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## 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)

### UNAUDITED QUARTERLY UPDATE FOR THE PERIOD ENDED 31 DECEMBER 2019

L'Occitane International S.A. (the “Company”) is pleased to present the unaudited 2019/2020 (“FY2020”) quarterly update of the Company and its subsidiaries (the “Group”) for the three months ended 31 December 2019 (“FY2020 Q3”) and nine months ended 31 December 2019 (“FY2020 9M”). This announcement is made pursuant to Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

#### Highlights

- In FY2020 Q3, the Group’s net sales grew by 17.9% at reported rates and 15.2% at constant exchange rates.
- In FY2020 9M, the Group’s net sales grew by 20.2% at reported rates and 17.3% at constant exchange rates.
- Growth by brand: L'Occitane en Provence remained strong with growth at +6.3% in FY2020 Q3, further accelerated the year-to-date growth to +6.0%; sales of LimeLife further improved in FY2020 Q3 with +11.7%, ended FY2020 9M with slightly positive growth; and ELEMIS grew by around +20% (unaudited) for FY2020 9M.
- Growth in FY2020 Q3 by geographic area: led by the UK (+98.4%), China (+32.4%) and the US (+22.5%).

#### Performance by Business Segment

The following tables provide a breakdown of the net sales and net sales growth by business segment for the periods indicated:

	FY2020 Q3		FY2019 Q3		Growth at reported rates	Growth at constant rates
	€'000	%	€'000	%	%	%
Sell-out	415,104	71.7	377,827	76.9	9.9	7.3
Sell-in	163,779	28.3	113,215	23.1	44.7	41.6
<b>Total</b>	<b>578,883</b>	<b>100.0</b>	<b>491,042</b>	<b>100.0</b>	<b>17.9</b>	<b>15.2</b>

	FY2020 9M		FY2019 9M		Growth at reported rates	Growth at constant rates
	€'000	%	€'000	%	%	%
Sell-out	896,040	68.6	813,751	74.9	10.1	7.2
Sell-in	410,000	31.4	272,676	25.1	50.4	47.4
<b>Total</b>	<b>1,306,040</b>	<b>100.0</b>	<b>1,086,427</b>	<b>100.0</b>	<b>20.2</b>	<b>17.3</b>

## Performance by Brand

The following tables present the net sales and net sales growth by brand for the periods indicated:

	FY2020 Q3		FY2019 Q3		Growth at reported rates	Growth at constant rates
	€'000	%	€'000	%	%	%
L'Occitane en Provence	478,822	82.7	440,190	89.6	8.8	6.3
ELEMIS <sup>(1)</sup>	46,214	8.0	—	—	n/a	n/a
LimeLife	24,771	4.3	21,656	4.4	14.4	11.7
Others <sup>(2)</sup>	29,076	5.0	29,196	6.0	(0.4)	(1.1)
<b>Total</b>	<b>578,883</b>	<b>100.0</b>	<b>491,042</b>	<b>100.0</b>	<b>17.9</b>	<b>15.2</b>

	FY2020 9M		FY2019 9M		Growth at reported rates	Growth at constant rates
	€'000	%	€'000	%	%	%
L'Occitane en Provence	1,033,711	79.1	951,644	87.6	8.6	6.0
ELEMIS <sup>(1)</sup>	130,420	10.0	—	—	n/a	n/a
LimeLife	65,473	5.0	62,705	5.8	4.4	0.1
Others <sup>(2)</sup>	76,436	5.9	72,078	6.6	6.0	4.1
<b>Total</b>	<b>1,306,040</b>	<b>100.0</b>	<b>1,086,427</b>	<b>100.0</b>	<b>20.2</b>	<b>17.3</b>

(1) ELEMIS was acquired on 1 March 2019 but its sales and profits have not been consolidated by the Group until April 2019. ELEMIS's sales in March 2019 were then reported together in the first quarter ended 30 June 2019.

(2) Others include the emerging brands Melvita, Erborian and L'Occitane au Brésil.

## Performance by Geographic Area

The following tables present the net sales and net sales growth by geographic area for the periods indicated:

	FY2020 Q3		FY2019 Q3		Growth at reported rates	Growth at constant rates	Contribution to Overall Growth at constant rates
	€'000	%	€'000	%	%	%	%
Japan	66,025	11.4	64,110	13.1	3.0	(3.5)	(3.0)
Hong Kong <sup>(1)</sup>	48,598	8.4	47,719	9.7	1.8	(1.3)	(0.8)
China	79,455	13.7	59,305	12.1	34.0	32.4	25.8
Taiwan	16,499	2.9	15,272	3.1	8.0	3.6	0.7
France	36,048	6.2	35,928	7.3	0.3	0.3	0.2
United Kingdom <sup>(2)</sup>	53,294	9.2	25,981	5.3	105.1	98.4	34.2
United States	102,550	17.7	81,333	16.6	26.1	22.5	24.5
Brazil	22,104	3.8	22,436	4.6	(1.5)	3.2	1.0
Russia	20,841	3.6	17,820	3.6	17.0	8.0	1.9
Other geographic areas <sup>(3)</sup>	133,469	23.1	121,137	24.6	10.2	9.6	15.5
<b>Total</b>	<b>578,883</b>	<b>100.0</b>	<b>491,041</b>	<b>100.0</b>	<b>17.9</b>	<b>15.2</b>	<b>100.0</b>

## Performance by Geographic Area (cont'd)

	FY2020 9M		FY2019 9M		Growth at reported rates	Growth at constant rates	Contribution to Overall Growth at constant rates
	€'000	%	€'000	%	%	%	%
Japan	173,280	13.3	160,274	14.8	8.1	1.1	1.0
Hong Kong <sup>(1)</sup>	106,896	8.2	106,155	9.8	0.7	(3.6)	(2.1)
China	156,109	11.9	127,150	11.7	22.8	21.9	14.8
Taiwan	31,565	2.4	29,632	2.7	6.5	3.1	0.5
France	84,704	6.5	81,378	7.5	4.1	4.1	1.8
United Kingdom <sup>(2)</sup>	130,104	10.0	49,155	4.5	164.7	162.6	42.6
United States	236,105	18.1	181,701	16.7	29.9	24.4	23.7
Brazil	48,561	3.7	46,305	4.3	4.9	6.8	1.7
Russia	43,211	3.3	36,434	3.4	18.6	11.8	2.3
Other geographic areas <sup>(3)</sup>	295,505	22.6	268,243	24.6	10.2	9.7	13.8
<b>Total</b>	<b>1,306,040</b>	<b>100.0</b>	<b>1,086,427</b>	<b>100.0</b>	<b>20.2</b>	<b>17.3</b>	<b>100.0</b>

(1) Includes sales in Macau and to distributors and travel retail customers in Asia.

(2) Growth in the UK included contribution from ELEMIS.

(3) Includes sales from Luxembourg.

The following table provides a breakdown, by geographic area, of the number of own retail stores, their contribution percentage to overall growth and same store sales growth for FY2020 9M compared to the same period last year:

	Own Retail Stores				% contribution to Overall Growth <sup>(1)(2)</sup>			Same Store Sales Growth % <sup>(2)</sup>
	Net openings YTD		Net openings YTD		Non- comparable Stores	Comparable Stores	Total Stores	
	31 Dec 2019	31 Dec 2019	31 Dec 2018	31 Dec 2018				
Japan <sup>(3)</sup>	163	9	152	8	1.9	(1.4)	0.5	(2.4)
Hong Kong <sup>(4)</sup>	35	(1)	36	2	(2.1)	(2.5)	(4.6)	(26.5)
China <sup>(5)</sup>	200	10	190	(7)	0.6	3.4	4.0	8.4
Taiwan	52	(1)	53	1	0.2	0.2	0.4	2.6
France <sup>(6)</sup>	87	1	85	3	0.6	0.4	1.0	2.0
United Kingdom	72	(2)	74	—	6.4	0.1	6.5	0.7
United States	177	(7)	191	(5)	4.4	(1.4)	3.0	(3.0)
Brazil <sup>(7)</sup>	196	14	171	5	2.0	(0.0)	1.9	(0.2)
Russia <sup>(8)</sup>	111	4	106	3	0.5	0.4	0.9	3.1
Other geographic areas <sup>(9)</sup>	518	12	507	—	2.0	3.4	5.4	4.5
<b>Total<sup>(10)</sup></b>	<b>1,611</b>	<b>39</b>	<b>1,565</b>	<b>10</b>	<b>16.5</b>	<b>2.6</b>	<b>19.1</b>	<b>0.8</b>

(1) Represents percentage of overall net sales growth attributable to Non-comparable Stores, Comparable Stores and Total Stores for the geographic area and period indicated.

(2) Excludes foreign currency translation effects.

(3) Includes 34 and 36 Melvita stores as at 31 December 2018 and 31 December 2019 respectively.

(4) Includes 3 L'Occitane stores in Macau and 9 Melvita stores in Hong Kong as at 31 December 2018 and 3 L'Occitane stores in Macau and 10 Melvita stores in Hong Kong as at 31 December 2019.

(5) Includes 4 Melvita stores as at 31 December 2018.

(6) Includes 5 Melvita and 2 Erborian stores as at 31 December 2018 and 7 Melvita and 2 Erborian stores as at 31 December 2019.

(7) Includes 78 and 89 L'Occitane au Brésil stores as at 31 December 2018 and 31 December 2019 respectively.

(8) Includes 9 and 11 Erborian stores as at 31 December 2018 and 31 December 2019 respectively.

(9) Include 5 Melvita and 2 Erborian stores as at 31 December 2018 and 8 Melvita and 2 Erborian stores as at 31 December 2019.

(10) Include 57 Melvita, 78 L'Occitane au Brésil and 13 Erborian stores as at 31 December 2018 and 61 Melvita, 89 L'Occitane au Brésil and 15 Erborian stores as at 31 December 2019.

In FY2020 9M, the Group's net sales grew by 20.2% at reported rates and 17.3% at constant exchange rates. Sales momentum continued from the strong FY2020 Q2 into the important holiday season of the year. All key sales channels posted positive sales growth in FY2020 9M. The Group's Web Sell-out channels grew by 39.4% (including ELEMIS) at constant exchange rates, equivalent to 18.5% of the total Sell-out sales. Excluding ELEMIS, sales of the Group's Web Sell-out channels accelerated growth to 20.2% at constant exchange rates, equivalent to 16.4% of the total Sell-out sales.

After a strong FY2020 Q2, L'Occitane en Provence continued to perform well in FY2020 Q3, with growth at 6.3%, thanks to the attractive product offerings online and offline during the festive season. Marketplaces channels in China and Korea performed particularly well, and contributed most to the overall growth of the brand, followed by travel retail, web partners and retail channels. LimeLife grew 11.7% in FY2020 Q3, returning to growth in FY2020 9M. ELEMIS ended FY2020 9M with around 20% growth (unaudited). FY2020 Q3 slowed down as expected after a strong FY2020 Q2 as sell-in holiday orders came in early in the anticipation of Brexit.

In terms of geographic areas, the fastest-growing market in FY2020 Q3 was the UK with 98.4% growth, mainly contributed by ELEMIS. China grew by a fantastic 32.4% in FY2020 Q3, thanks to the record-breaking sales from Double 11 campaigns online and offline and attractive festive season offerings. The US grew 22.5% in FY2020 Q3, mainly contributed by ELEMIS.

By Order of the Board  
**L'Occitane International S.A.**  
**Reinold Geiger**  
Chairman

Hong Kong, 21 January 2020

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

#### **Disclaimer**

*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.*