Non-executive Directors:*

Karl Guénard

Martial Thierry Lopez

*Independent Non-executive Directors:*

Valérie Irène Amélie Monique Bernis

Charles Mark Broadley

Pierre Maurice Georges Milet

Jackson Chik Sum Ng

*Registered office:*

1, rue du Fort Rheinsheim

L-2419 Luxembourg

*Principal place of business*

*in Hong Kong:*

38/F, Tower Two

Times Square

1 Matheson Street

Causeway Bay

Hong Kong

31 July 2013

*To the Shareholders*

Dear Sir or Madam

The purpose of this circular is to give you notice of Annual General Meeting and to provide Shareholders with information on certain of the resolutions to be put forward at the Annual General Meeting.

We therefore inform you that the following resolutions will be tabled at the Annual General Meeting.

**ORDINARY RESOLUTIONS**

- (1) **Adoption of the statutory accounts and audited consolidated financial statements for the year ended on 31 March 2013**

An ordinary resolution will be proposed to the shareholders to approve the statutory accounts and audited consolidated financial statements of the Company for the year ended on 31 March 2013.

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## LETTER FROM THE BOARD

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### (2) Allocation of the profits

An ordinary resolution will be proposed to the shareholders regarding the allocation of profits for the year ended 31 March 2013.

### (3) Election of Directors

In accordance with Article 10.2 of the Articles of Association and the code provision A.4.2. of the Code of Corporate Governance Practices contained in Appendix 14 to the Listing Rules, any Director appointed by the Board to fill a casual vacancy shall hold office only until the next following general meeting (including an annual general meeting) of the Company and shall then be eligible for election at that meeting.

Accordingly, Mrs. Valérie Irène Amélie Monique Bernis and Mr. Pierre Maurice Georges Milet who were appointed as Directors by the Board during the year will hold office until the forthcoming Annual General Meeting, where the Board will propose them for election at the Annual General Meeting for a proposed term of three years. The election of each these Directors will be voted on by the Shareholders in separate resolutions.

Details of the above named Directors are set out in Appendix I to this circular in accordance with the relevant requirements of the Listing Rules.

### (4) General Mandates granted to the Board

#### 4.1 *General Mandate to issue Shares or transfer Treasury Shares out of treasury*

In order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to issue any Shares or transfer Treasury Shares out of treasury, approval is to be sought from the Shareholders, pursuant to the Listing Rules, for the General Mandate. At the Annual General Meeting, an ordinary resolution no. 4(A) will be proposed to grant the General Mandate to the Directors.

The General Mandate will end on (i) the conclusion of the next annual general meeting of the Company following the passing of the General Mandate; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Articles of Association to be held; or (iii) the revocation or variation of the General Mandate by ordinary resolution of Shareholders in general meeting, whichever is the earliest.

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,476,964,891 Shares, of which 6,655,500 Shares were held in treasury (See Appendix II). There are 1,470,309,391 Shares in issue excluding those Shares that are held in treasury with a total nominal amount of EUR 44,109,281.73. Subject to the passing of ordinary resolution no. 4(A) and on the basis that no further Shares are issued or repurchased (whether held in treasury or cancelled) after the Latest Practicable Date and up to the Annual General Meeting, the Company will be allowed to issue Shares with a maximum nominal amount of EUR 8,821,856.35 (equivalent to 294,061,878 shares being 20% of the total nominal amount of capital excluding the nominal amount of capital of those Shares that are held in treasury). In addition, subject to a separate approval of the ordinary resolution no. 4(C), the nominal amount of the number of Shares repurchased by the Company under ordinary resolution no. 4(B) (whether held in treasury or cancelled) will also be added to the maximum nominal amount

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## LETTER FROM THE BOARD

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for the General Mandate provided that such aggregated amount shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the General Mandate and Repurchase Mandate (excluding for these purposes the nominal amount of share capital of the shares held in treasury).

The Directors wish to state that they have no immediate plans to issue any new Shares pursuant to the General Mandate.

The Luxembourg Companies Law permits the Company to elect to hold in treasury any Shares it repurchases, rather than cancelling those Shares. The Company is currently holding 6,655,500 Shares as Treasury Shares. The Company is seeking a waiver from the Stock Exchange of Rule 10.06(5) of the Listing Rules to allow it to hold repurchased Shares in treasury (the “Treasury Shares Waiver”). To date, the Treasury Shares Waiver has not been granted. If granted, the Treasury Shares Waiver will be provided on the basis of certain modifications to the Listing Rules which will apply to the Company and compliance by the Company with all applicable laws and regulations in Luxembourg in relation to the holding of Shares in Treasury. If approved, the proposed modifications will be made available on the Company’s website. If the Treasury Shares Waiver is rejected, the Company will seek the approval of Shareholders to cancel its Treasury Shares at its 2014 annual general meeting. The Directors wish to confirm that they will not transfer any Shares out of Treasury in accordance with the General Mandate or otherwise, unless and until the Treasury Shares Waiver has been granted.

#### *4.2 Repurchase Mandate to repurchase and cancel Shares*

In addition, an ordinary resolution will be proposed to approve the granting of the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase, and either cancel or hold in treasury, Shares representing up to 10 per cent of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the resolution in relation to the Repurchase Mandate (excluding for these purposes the nominal amount of Treasury Shares as at such date). Under Luxembourg law the Shareholders are required to approve a price range for any Shares purchased under the Repurchase Mandate. To provide itself with maximum flexibility the Board proposes to approve repurchases at a price range of between HK\$10 and HK\$30 provided that, pursuant to the Listing Rules, the Company will not repurchase Shares on the Stock Exchange if the purchase price is higher by five per cent. or more than the average closing market price for the five preceding trading days on which its Shares were traded on the Stock Exchange. This range should not be taken to provide any indication of the Directors’ views of the future price of the Shares. The Repurchase Mandate will end on (i) the conclusion of the next annual general meeting of the Company following the passing of the Repurchase Mandate; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Articles of Association to be held; or (iii) the revocation or variation of the Repurchase Mandate by ordinary resolution of Shareholders in general meeting, whichever is the earliest.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the proposed Repurchase Mandate is set out in Appendix II to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

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## LETTER FROM THE BOARD

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The Directors wish to state that they have no immediate plans to repurchase any Shares pursuant to the Repurchase Mandate.

**(5) Renewal of the mandate granted to PricewaterhouseCoopers to act as approved statutory auditor (*réviseur d'entreprises agréé*) of the Company for the year ending 31 March 2014**

It is proposed that the Shareholders renew the mandate of PricewaterhouseCoopers to act as approved statutory auditor (*réviseur d'entreprises agréé*) of the Company under Luxembourg Companies Law for the year ending 31 March 2014.

**(6) Re-appointment of PricewaterhouseCoopers as external auditor of the Company**

In accordance with Rule 13.88 of the Listing Rules, it is proposed that the Shareholders re-appoint PricewaterhouseCoopers as the external auditor of the Company to hold office from the conclusion of the Annual General Meeting until the next annual general meeting.

**(7) Adoption of Share Option Plan 2013**

The Share Option Plan 2010 was adopted on 30 September 2010 and will expire on 29 September 2013. In view of the expiration of the Share Option Plan 2010, the Board proposes to adopt the Share Option Plan 2013 so that the Company can continue to provide incentives to and/or to reward Eligible Person(s), by way of granting options, after the expiration of the Share Option Plan 2010. An ordinary resolution will be proposed at the Annual General Meeting to seek Shareholders' approval for the adoption of the Share Option Plan 2013 and the immediate termination of the Share Option Plan 2010.

As at the Latest Practicable Date, 13,453,849 options granted under the Share Option Plan 2010 had been granted and remained outstanding. The Directors wish to state that they have no intention to grant any further options under the Share Option Plan 2010 before the Annual General Meeting and the termination of the Share Option Plan 2010.

**(i) Purpose of the Share Option Plan 2013**

The Share Option Plan 2013 will provide Eligible Person(s) with an opportunity to have a personal stake in the Company through an offer of grant of Options. The Shares subject to the Share Option Plan 2013 are identical in nature with the other Shares of the Company.

The purpose of the Share Option Plan 2013 is to achieve the following objectives:

- to motivate the Eligible Person(s) to optimize their performance, effectiveness and efficiency for the benefit of the Group; and
- to attract and retain or otherwise maintain an ongoing business relationship with the Eligible Person(s) whose contributions are or will be beneficial to the long-term growth of the Group.

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## LETTER FROM THE BOARD

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(ii) *Key Features of the Share Option Plan 2013*

The Remuneration Committee, limited to its two independent non-executive Directors, is responsible for determining each year whether any grant of Options to executive Directors will be awarded and the performance targets to be used and will make recommendations to the Board for approval. No Options may be granted to executive Directors in the absence of the recommendation by the independent non-executive Directors of the Remuneration Committee and as no Director or any of his/her associates shall be involved in deciding his own remuneration, no executive Director will be reviewing and/or approving his own remuneration in the Remuneration Committee and or/on the Board even if the executive Director was a member of the Remuneration Committee.

In addition, the Share Option Plan 2013 states that any grant of Options, as applicable, proposed to be made to an Eligible Person who is a director, chief executive or substantial shareholder of the Company, or any of their respective associates must first be approved by all independent non-executive directors of the Company (excluding any independent non-executive Director who is the proposed Grantee of such Options). No Option shall be granted to any Eligible Person where the Eligible Person is a director, within the period prescribed in the Listing Rules during which a director is prohibited from dealing in the securities of the Company.

No offer for the grant of options shall be made after inside information has come to the knowledge of the Company until such inside information has been announced in accordance with the manner prescribed by the Listing Rules from time to time. Any grant of Options proposed to be made to an Eligible Person who is a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, must first be approved by the Shareholders in general meeting if the Shares issued (or transferred out of treasury) upon the exercise of such Options proposed to be granted to such person in the 12-month period up to and including the date of such grant (a) represent in aggregate over 0.1 per cent of the number of Shares then in issue (excluding for these purposes Treasury Shares); and (b) have an aggregate value, based on the closing price of Shares at the date of each grant, in excess of HK\$5 million.

Under the rules of the Share Option Plan 2013, the Board may during the Plan Period and at its discretion make an offer to grant an Option made in accordance with the Share Option Plan 2013 to an Eligible Person subject to such conditions as it may think fit. Under the rules of the Share Option Plan 2013, the Board may at its discretion, determine the period of time during which the right to exercise the Option in respect of all or some of the Shares to which the Option relates, will vest subject to and in accordance with the terms and conditions of the grant of the Option. The Board takes the view that the option period shall commence on the fourth anniversary from the date of grant to retain ongoing business relationship with the Eligible Persons and to provide a longer period for performance measurement.

There are no amounts payable to the Company by an Eligible Person upon the grant or acceptance of an Option.

The Company will not satisfy any Options by the transfer of Shares out of treasury unless and until the Treasury Shares Waiver has been granted.

(iii) *Compliance with the Listing Rules*

The provisions of the Share Option Plan 2013 will comply with the requirements of Chapter 17 of the Listing Rules. With respect to the operation of the Share Option Plan 2013, the Company will, where applicable, comply with the relevant requirements under Chapter 17 of the Listing Rules.

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## LETTER FROM THE BOARD

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None of the Directors is a trustee of the Share Option Plan 2013 or has any direct or indirect interest in such trustee, if any.

(iv) *Plan Mandate Limit*

Save for the Share Option Plan 2010, as at the Latest Practicable Date, there was not in existence any other share option scheme of the Company involving the issue of Shares (or transfer of Shares out of treasury).

The total number of Options subject to the Share Option Plan 2013 is 1.5% of the Company's issued share capital as at the date of adoption of the Share Option Plan 2013 (excluding for these purposes the Company's Treasury Shares).

(v) *Maximum number of Shares*

Based on the 1,476,964,891 Shares in issue as at the Latest Practicable Date, of which 6,655,500 Shares were held in treasury and assuming that there is no change in the issued share capital of the Company before the Annual General Meeting, the maximum number of Shares to be issued upon the exercise of Options that may be granted under the Share Option Plan 2013 are 22,054,641 Shares, being approximately 1.5% of the issued share capital of the Company (excluding for these purposes the Company's Treasury Shares) as set out in the above (iv) Plan Mandate Limit.

(vi) *Value of Share Options*

The Board considers that it is not appropriate to state the value of all Options that can be granted pursuant to the Share Option Plan 2013 as at the Latest Practicable Date as a number of variables which are crucial for the calculation of the Option value have not been determined. Such variables include but are not limited to the exercise price, vesting period, exercise period and the conditions that an Option is subject to. The Board believes that any calculation of the value of the Options as at the Latest Practicable Date based on a number of speculative assumptions would not be meaningful and would be misleading to the Shareholders.

(vii) *Conditions for the adoption of the Share Option Plan 2013*

The adoption of the Share Option Plan 2013 is conditional upon:

- (a) the passing of an ordinary resolution to adopt the Share Option Plan 2013 by the Shareholders; and
- (b) the Listing Committee of the Stock Exchange granting the approval for listing of, and permission to deal in, any Shares which may fall to be issued by the Company (or transferred out of treasury by the Company) pursuant to the exercise of Options in accordance with the terms of the Share Option Plan 2013.

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## LETTER FROM THE BOARD

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A summary of the principal terms of the Share Option Plan 2013 is set out in Appendix IV of this circular.

### (8) Adoption of Free Share Plan 2013

The Free Share Plan 2010 was adopted on 30 September 2010 and will expire on 29 September 2013. In view of the expiration of the Free Share Plan 2010, the Board proposes to adopt the Free Share Plan 2013 so that the Company can continue to provide incentives to and/or to reward Employee(s), by way of granting free shares, after the expiration of the Free Share Plan 2010. As the Free Share Plan 2013 is not a scheme covered under Chapter 17 of the Listing Rules and accordingly the provisions of the Free Share Plan 2013 will not be required to comply with the requirements of Chapter 17 of the Listing Rules. However, under applicable Luxembourg law, the Free Share Plan 2013 will require Shareholders' approval. An ordinary resolution will be proposed at the Annual General Meeting to seek Shareholders' approval for the adoption of the Free Share Plan 2013 and the immediate termination of the Free Share Plan 2010.

The principal terms of the Free Share Plan 2013 are set out below. Any grant of Free Shares shall be granted under the general and unconditional mandate to allot or issue (or in the case of Treasury Shares, transfer or sell), securities in the Company to new or existing shareholders, granted to the Directors from time to time and in place at the date of the grant.

#### (i) Purpose of the Free Share Plan 2013

The Free Share Plan 2013 will provide Employees with an opportunity to have a personal stake in the Company through an offer of grant of Free Shares. The purpose of the Free Share Plan 2013 is to achieve the following objectives:

- to motivate Employees to optimise their performance, effectiveness and efficiency for the benefit of the Group; and
- to attract and retain or otherwise maintain an ongoing business relationship with Employees whose contributions are or will be beneficial to the long-term growth of the Group.

#### (ii) Participants

The Participants of the Free Share Plan 2013 are Employees only. Free Shares will not be granted to connected persons (as defined in the Listing Rules) of the Company. In determining the basis of eligibility of each Participant, the Board will take into account such factors as it may at its discretion consider appropriate, including but not limited to whether the Participant has contributed or will contribute to the business growth and value of the Group.

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## LETTER FROM THE BOARD

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(iii) *Grant of Free Shares*

Under the rules of the Free Share Plan 2013, the Board may during the Plan Period at its discretion grant Free Shares in accordance with the Free Share Plan 2013 to an Employee subject to such conditions as the Board may think fit and in each case subject to a vesting period of four years or such other period as determined by the Board (i.e. the Shares will be issued to the relevant Employee four years after the date of the grant).

(iv) *Number of shares subject to the Free Share Plan 2013*

The total number of Free Shares subject to the Free Share Plan 2013 is 0.5% of the Company's issued share capital (excluding for these purposes the Company's Treasury Shares) as at the date of adoption of the Free Share Plan 2013. Assuming that there is no change in the number of Shares in issue from the Latest Practicable Date to the date of adoption of the Free Share Plan 2013, the total number of Shares which may be issued pursuant to the Free Share Plan 2013 is 7,351,546 Shares.

(v) *Duration and performance target*

The validity of the authorization of the plan representing the time period in which the Board could grant the Free Shares is three years from the date on which the Free Share Plan 2013 is adopted. The vesting period in respect of each grant of Free Shares is set at four years from the date the Free Shares are granted or such other vesting period as the Board may specify at the time of the grant. Free Shares will be issued and allotted to a Grantee at the end of the relevant vesting period. No Free Shares will be issued and allotted until the end of the relevant vesting period. Subject to exceptions, Grantees leaving the employment of the Company before their Free Shares have vested would in principle forfeit their right to be issued the relevant Free Shares when they have vested.

The Grantee may be required to achieve performance targets as the Board may specify in the grant before any Free Shares can be issued.

(vi) *Termination*

The Company by ordinary resolution of the shareholders, or the Board, may at any time terminate the operation of the Free Share Plan 2013, and in such event, no further Free Shares will be offered or granted, but in all other respects the Free Share Plan 2013 shall remain in full force and effect. Any granted but unallocated Free Shares shall continue to be exercisable in accordance with their terms of issue after the termination of the Free Share Plan 2013.

(vii) *Transferability of Free Shares*

Free Shares shall be personal to the Grantee and shall not be assignable or transferable. No Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interests in favour of any third party over or in relation to any Free Share.

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## LETTER FROM THE BOARD

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### SPECIAL RESOLUTIONS

#### (9) Approval of the remuneration to be granted to Directors

Under Article 15.2 of the Articles of Association, the Shareholders shall approve by special resolution the remuneration to be granted to certain of the Directors which shall be as set out below:

| <b>Director</b>                          | <b>Director's Fees</b><br><i>(in thousands of Euros)</i> |
|--|--|
| Mr. Reinold Geiger                       | 100  |
| Mr. Emmanuel Laurent Jacques Osti        | 10   |
| Mr. André Joseph Hoffmann                | 10   |
| Mr. Thomas Levilion                      | —  |
| Mr. Domenico Luigi Trizio                | —  |
| Mr. Karl Guénard                         | 25   |
| Mr. Martial Thierry Lopez                | —  |
| Mrs. Valérie Irène Amélie Monique Bernis | 30   |
| Mr. Charles Mark Broadley                | 40   |
| Mr. Pierre Maurice Georges Milet         | 30   |
| Mr. Jackson Chik Sum Ng                  | 35   |
| TOTAL                                    | <u>280</u>   |

#### (10) Approval of the discharge granted to the Directors and PricewaterhouseCoopers for the exercise of their respective mandates during the year ended 31 March 2013

As required under Article 15.2 of the Articles of Association and Article 74 of the Luxembourg Companies Law, it is proposed that the Shareholders approve by special resolution the discharge to be granted to the Directors and the approved statutory auditor (*réviseur d'entreprises agréé*) of the Company for the exercise of their respective mandates during the year ended 31 March 2013.

#### (11) Approval of the remuneration to be granted to PricewaterhouseCoopers

Under Article 15.2 of the Articles of Association, the Shareholders shall approve by special resolution the remuneration to be granted to the approved statutory auditor (*réviseur d'entreprises agréé*) of the Company.

It is proposed that the Shareholders approve the remuneration to be granted to PricewaterhouseCoopers, as approved statutory auditor (*réviseur d'entreprises agréé*) of the Company, in an amount up to EUR 860,000 for the year ended 31 March 2013 and in an amount up to EUR 920,000 for the year ending 31 March 2014.

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## LETTER FROM THE BOARD

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### **PAYMENT OF LUXEMBOURG WITHHOLDING TAX ON DIVIDEND AND REFUND PROCEDURES**

This circular contains information provided by the Board in relation to the Luxembourg withholding tax deducted from the final dividends to be paid by the Company (subject to the approval of the Shareholders at the Annual General Meeting) and the refund procedures in connection with the deduction of such withholding tax. The Board has set out in Appendix III to this circular information on which Shareholders may be eligible to benefit from the reduced Luxembourg withholding tax rate and details of the relevant refund procedures.

### **RESPONSIBILITY STATEMENT**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive; and (ii) there are no other matters the omission of which would make any statement in this circular misleading.

### **NOTICE OF ANNUAL GENERAL MEETING**

Set out on pages 30 to 36 of this circular is the notice of Annual General Meeting at which, inter alia, ordinary resolutions will be proposed to Shareholders to consider and if thought fit approve (i) the granting to the Board of the General Mandate to issue Shares or transfer Shares out of treasury; (ii) the granting to the Board of the Repurchase Mandate to repurchase Shares; and (iii) the re-election of retiring Directors.

### **FORM OF PROXY**

A form of proxy is enclosed for use at the Annual General Meeting. Such form of proxy is also published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.loccitane.com](http://www.loccitane.com)). Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the meeting or any adjournment thereof if they so wish in which case any proxy provided in advance shall be deemed to be withdrawn.

### **VOTING BY POLL**

Pursuant to Rule 13.39(4) of the Listing Rules and Article 15.5 of the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll.

On a poll, every Shareholder present in person or by proxy or (being a corporation) by its duly authorized representative shall have one vote for each Share registered in his/her name in the register of Shareholders. A Shareholder entitled to more than one vote need not use all his/her votes or cast all the votes he/she uses in the same manner.

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## LETTER FROM THE BOARD

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An announcement on the poll vote results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### RECOMMENDATION

The Directors consider that all of the proposed resolutions described above are in the best interests of the Company and the Shareholders. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

### DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the rules of the Share Option Plan 2013 and the Free Shares Plan 2013 will be available for inspection at the registered office at 1, rue du Fort Rheinsheim, L-2419 Luxembourg, Grand Duchy of Luxembourg and the principal place of business in Hong Kong at 38/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong during normal business hours on any business day (other than Saturdays) from 10 September 2013 to and including the date of the Annual General Meeting.

Yours faithfully  
By order of the Board  
**L'Occitane International S.A.**  
**Mr. Reinold Geiger**  
*Chairman*

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## APPENDIX I                      DETAILS OF DIRECTORS PROPOSED FOR ELECTION

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*The following are the particulars of the Directors (as required by the Listing Rules) proposed to be re-elected at the Annual General Meeting.*

### **Independent Non-Executive Director**

**Mrs. Valérie Irène Amélie Monique Bernis** (“Mrs. Bernis”), age 54, was appointed as an independent non-executive Director with effect from 28 November 2012. She was responsible for Public Relations and Press for French Prime Minister Edouard Balladur (1993-95) (after being a member of his team when he was Minister of the Economy, Finance and Privatization (1986-88)). In 1988, she became Executive Vice President - Communications of Cerus, part of the De Benedetti Group. In 1996 she joined Compagnie de SUEZ as Executive Vice President - Communications, then in 1999, she became Executive Vice President Financial and Corporate Communications and Sustainable Development. During the same period, she served for 5 years as Chairman and CEO of Paris Première, an iconic French TV channel. Mrs. Bernis is now Executive Vice-President of GDF SUEZ, in charge of Marketing and Communications. She is a Member of the boards of Euro Disney (since 2006), Suez Environnement Company (since 2008), Bull (since 2010), and CEGID (since 2012). She is Officier de l’Ordre National de la Légion d’Honneur (2011), and Officier de l’Ordre National du Mérite (2008). Mrs. Bernis graduated from Paris Institut Supérieur de Gestion (ISG) in 1982.

The Company has entered into a service contract with Mrs. Bernis for a term of three years commencing from 28 November 2012, and will continue thereafter for successive terms of three years until terminated by not less than three months’ notice in writing served by either party on the other. Her emoluments for the year ended 31 March 2013 were EUR8,583. This amount was determined by reference to her duties and responsibilities and the prevailing market conditions, and is the same annual amount as received by all other independent non-executive directors on the Board. Her remuneration will be subject to review by the remuneration committee from time to time.

Save as disclosed above, Mrs. Bernis does not hold any position with the Company or any other member of the Company’s group, nor has any directorship in other listed public companies in the last three years. Mrs. Bernis does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mrs. Bernis holds no options nor shares of the Company. Mrs. Bernis has no interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance nor any entitlement for share options.

In addition, there are no other matters concerning with Mrs. Bernis that need to be brought to the attention of the Shareholders of the Company nor is/was Mrs. Bernis involved in any of the matters are required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

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## APPENDIX I                      DETAILS OF DIRECTORS PROPOSED FOR ELECTION

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**Mr. Pierre Maurice Georges Milet** (“Mr. Milet”), age 71, has been appointed as an independent non-executive Director with effect from 29 January 2013. Mr. Milet was a member of the executive board and managing director of Clarins from 1988 until 10 March 2010. On 8 February 2010, Mr. Milet was appointed deputy managing director of Financière FC, the holding company of Clarins and as the representative of Financière FC, in its capacity as a member of the supervisory board of Clarins. Clarins is a French cosmetics company that was listed on the Paris Stock Exchange from 1984 to 2008, and is now a privately owned company controlled by the Courtin-Clarins family and is no longer listed on any stock exchange. He also served as company secretary of Clarins from 1983 to 1988 when he was appointed corporate chief financial officer of Clarins. In these capacities, Mr. Milet oversaw all accounting and financial aspects of the Clarins Group’s business, as well as negotiated acquisitions and joint ventures. Mr. Milet also has substantial experience in the cosmetics industry gained partly from experience at Max Factor, serving successively as chief financial officer and president of their French subsidiary from 1975 to 1982. Mr. Milet has a masters degree in business administration from Ecole des Hautes Etudes Commerciales (France) where he majored in finance.

Mr. Milet was a non-executive director of the Company from 25 January 2010 until 27 November 2012, when he resigned to create a casual vacancy which enabled the Board to appoint Mrs. Bernis as an independent non-executive director. Mr. Pierre Milet was initially appointed as a non-executive director of the Company because of his extensive experience in the cosmetic sector. At the time of his initial appointment to the Board, he was designated a non-executive director and not an independent non-executive director due to his connections with Clarins and their substantial shareholding in the Company. From August 2011, Clarins ceased to be a shareholder of the Company and also ceased all commercial relationships with the Company. Mr. Milet has also ceased acting in the majority of his roles in connection with the Clarins Group. For this reason he has been appointed as an independent non-executive director of the Company and both the Board and the nomination committee have confirmed that they believe he is independent of the Company. Other than in relation to his past role on the Board, Mr. Milet fulfils all of the indicative criteria of independence set out in Rule 3.13 of the Listing Rules.

The Company has entered into a service contract with Mr. Milet for a term of three years commencing from 29 January 2013, and will continue thereafter for successive terms of three year until terminated by not less than three months’ notice in writing served by either party on the other. His emoluments for the year ended 31 March 2013 were EUR 18,152. This amount was determined by reference to his duties and responsibilities and the prevailing market conditions, and is the same annual amount as received by all other independent non-executive directors on the Board. His remuneration will be subject to review by the remuneration committee from time to time.

Save as disclosed above, Mr. Milet does not hold any position with the Company or any other member of the Company’s group, nor has any directorship in any other listed public companies in the last three years. Mr. Milet does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Milet holds no options nor shares of the Company. Mr. Milet has no interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance nor any entitlement for share options.

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**APPENDIX I                      DETAILS OF DIRECTORS PROPOSED FOR ELECTION**

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During 1986 to 1996, Mr. Milet had the title of chairman and chief executive officer (président directeur general) of Paracom S.A., a company which procured printing services on behalf of and for the City of Paris. In 1996, the new mayor of Paris alleged that the use of Paracom S.A. by the City of Paris and its designated company for the procurement of printing services and that amounts in invoices rendered by Paracom S.A. were not properly authorized. In March 2002, an investigating magistrate commenced investigative proceedings against Mr. Milet, in his capacity as chairman and chief executive officer of Paracom S.A., and other parties. Such proceedings could result in civil and/or penal sanctions against Mr. Milet. Mr. Milet has advised us that he received written notice in May 2009 from the investigating magistrate that the investigation process in relation to this case is completed and that findings from the investigation process have been passed on to the public prosecutor, who will recommend (among other things) the type of charge(s) (if any) that may be made against Mr. Milet. Mr. Milet confirmed that he is not aware of whether or not, and if so when, relevant authorities will further pursue, make charges, further investigate such allegations and findings from the investigation process or conclude that there are no grounds for prosecution. Paracom S.A. is not a connected person of our Company.

Save as disclosed above, there are no other matters concerning with Mr. Milet that need to be brought to the attention of the Shareholders of the Company nor is/was Mr. Milet involved in any of the matters are required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

*The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the proposed Repurchase Mandate.*

## **SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,476,964,891 Shares of nominal value of EUR0.03 each, of which 6,655,500 Shares were held in treasury. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Company will be allowed to repurchase, during the period in which the Repurchase Mandate remains in force, an aggregate nominal amount of Shares up to EUR 4,410,928.17 (equivalent to 147,030,939 Shares), representing 10 per cent of the aggregate nominal amount of the issued share capital of the Company (excluding for these purposes the nominal amount of Shares that are held in treasury) as at the date of passing the resolution in relation to the Repurchase Mandate.

Under Luxembourg Law the Shareholders are required to approve a price range for any Shares purchased under the Repurchase Mandate. To provide itself with maximum flexibility the Board proposes to approve repurchases at a price range of between HK\$10 and HK\$30. This range should not be taken to indicate the Directors' views of the price of the Shares.

## **REASONS AND FUNDING OF REPURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase its Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

Repurchases of Shares will be financed out of funds legally available for the purpose and in accordance with the Articles of Association, the Listing Rules and the Luxembourg Companies Law. The Luxembourg Companies Law provides that the amount of capital repaid in connection with a share repurchase may be paid out of the profits of the Company or the proceeds of a fresh issue of Shares made for the purposes of the repurchase or out of capital subject to and in accordance with the Luxembourg Companies Law. The amount of premium payable on repurchase may only be paid out of either the profits of the Company or out of the share premium account before or at the time the Company's Shares are repurchased in the manner provided for in the Luxembourg Companies Law.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interest of the Company. The Directors consider that if the Repurchase Mandate was to be exercised in full at the current prevailing market value, it may not have a material adverse impact on the working capital or the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at 31 March 2013, being the date to which the latest published audited consolidated financial statements of the Company were made up. The

Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

### **GENERAL**

To the best of their knowledge, having made all reasonable enquiries, none of the Directors or any of their associates, as defined in the Listing Rules, currently intends to sell any Shares to the Company or its subsidiaries, if the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Luxembourg.

No connected person, as defined in the Listing Rules, has notified the Company that he has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the proposed Repurchase Mandate is approved by the Shareholders.

### **TAKEOVERS CODE**

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated (through application of Rule 32 of the Takeovers Code) as an acquisition for the purposes of Rule 26 of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Repurchase Mandate.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Mr. Reinold Geiger holds (for the purposes of the Takeovers Code) 1,021,827,891 Shares, representing approximately 69.50% of the voting rights in the Company (being 69.5% of the Shares excluding for these purposes the Treasury Shares). If the Directors exercise in full the Repurchase Mandate, Mr. Reinold Geiger's interests in the Company will be increased to approximately 77.22% of the voting rights in the Company. To the best of the knowledge and belief of the Directors, such increase would not give rise to an obligation to make a mandatory offer under the Takeovers Code.

### **PUBLIC FLOAT REQUIREMENTS**

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25 per cent (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

**SHARE REPURCHASES MADE BY THE COMPANY**

No repurchase of Shares (whether on the Stock Exchange or otherwise) have been made by the Company in the 6 months prior to the Latest Practicable Date.

As described above the Company is seeking the Treasury Shares Waiver. No Treasury Shares will be transferred or sold out of treasury unless and until the Treasury Shares Waiver is granted.

**SHARE PRICES**

During the 12 calendar months preceding the Latest Practicable Date, the highest and lowest traded prices for Shares recorded on the Stock Exchange were as follows:

| <b>Month</b>                             | <b>Highest<br/>traded prices<br/><i>HK\$</i></b> | <b>Lowest<br/>traded prices<br/><i>HK\$</i></b> |
|--|--|---|
| <b>2012</b>                              |  |   |
| July                                     | 21.65  | 19.18   |
| August                                   | 20.40  | 18.50   |
| September                                | 21.20  | 19.66   |
| October                                  | 25.00  | 20.50   |
| November                                 | 25.65  | 22.80   |
| December                                 | 26.25  | 21.50   |
| <b>2013</b>                              |  |   |
| January                                  | 27.60  | 22.75   |
| February                                 | 24.95  | 22.30   |
| March                                    | 24.15  | 22.10   |
| April                                    | 24.85  | 20.70   |
| May                                      | 23.40  | 19.96   |
| June                                     | 23.20  | 19.44   |
| July (up to the Latest Practicable Date) | 22.30  | 19.48   |

**DIVIDEND**

Reference is made to the prospectus dated 26 April 2010 (the “Prospectus”) and the 2013 annual report (the “Annual Report”). Unless the context otherwise requires, capitalized terms used in this Appendix III shall have the same meanings as those defined in the Prospectus and Annual Report.

On 17 June 2013, the Board recommended the distribution of a final dividend of €0.0292 per Share for a total amount of €42.9 million or 35.0% of the net profit attributable to the equity owners of the Company. The amount of the proposed dividend is based on 1,470,309,391 Shares in issue as at 17 June 2013 excluding the 6,655,500 Shares held in treasury, and is subject to approval by the Shareholders at the forthcoming Annual General Meeting.

Such a recommended dividend is in accordance with the dividend policy set out in the section headed “Dividend Policy” in the Prospectus. The Company currently intends to pay a dividend once a year. The payment shall be made in Euros, except that payment to shareholders whose names appear on the register of members in Hong Kong shall be paid in Hong Kong dollars. The dividends will be paid after retention of Luxembourg withholding tax as described below. All dividend payments will be rounded to the nearest full cent of Euro or Hong Kong dollar (as applicable).

The following are the details of the payment of Luxembourg withholding tax on dividend and refund procedures required to be disclosed/announced at the time the Company declares any dividend payment.

**WITHHOLDING TAX**

Dividends paid by the Company to the Shareholders are as a rule subject to a withholding tax of up to 15% in Luxembourg, depending on specific circumstances. However, subject to the provisions of an applicable double tax treaty, the rate of withholding tax may be reduced. For instance, based on the provisions of the double tax treaty between Luxembourg and Hong Kong dated 2 November 2007 as amended on 11 November 2010, dividends paid by the Company to Hong Kong resident Shareholders may, under certain conditions, be exempt from Luxembourg withholding tax (i.e. if the beneficial owner is a company (other than a partnership) which holds directly at least 10% of the capital of the Company or a participation with an acquisition cost of at least €1.2 million in the Company). In all other cases, the Luxembourg withholding tax levied on dividends paid by the Company to Hong Kong resident Shareholders will be 10% of the gross amount of the dividends.

In the Prospectus we set out detailed information about the anticipated procedures for reclaiming all or part of the withholding tax in accordance with the provisions of the double tax treaty between Luxembourg and Hong Kong. It is currently envisaged that individual Shareholders with Shares registered in their own names, who have a Hong Kong address and are entitled to receive less than €1,000 in dividends per year (before the deduction of any withholding tax) will receive dividends with the withholding tax at a reduced rate of 10%. All other Shareholders who believe that they are entitled to any treaty exemption or reduced rates on dividend payments made by the Company will need to apply to the Luxembourg tax authorities directly on their own behalf to establish their eligibility to the satisfaction of, and obtain a refund from, the Luxembourg tax authorities. For such

Shareholders, in order to benefit from any treaty exemption or reduced rates on dividend payments made by the Company, it is recommended that the Shareholders obtain the relevant tax Form 901 bis from the Luxembourg Direct Tax Administration at [www.impotsdirects.public.lu](http://www.impotsdirects.public.lu) under the folder “Formulaire”. Shareholders should then proceed to point 4 labelled “Retenues d’impôt a la source” and click on “Dividendes”. The Form 901 bis should be completed and forwarded to the Hong Kong Inland Revenue Department (the “IRD”) who will provide the confirmation that the applicant is a tax resident of Hong Kong. Once the IRD has confirmed the applicant as being a tax resident of Hong Kong by endorsing the completed Form 901 bis, the endorsed form would be returned to the applicant who should then forward the form to the relevant address in Luxembourg for reimbursement.

Shareholders should however be aware that the above recommendations do not prevail over any applicable Luxembourg Law or tax treaty between Luxembourg and Hong Kong and Shareholders remain subject to tax in Luxembourg on dividends distributed by the Company in accordance with Luxembourg Laws and any applicable tax treaty.

**Shareholders should seek independent professional advice in relation to the procedures and timing involved in obtaining a reduced rate of withholding tax.**

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## **APPENDIX IV      THE PRINCIPAL TERMS OF THE SHARE OPTION PLAN 2013**

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### **1. Purpose**

The Share Option Plan 2013 will provide Eligible Person(s) with an opportunity to have a personal stake in the Company through an offer of grant of Options.

The purpose of this Share Option Plan 2013 is to achieve the following objectives:

- to motivate the Eligible Person(s) to optimize their performance, effectiveness and efficiency for the benefit of the Group; and
- to attract and retain or otherwise maintain an ongoing business relationship with the Eligible Person(s) whose contributions are or will be beneficial to the long-term growth of the Group.

### **2. Participants**

The Participants of the Share Option Plan 2013 include employees of the Group, all its Directors including non-executive Directors and Shareholders selected to participate in the Share Option Plan 2013. In determining the basis of eligibility of each Participant, the Board will take into account such factors as it may at its discretion consider appropriate, including but not limited to whether the Participant has contributed or will contribute to the business growth and value of the Group.

### **3. Grant of Options**

Under the rules of the Share Option Plan 2013, the Board may during the Plan Period at its discretion grant Options in accordance with the Share Option Plan 2013 to an Eligible Person subject to such conditions as the Board may think fit. The Board may at its discretion, determine the period of time during which the Options can be exercised in respect of all or some of the Shares to which the grant of Options relate will vest subject to and in accordance with the terms and conditions of the grant of Options.

### **4. Number of shares subject to the Share Option Plan 2013**

The total number of Options subject to the Share Option Plan 2013 is 1.5% of the Company's issued share capital (excluding Treasury Shares) as at the date of adoption of the Share Option Plan 2013.

Under the Listing Rules, the total number of Shares which may be issued upon exercise of Options to be granted under the Share Option Plan 2013 or any other Share option plans adopted by the Company (and to which the provisions of Chapter 17 of the Listing Rules are applicable) shall not exceed 10% of the aggregate of the Shares in issue (excluding Treasury Shares). Options which have lapsed shall not be counted in calculating the 10% limit.

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## APPENDIX IV THE PRINCIPAL TERMS OF THE SHARE OPTION PLAN 2013

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The Company may refresh the 10% limit set out in the paragraph above with shareholders' approval provided that each such limit (as refreshed) may not exceed the 10% of the Shares in issue as at the date of the shareholders' approval. Options previously granted under the Share Option Plan 2013 and any other Share option plans adopted by the Company (and to which the provisions of Chapter 17 of the Listing Rules are applicable) (including those outstanding, cancelled or lapsed in accordance with the relevant plan or exercised options) will not be counted for the purpose of calculating the limit to be refreshed. In such case, the Company shall send a circular to its shareholders containing the information required under the Listing Rules.

The Company may seek separate approval by shareholders in general meeting for granting Options beyond the 10% limit set out above provided that the Options in excess of the limit are granted only to Participants specially identified by the Company before such approval is sought. In such case, the Company shall send a circular to its shareholders containing the information required under the Listing Rules.

Notwithstanding anything in the above paragraphs, the total number of Shares which may be issued upon exercise of all Options granted and yet to be exercised under the Share Option Plan 2013 or any other share option plans adopted by the Company (and to which the provisions of Chapter 17 of the Listing Rules are applicable) must not exceed 30% of the Shares in issue from time to time (excluding Treasury Shares). No Options may be granted under the Share Option Plan 2013 and any other share option plan of the Company if this will result in such limit being exceeded.

### 5. Maximum entitlement of each Participant under the Share Option Plan 2013

Subject to the following paragraphs, the total number of Shares issued and to be issued upon exercise of the Options granted to each Participant (including both exercised, cancelled and outstanding Options) under the Share Option Plan 2013 or any other share option plan adopted by the Company (and to which the provisions of Chapter 17 of the Listing Rules are applicable) in any 12 month period must not exceed 1% of the Shares in issue (excluding Treasury Shares).

Any further grant of Options which would result in the number of Shares issued as aforesaid exceeding the said 1% limit must be subject to prior shareholders' approval with the relevant Participant and his associates (as defined under the Listing Rules) abstaining from voting. The Company shall send a circular to its Shareholders containing the information required under the Listing Rules. The number and terms of the Options to be granted to such Participant shall be fixed before the shareholders' approval of the grant of such Options and the date of Board meeting for proposing such further grant should be taken as the offer date for the purpose of calculating the exercise price.

In addition, each grant of Options to any director, chief executive or substantial shareholder of the Company (or any of their respective associates) shall be subject to the prior approval of the independent non-executive directors of the Company (excluding any independent non-executive director who is a proposed Grantee of the Option).

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## APPENDIX IV THE PRINCIPAL TERMS OF THE SHARE OPTION PLAN 2013

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Where any grant of Options to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates (as defined under the Listing Rules), would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12 month period up to and including the date of such grant:

- (a) representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Stock Exchange) of the Shares in issue (excluding Treasury Shares); and
- (b) having an aggregate value, based on the closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of such grant, in excess of HK\$5 million (or such other higher amount as may from time to time be specified by the Stock Exchange),

such grant of Options shall be subject to prior approval by the shareholders (voting by way of poll). The Company shall send a circular to its shareholders containing the information required under the Listing Rules.

### 6. Duration

The validity of the authorization of the plan representing the time period in which the Board could grant the Options is three years. The vesting period of the options is set at four years. Subject to exceptions, Grantees leaving the employment of the Company within four years of receiving a grant of options would in principle forfeit the respective options.

The exercise period is set at four years after the date of vesting.

### 7. Performance target

The Grantee may be required to achieve performance targets as the Board may specify in the grant before any Option can be exercised.

### 8. Exercise Price

The Exercise Price shall be at a price determined by the Board at its absolute discretion and notified to the Participant and shall be no less than the higher of:

- (i) the closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange on the offer date;
- (ii) the average closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the offer date (provided that the new issue price shall be used as the closing price for any business day falling within the period before listing of the Shares where the Company has been listed for less than five business days or at the offer date); and
- (iii) the nominal value of a Share on the date of grant.

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## APPENDIX IV THE PRINCIPAL TERMS OF THE SHARE OPTION PLAN 2013

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For the avoidance of doubt, no amount is payable to the Company by an Eligible Person upon the grant or acceptance of an Option.

### 9. Lapse of Options

An Option shall lapse automatically (to the extent not already exercised) on the earliest of:

- (i) the expiry of the period of the Option;
- (ii) the expiry of the periods for exercising the Option as specified in the Share Option Plan 2013, including in the event a Grantee ceases to be an Employee or Director, dies, becomes disabled, retires or a general offer by way of a voluntary offer takeover or otherwise is made, or in the event of a compromise or arrangement other than a scheme of arrangement being proposed in connection with a scheme for reconstruction or amalgamation of the Company;
- (iii) subject to the scheme of arrangement becoming effective, the expiry of the period for exercising the Option;
- (iv) subject to a notice to convening a Shareholders' meeting to approve a resolution to voluntarily wind-up the Company, the date of commencement of the winding up of the Company;
- (v) the date on which the Grantee commits a breach of paragraph 13 below;
- (vi) the date on which the Grantee (being an Employee or a Director of any member of the Group) ceases to be an Employee or a Director by reason of the termination of his or her employment, appointment or directorship on the grounds that he or she has been guilty of serious misconduct or has been convicted of any criminal offence involving his or her integrity or honesty or on any other ground on which an employer would be entitled to terminate his or her employment summarily, provided that whether any one or more of the events specified in the above occur in relation to a Grantee shall in the reasonable opinion of the Board be solely and conclusively determined by the Board;
- (vii) where the Grantee is an Employee, Director of a member of the Group (other than the Company), the date on which such member ceases to be a member of the Group;
- (viii) unless the Board otherwise determines, the date the Grantee ceases to be a Participant (as determined by a Board resolution) for any reason; and
- (ix) the date on which the Option is cancelled by the Board.

An Option granted but not yet vested with the Grantee shall also lapse automatically in the event that the Grantee being an Employee or Director ceases to be an Employee or Director, as the case may be, for whatever reason.

**10. Reorganisation of capital structure**

In the event of any capitalization issue, rights issue, sub-division or consolidation of shares or reduction of share capital of the Company, but excluding, for the avoidance of doubt, any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party, the Board shall determine what adjustment is required to be made to the subscription price and/or the number of shares to be issued (or transferred out of treasury) on exercise of the Options, and the auditors or financial advisors engaged by the Company for such purpose shall certify in writing to the Board that such adjustments satisfy the requirements set out in Rule 17.03(13) of the Listing Rules and the note thereto and the supplementary guidance attached to the letter from the Stock Exchange dated 5 September 2005 to all issuers relating to share option schemes (the “Supplemental Guidance”). The capacity of the auditors or financial advisor in this paragraph is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Grantees. The costs of the auditors or financial advisor shall be borne by the Company.

Any such adjustments shall give the Participant the same proportion of the equity capital of the Company (as interpreted in accordance with the Supplemental Guidance) and any adjustments to the advantage of the Participants to the exercise price or to the number of Shares subject to the Options must be approved by the shareholders of the Company in general meeting, and no adjustment may be made to the extent that Shares would be issued at less than their nominal value. In addition, any adjustment to be made will comply with the Listing Rules, the Supplemental Guidance and any future guidance/interpretation of the Listing Rules issued by the Stock Exchange from time to time.

**11. Cancellation of Options**

The Board may at any time cancel Options previously granted to, but not yet exercised by a Grantee. Where the Company cancels Options and offers Options to the same Grantee, the offer of such new Options may only be made with available Options to the extent not yet granted (excluding the cancelled Options) within the limit approved by the shareholders of the Company as mentioned in paragraph 4 above.

**12. Termination**

The Company by ordinary resolution of the shareholders, or the Board, may at any time terminate the operation of the Share Option Plan 2013, and in such event, no further Options will be offered or granted, but in all other respects the Share Option Plan 2013 shall remain in full force and effect. Any granted but unexercised Options shall continue to be exercisable in accordance with their terms of issue after the termination of the Share Option Plan 2013.

**13. Transferability of Options**

An Option shall be personal to the Grantee and shall not be assignable or transferable. No Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interests in favour of any third party over or in relation to any Option.

**14. Voting and Dividend Rights**

No voting rights shall be exercisable and no dividends or other distributions shall be payable in relation to Options that have not been exercised. The Shares to be allotted upon the exercise of an Option granted under the Share Option Plan 2013 will be subject to all the provisions of the Company's Articles of Association and will rank pari passu with the other fully paid Shares in issue on the date of allotment and accordingly will entitle an Option holder, to the extent the Options have been duly exercised and the Shares are accordingly duly issued (or transferred out of treasury) to the Option holder, to participate in all dividends or other distributions paid or made on or after the date of allotment, including those arising on a liquidation of the Company, other than any dividend or other distributions previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the date of allotment.

**15. Amendments**

Subject to the terms set out in the paragraph below, the Board may amend in writing any of the provisions of the Share Option Plan 2013 (including without limitation amendments in order to comply with changes in legal or regulatory requirements and amendments in order to waive any restrictions, imposed by the provisions of the Share Option Plan 2013, which are not found in Chapter 17 of the Listing Rules) at any time (but not so as to affect adversely any rights which have accrued to any Grantee at that date). Those specific provisions of the Share Option Plan 2013 which relate to the matters set out in Rule 17.03 of the Listing Rules cannot be altered to the advantage of Participants, and no changes to the authority of the directors or administrator of the Share Option Plan 2013 in relation to any alteration of the terms herein shall be made, without the prior approval of Shareholders in general meeting.

Any alterations to the terms and conditions of the Share Option Plan 2013 which are of a material nature, or any change to the terms of Options granted, must be approved by the shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the Share Option Plan 2013. The Share Option Plan 2013 so altered must comply with Chapter 17 of the Listing Rules.

Any change to the authority of the Board or administrators of the Share Option Plan 2013 in relation to any alteration to the terms of the Share Option Plan 2013 must be approved by Shareholders in general meeting.

**16. No satisfaction of Option with Treasury Shares**

The Company shall not satisfy the exercise of an Option with the transfer of Treasury Shares out of treasury unless and until the Treasury Shares Waiver has been granted.

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## NOTICE OF ANNUAL GENERAL MEETING

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# L'OCCITANE

EN PROVENCE

## L'OCCITANE INTERNATIONAL S.A.

*1, rue du Fort Rheinsheim L-2419 Luxembourg*

*R.C.S. Luxembourg: B80359*

*(Incorporated under the laws of Luxembourg with limited liability)*

*(Stock code: 973)*

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting of L'Occitane International S.A. (the "Company") will be held at the registered office of the Company at 1, rue du Fort Rheinsheim, L-2419 Luxembourg, Grand Duchy of Luxembourg and by tele-conference at 38/F Tower 2, Times Square, 1 Matheson Road, Causeway Bay, Hong Kong on Wednesday, 25 September 2013 at 10:00 a.m. CET/4:00 p.m. (Hong Kong time) for the purpose of considering and, if thought fit, passing (with or without amendments) the following resolutions:

#### Ordinary Resolutions

To consider and, if thought fit, to pass, with or without modification, the following resolutions as ordinary resolutions:

1. To receive and adopt the statutory accounts and the audited consolidated financial statements of the Company for the year ended 31 March 2013 and to acknowledge the content of the reports of the board of directors and the auditors of the Company.
2. To declare a final dividend of a total amount of €42.9 million for the year ended 31 March 2013.
3. To elect the following directors of the Company for a term of three years:
  - (i) Mrs. Valérie Irène Amélie Monique Bernis;
  - (ii) Mr. Pierre Maurice Georges Milet;
4. (A) **"That:**
  - (i) for the purpose of this resolution:
    - (a) any reference to the issue or allotment of shares shall include the sale or transfer of Treasury Shares out of treasury;
    - (b) Treasury Shares means shares in the capital of the Company that have been repurchased by the Company and are held in treasury, as authorized by the Luxembourg Companies Laws;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (c) “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
- (1) the conclusion of the next annual general meeting of the Company;
  - (2) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the articles of association of the Company to be held; and
  - (3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and
- (d) “Rights Issue” means an offer of shares in the capital of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the directors of the Company to holders of shares in the capital of the Company or any class thereof whose names appear on the register of shareholders on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or, having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company);
- (ii) subject to paragraph (iv) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot or issue (or in the case of Treasury Shares, transfer or sell) such securities or to grant any offers, agreements and/or options which would or might require securities to be issued, allotted or disposed of (or in the case of Treasury Shares, subject to the Treasury Shares Waiver first being obtained, transferred or sold) be and is hereby generally and unconditionally approved;
- (iii) the approval in paragraph (ii) above shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period (as defined above) to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (iv) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) or in the case of Treasury Shares (subject to the Treasury Shares Waiver being obtained), transferred or sold, by the directors of the Company during the Relevant Period pursuant to paragraph (ii) above, otherwise than pursuant to:
- (1) a Rights Issue (as defined above); or
  - (2) exercise of any option under the option scheme of the Company or any other option, scheme or similar arrangements for the time being adopted for the grant or issue to the directors, officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or
  - (3) any scrip dividend or similar arrangements providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or
  - (4) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company;

shall not exceed the aggregate of 20 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution (excluding for these purposes the nominal amount of all Treasury Shares).”

**(B) “That**

- (i) for the purpose of this resolution:
- (a) “Treasury Shares” means shares in the capital of the Company that have been repurchased by the Company and are held in treasury, as authorized by the Luxembourg Companies Laws;
  - (b) “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
    - (1) the conclusion of the next annual general meeting of the Company;
    - (2) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the articles of association of the Company to be held; and

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## NOTICE OF ANNUAL GENERAL MEETING

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- (3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and
- (ii) subject to paragraph (iii) below, the exercise by the directors of the Company during the Relevant Period (as defined above) of all the powers of the Company to repurchase (and either cancel or hold in treasury) shares of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised for this purpose by the Securities and Futures Commission and the Stock Exchange under the Code on Share Repurchases and, subject to and in accordance with all applicable laws and the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), be and is hereby generally and unconditionally approved;
- (iii) the aggregate nominal amount of the shares of the Company, which may be repurchased pursuant to the approval in paragraph (ii) above shall not exceed 10 per cent of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution (excluding the nominal value of any Treasury Shares as at such date) and provided that to comply with the Luxembourg Companies Law all such repurchase are made within a price range between HK\$10 and HK\$30, and the said approval shall be limited accordingly; and
- (iv) subject to the passing of each of the paragraphs (ii) and (iii) of this resolution, any prior approvals of the kind referred to in paragraphs (ii) and (iii) of this resolution which had been granted to the directors and which are still in effect be and are hereby revoked.”
- (C) “**That** conditional upon the resolutions numbered 4(A) and 4(B) set out in the notice convening of this meeting being passed, the general mandate granted to the directors of the Company pursuant to the ordinary resolution numbered 4(A) set out in the notice convening this meeting be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted by the directors pursuant to such general mandate an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution numbered 4(B) set out in the notice convening this meeting, provided that such amount shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of the resolutions (excluding the nominal amount of any shares held in treasury as at such date).”
5. To renew the mandate granted to PricewaterhouseCoopers to act as approved statutory auditor (*réviseur d'entreprises agréé*) of the Company for the financial year ending 31 March 2014.

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## NOTICE OF ANNUAL GENERAL MEETING

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6. To re-appoint PricewaterhouseCoopers as the external auditor of the Company to hold the office from the conclusion of the Annual General Meeting until the next annual general meeting of the Company.
  
7. (A) “**That** conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting approval of the listing of, and permission to deal in, any Shares which may fall to be issued or transferred out of treasury pursuant to the exercise of Options to be granted under the Share Option Plan 2013 of the Company, a copy of which has been produced to this Meeting marked “A” and signed by the chairman of this meeting for the purpose of identification (the “Share Option Plan 2013”), the Share Option Plan 2013 be and is hereby approved and adopted; and the Directors be and are hereby authorised to grant Options to the Eligible Persons under the Share Option Plan 2013 and to allot and issue Shares or, subject to the Treasury Shares Waiver being obtained, transfer Treasury Shares out of treasury, representing up to 1.5% of the Company’s issued share capital as at the date of this resolution (excluding Treasury Shares) upon the exercise of any Options granted thereunder and pursuant to the terms and conditions thereof, and to do all such acts, matters and things as they may in their discretion consider necessary, expedient or desirable to give effect to and implement the Share Option Plan 2013, and that the share option plan adopted on 30 September 2010 be and is hereby terminated with immediate effect in accordance with its terms.”
  
- (B) “**That** conditional upon the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares which may fall to be issued or transferred out of treasury pursuant to the allocation of Free Shares to be granted under the Free Share Plan 2013 of the Company, a copy of which has been produced to this Meeting marked “B” and signed by the chairman of this meeting for the purpose of identification (the “Free Share Plan 2013”), the Free Share Plan 2013 be and is hereby approved and adopted; and the Directors be and are hereby authorised to grant Free Shares to the Eligible Persons under the Free Share Plan 2013 and to allot and issue Shares or, subject to the Treasury Shares Waiver being obtained, transfer Treasury Shares out of treasury, representing up to 0.5% of the Company’s issued share capital as at the date of this resolution (excluding Treasury Shares), or transfer such number of Shares out of treasury upon the allocation of any Free Shares granted thereunder and pursuant to the terms and conditions thereof, and to do all such acts, matters and things as they may in their discretion consider necessary, expedient or desirable to give effect to and implement the Free Share Plan 2013, and that the free share plan adopted on 30 September 2010 be and is hereby terminated with immediate effect in accordance with its terms.”

### Special Resolutions

8. To approve the remuneration to be granted to certain directors of the Company and to authorize the board of directors to implement any subsequent actions which may be required, including, for the avoidance of doubt, the payment modalities.

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## NOTICE OF ANNUAL GENERAL MEETING

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9. To grant discharge to the directors for the exercise of their mandate during the financial year ended 31 March 2013.
10. To grant discharge to the statutory auditors PricewaterhouseCoopers for the exercise of their mandate during the financial year ended 31 March 2013.
11. To approve the remuneration to be granted to PricewaterhouseCoopers as the approved statutory auditor (*réviseur d'entreprises agréé*) of the Company.

By order of the Board of Directors  
**L'Occitane International S.A.**  
**Mr. Reinold Geiger**  
*Chairman*

Luxembourg, 31 July 2013

*Registered office:*

1, rue du Fort Rheinsheim  
L-2419 Luxembourg

*Principal place of business*

*in Hong Kong:*  
38/F, Tower Two  
Times Square  
1 Matheson Street  
Causeway Bay  
Hong Kong

**Notes:**

- (i) Ordinary resolution numbered 4(C) will be proposed to the shareholders of the Company (the "Shareholders") for approval provided that ordinary resolutions numbered 4(A) and 4(B) are first passed by the Shareholders.
- (ii) A Shareholder entitled to attend and vote at the above meeting is entitled to appoint another person as his/her proxy to attend and vote instead of him/her; a proxy need not be a Shareholder of the Company.
- (iii) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the persons so present whose name stands first on the register of Shareholders in respect of such share shall alone be entitled to vote in respect thereof.
- (iv) In order to be valid, a form of proxy must be deposited at the Company's Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting or any adjournment thereof. The

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## NOTICE OF ANNUAL GENERAL MEETING

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completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the meeting or any adjournment thereof if they so wish in which case any proxy provided in advance shall be deemed to be withdrawn.

- (v) The transfer books and register of Shareholders will be closed from Thursday, 19 September 2013 to Wednesday, 25 September 2013, both days inclusive, during which period no share transfers can be registered. All transfers accompanied by the relevant share certificate(s) must be lodged with the Company's Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 18 September 2013.
- (vi) In respect of the ordinary resolution numbered 4(A) above, the directors wish to state that they have no immediate plans to issue any new shares of the Company or transfer any Shares out of treasury. Approval is being sought from the Shareholders as a general mandate for the purposes of the Listing Rules. The directors further confirm that they shall not transfer any Treasury Shares out of treasury unless and until the Treasury Shares Waiver has been obtained.
- (vii) In respect of ordinary resolution numbered 4(B) above, the directors wish to state that they will exercise the powers conferred by the general mandate to repurchase shares of the Company in circumstances which they deem appropriate for the benefits of Shareholders. The Explanatory Statement containing the information necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its own Shares, as required by the Listing Rules, is set out in Appendix II to the accompanied circular dated 31 July 2013.