

# L'OCCITANE'S ACQUISITION OF ELEMIS

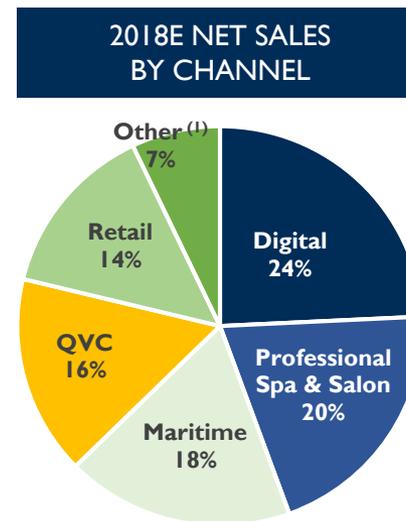
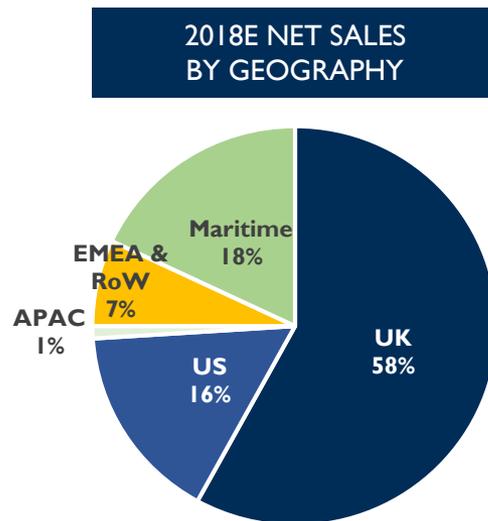
January 2019

# Highlights

<b>Consideration</b>	<ul style="list-style-type: none"> <li>On 13 January 2019, L'Occitane International S.A. (the "Company" or "L'Occitane") announced the acquisition of 100% of the ELEMIS brand for a maximum consideration of US\$900 million</li> <li>Consideration represents 6.4x sales and 22.6x EBITDA in 2018E</li> </ul>
<b>Financing</b>	<ul style="list-style-type: none"> <li>The acquisition will be funded by the Company's cash on hand and bank borrowings</li> </ul>
<b>Impact</b>	<ul style="list-style-type: none"> <li>Upon closing, ELEMIS will become a wholly-owned subsidiary of the Company and consolidation to Group numbers will start in FY2020</li> </ul>
<b>Approval</b>	<ul style="list-style-type: none"> <li>As at the date of the announcement, L'Occitane Groupe S.A. (or "LOG", the controlling shareholder of the Company) and Mr. Reinold Geiger (Chairman of the Board and an Executive Director), together holds approximately 74.23% of the Company's issued share capital</li> <li>The Company has obtained the written approval of LOG and Mr. Reinold Geiger, as a result, no extraordinary general meeting will be convened to consider the acquisition</li> <li>A circular is expected to be dispatched to shareholders in April 2019</li> </ul>
<b>Closing</b>	<ul style="list-style-type: none"> <li>Closing is expected to take place in the first quarter of 2019</li> </ul>

# About ELEMIS

- Led by its three co-founders since inception in 1990, ELEMIS is a leader in prestige skincare and is the #1 independent British skincare brand
- Key products are skincare, sourced from natural ingredients with scientifically-proven formulas
- Sold directly to consumers through websites; and indirectly through wholesale, including retail distribution, QVC and spa operators
- Lean and agile organization generates impressive margins
- 2018E figures: Net sales US\$140 million (26% YoY growth); EBITDA US\$40 million (28% EBITDA margin)



(1) Other includes sales to international distributors and all other channels

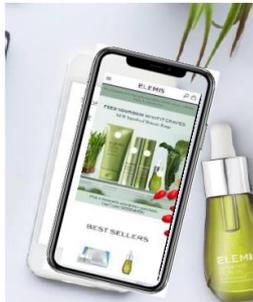
# About ELEMIS

- **Digital-first and wholesale distribution expands the Group's omni-channel presence**
- **5 synergistic channels create strong opportunities to drive brand awareness, trial, conversion and retention**

## DIGITAL



**24%** **51%**  
of Net Sales <sup>(1)</sup> CAGR <sup>(2)</sup>



Includes ELEMIS.com in the US and UK and other third-party marketplaces such as Amazon with access to **200+ countries worldwide**

## RETAIL



**14%** **19%**  
of Net Sales <sup>(1)</sup> CAGR <sup>(2)</sup>



Present in **~425 retail stores** at High Street locations in the UK (John Lewis, Debenhams and Harvey Nicols), World Duty Free, Ulta

## QVC



**16%** **25%**  
of Net Sales <sup>(1)</sup> CAGR <sup>(2)</sup>



1 of 2 brands with global QVC details, **#1 beauty brand 10 years running** in the UK

## PROFESSIONAL SPA & SALON



**20%** **6%**  
of Net Sales <sup>(1)</sup> CAGR <sup>(2)</sup>



Comprises **~1,600 premier spas globally**, including Champneys, Macdonald and St. Regis, as well as the flagship House of Elemis

## MARITIME (ONESPAWORLD)



**18%** **12%**  
of Net Sales <sup>(1)</sup> CAGR <sup>(2)</sup>



Provides products & treatments to OneSpaWorld with a 10-year exclusive contract

OneSpaWorld operates on **80%+ of the world's cruise ships**

# About ELEMIS

- Premium skincare positioning boosts segment contribution

SUPERFOOD	PEPTIDE 24/7	PRO-COLLAGEN	BIOTEC
			
			
<p><b>2016 LAUNCH</b> AGES 18 – 35+ \$25 – \$55</p>	<p><b>2017 LAUNCH</b> AGES 30 – 45+ \$45 – \$120</p>	<p><b>2003 LAUNCH</b> AGES 35 – 55+ \$64 – \$335</p>	<p><b>2015 LAUNCH</b> ALL AGES \$64 – \$140</p>

# Why ELEMIS?

- Perfect fit – brand identity, natural and effective products, strong management, fast and profitable growth
- Skincare leader in UK and strong profitable growth, particularly in the US
- Fast-growing digital channel and digital-first mindset
- Strengthen strategic skincare product category
- Enormous untapped growth potential in Asia Pacific, Travel Retail and rest of world
- Profitable and accretive to Group's global growth and profitability

**The Acquisition is a Major Step to  
Build a Leading Portfolio of Premium Cosmetic Brands**

# Disclaimer

This document is for information purposes only without any binding effect; in case of any inaccuracies, incompleteness or inconsistency with other documents, only the Company's latest issued annual or interim report for detailed financials shall prevail and shall be deemed to be the only official document.

The financial information and certain other information presented in a number of tables have been rounded to the nearest whole number or the nearest decimal. Therefore, the sum of the numbers in a column may not conform exactly to the total figure given for that column. In addition, certain percentages presented in the tables reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

THANK YOU