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L'OCCITANE
EN PROVENCE

L'OCCITANE INTERNATIONAL S.A.

49, Boulevard Prince Henri L-1724 Luxembourg

R.C.S. Luxembourg: B80359

(Incorporated under the laws of Luxembourg with limited liability)

(Stock code: 973)

**VOLUNTARY ANNOUNCEMENT
INCREASE IN EQUITY INTEREST IN LIMELIGHT BY ALCONE**

SHARE CAPITAL INCREASE

Reference is made to the Announcement.

The Board is pleased to announce that the Company's interest in LimeLight USA will increase from 40% as disclosed in the Announcement to approximately 60.48%. LimeLight USA is wholly-owned by LimeLight II, which in turn is wholly-owned by LimeLife. LOI Participations, LimeLife and Limelight entered into the Investment Agreement pursuant to which, among other things, LOI Participations and Limelight agreed to effect the Share Capital Increase. In return for the Share Capital Increase, LOI Participations intends to fully support the Business Development Plan and intends, but is not obliged, to finance such development for three years from the date of the Share Capital Increase in such amounts (if any) and at such times as may be determined by LOI Participations.

Immediately following completion of the Share Capital Increase, which is expected to take place on or around 9 January 2018, LOI Participations will hold approximately 60.48% of LimeLife and LimeLife will become a non-wholly owned subsidiary of the Company.

REASONS FOR AND BENEFITS OF THE SHARE CAPITAL INCREASE

The Board believes the strategies to be implemented for LimeLife's business will help the Group's future growth globally and will be complementary to the Group's existing business strategy. Upon completion of the Share Capital Increase, the Group will gain greater control over LimeLife, which fits into the Group's strategy of building a leading portfolio of cosmetics brands based on natural ingredients, while also speeding up its expansion into the colour cosmetics sector.

The Board considers that the transactions contemplated under the Investment Agreement are on terms that are fair and reasonable and in the interests of the Company and its shareholders as a whole.

GENERAL INFORMATION

The Group is a global, natural ingredient-based cosmetics and well-being products manufacturer and retailer with origins and true stories from Provence and around the world. The Group has four brands (L'Occitane en Provence, Melvita, Erborian and L'Occitane au Brésil) in its portfolio and is committed to developing and retailing high quality products that are rich in natural ingredients of traceable origins, while also respecting the environment.

LOI Participations is a company incorporated in Luxembourg and is a wholly-owned subsidiary of the Company. LOI Participations is principally engaged in the holding of participations.

LimeLife is a company incorporated in Luxembourg and upon completion of the Share Capital Increase will become a non-wholly owned subsidiary of the Company. LimeLife offers all-natural skincare lines and personalised colour makeup palettes, helping women everywhere look their best every day with its products. LimeLife utilises a unique distribution network with beauty guides and an online presence in the United States of America.

Limelight is a company incorporated in the State of New York, United States of America and is principally engaged in business of cosmetics development and distribution.

LISTING RULES IMPLICATIONS

Pursuant to the Listing Rules, the Company aggregated the transactions under the Investment Agreement and the Group's investment of 40% in LimeLight USA in May 2017 as disclosed in the Announcement for the purpose of determining the compliance obligations of the Company (including calculation of the percentage ratios). As none of the applicable percentage ratios as defined in Rule 14.07 of the Listing Rules in respect of such transactions, on an aggregated basis, exceeds 5%, the transactions do not constitute a notifiable transaction under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the Board, having made all reasonable enquiries, Limelight, LimeLife and their respective ultimate beneficial owners are third parties independent of the Company and the connected persons (as defined under the Listing Rules) of the Company, and the transactions contemplated under the Investment Agreement do not constitute connected transactions under Chapter 14A of the Listing Rules.

This announcement is made on a voluntary basis.

DEFINITIONS

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

“Announcement”	the announcement of the Company dated 16 May 2017 in relation to, among other things, the investment into the business of “LimeLight by Alcone”
“Board”	the board of Directors
“Business Development Plan”	the plan to develop a specified distribution model outside of the United States of America by creating a global brand and product offering under the brand “LimeLife” or other brands and by developing operational support for LimeLife's current and future subsidiaries and local sales force across the world
“Company”	L'Occitane International S.A., a company incorporated in Luxembourg with limited liability, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 00973)

“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Investment Agreement”	the investment agreement dated 12 December 2017 entered into between LOI Participations, LimeLife and Limelight (as amended by an amendment agreement dated 27 December 2017) (with an effective date of 1 January 2018) pursuant to which, among other things, the parties agreed to effect the Share Capital Increase
“LimeLife”	LimeLife Co-Invest S.à.r.l., a company incorporated in Luxembourg
“Limelight”	Limelight, Inc, a company incorporated in the State of New York, United States of America and, on the date of the Investment Agreement, the holder of 60% equity interest in LimeLife
“LimeLight II”	LimeLight II, LLC, a limited liability company incorporated in Delaware, United States of America, and a wholly-owned subsidiary of LimeLife
“LimeLight USA”	the business of “LimeLight by Alcone” in the United States of America as referred to in the Announcement, and wholly-owned by LimeLight II
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“LOI Participations”	LOI Participations S.à.r.l., a company incorporated in Luxembourg and a wholly-owned subsidiary of the Company, and on the date of the Investment Agreement, the holder of 40% equity interest in LimeLife
“Share Capital Increase”	the conversion of a portion amounting to USD15,540,541 of share premium reserve held by LimeLife into 15,540,541 shares in LimeLife to be issued to LOI Participations

“USD”

United States dollar, the lawful currency of the United States of America

By order of the Board of
L’Occitane International S.A.
Reinold Geiger
Chairman

Luxembourg, 9 January 2018

As at the date of this announcement, the executive Directors are Mr. Reinold Geiger (Chairman and Chief Executive Officer), Mr. André Hoffmann (Vice-Chairman & Managing Director Asia-Pacific), Mr. Domenico Trizio (Group Managing Director), Mr. Thomas Levilion (Group Deputy General Manager, Finance and Administration) and Mr. Karl Guénard (Joint Company Secretary), the non-executive Director is Mr. Martial Lopez and the independent non-executive Directors are Mrs. Valérie Bernis, Mr. Charles Mark Broadley, Mr. Pierre Milet and Mr. Jackson Chik Sum Ng.