



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)*

Tender Offer for L'Occitane International S.A. Opens; Independent Directors Recommend Cash Alternative

- Offer period runs 2 July – 23 July 2024 (or such later date as further announced), with intention to take Company private and allow management flexibility to take long-term view and invest in growth initiatives.
- Independent Board Committee concludes offer from Company's controlling shareholder is "fair and reasonable" and recommends shareholders accept HK\$34.00 cash alternative.
- Nearly half, 47.66%, of Disinterested Shareholders have already pledged to accept, recommend or support the Share Offer.

(1 July 2024, Hong Kong and Luxembourg) L'Occitane International S.A. (the "Company", Stock Code: 0973.HK) today announced that the tender offer from L'Occitane Holding S.A., a wholly-owned subsidiary of the controlling shareholder (the "Offeror"), to take the Company private and delist it from the Hong Kong Stock Exchange will run from 2 July 2024 to 23 July 2024 (both dates inclusive).

The Independent Board Committee (the "IBC") set up to evaluate the offer has concluded that the offer is "fair and reasonable" for the Company's Disinterested Shareholders. The IBC recommended that Disinterested Shareholders choose HK\$34.00 in cash ("Cash Alternative") instead of an option to accept "rollover" shares in the Offeror ("Share Alternative") because of the inherent risks associated with investing in securities of a privately-owned company. Together, these two options represent the offer for shares owned by Disinterested Shareholders (the "Share Offer"), formally received from Luxembourg-based Offeror, a privately-owned subsidiary of the Company's controlling shareholder.

Unlock shareholder value at a compelling premium

The Cash Alternative is a 60.83% premium over the average closing price of HK\$21.14 per share for the 60 consecutive trading days up to and including the last trading day before irregular trading volumes and price movements in the Company's shares related to the proposed privatisation.

The IBC reviewed the conclusions and recommendations of the Independent Financial Advisor, Somerley Capital Limited (the "IFA"). Specifically, the IFA's opinion and recommendations are as follows:

- **Disinterested Shareholders should accept the Share Offer.** The IFA considers the terms of the Share Offer, including the Offer Price, to be fair and reasonable for Disinterested Shareholders. Accordingly, the IFA advises the IBC to recommend the Disinterested Shareholders accept the Share Offer.

- **Disinterested Shareholders (other than sophisticated shareholders) should accept the Cash Alternative.** The IFA recommends Disinterested Shareholders (other than sophisticated shareholders) to accept the Cash Alternative of HK\$34.00 and not take the Share Alternative because of the risks associated with investing in a privately-owned company, including the lack of marketability and liquidity of the rollover shares, as well as the inherent risks assumed with being a minority shareholder of a privately-owned company incorporated in Luxembourg.

The Share Alternative is only offered to "Qualifying Shareholders" who have all their Shares registered on the Company's register of members (i.e., not held through CCASS). There are risks attached to the Share Alternative, which are illiquid. Shareholders are encouraged to read carefully the risk factors on pages 45 to 46 of the Composite Document published on the Hong Kong Stock Exchange website on 1 July 2024 ("Composite Document").

Shareholders are encouraged to read in full the "Letter from the Independent Board Committee" on pages 71 to 73 of the Composite Document and the "Letter from the Independent Financial Adviser" on pages 74 to 119 of the Composite Document to understand the reasoning for the IBC and IFA's recommendations outlined above.

Additional reasons for and benefits of the Share Offer

Realise certain gains amidst current uncertain market conditions

The Cash Alternative under the Share Offer allows Disinterested Shareholders to realise their investments for cash amidst a current uncertain market climate marked by geopolitical factors and uncertain sentiment in the broader equity market. Volatility in Asian and global markets, along with increasing interest rates, has further contributed to the need for shareholders to seize this opportunity. The Hang Seng index is down 44.52% in the last five years and 46.17% from its highest point in 2021 to the last trading date prior to the date of the initial announcement of the proposed privatisation.

Low likelihood of an alternative offer to realise value

Offeror Concert Group collectively holds 72.63% of the total issued and outstanding share capital of the Company, posing obstacles for third parties to make an alternative offer to shareholders for the Company's shares, as a third party would not be able to control the Company unless the Offeror agreed to dispose of its controlling stake in the Company. Offeror has explicitly said it will not increase the offer price. Therefore, Disinterested Shareholders are unlikely to receive an alternative offer to realise value in their investments in the Company apart from the one presented by Offeror.

Shareholder support for the Share Offer

The Share Offer is subject to a minimum 90% acceptance threshold by shareholders other than the Offeror or its concert parties (the "Disinterested Shareholders").

To date, Disinterested Shareholders representing 38.06% of all disinterested shares of the Company have already committed to tender via Irrevocable Undertakings provided to the Offeror. In addition, Disinterested Shareholders representing approximately 9.60% of all disinterested shares have committed to recommend the offer to their clients or provided Non-binding Letters of Support.

Procedures for acceptance

To accept the Share Offer, shareholders should complete and sign the applicable Form of Acceptance accompanying the Composite Document in accordance with the instructions printed thereon no later than 4:00 p.m. (Hong Kong time) on Tuesday, 23 July 2024 (the "First Closing Date"), which may be extended by announcement.

Enquiry hotline and email

For any queries of an administrative and procedural nature regarding the Share Offer, please reach out via the following ways:

By phone: +852 2592 5946

By email: Loccitane@investor.morrowsodali.com

Office hours: 9:00 a.m. to 5:00 p.m. (Hong Kong time) from Mondays to Fridays (excluding weekends and public holidays in Hong Kong)

Terms and timing of the Share Offer

Offeror intends to conduct a squeeze-out of shares not tendered to the Share Offer, if the Share Offer is accepted with respect to at least 90% of shares held by Disinterested Shareholders by 26 August 2024 (or as otherwise extended).

Additional information about the Share Offer, as well as appropriate arrangements for holders of options and free shares of the Company, can be found in the Composite Document published on the website of the Hong Kong Stock Exchange.

J.P. Morgan Securities (Asia Pacific) Limited is acting as exclusive financial adviser to Offeror. Crédit Agricole Corporate and Investment Bank (CA-CIB) and Corporate Finance International (CFI Group) are acting as exclusive financial advisers to Offeror in connection with the raising of capital and the overall structuring of the financing.

Skadden, Arps, Slate, Meagher & Flom LLP is acting as global legal counsel to the Offeror and Arendt & Medernach is acting as Luxembourg counsel to the Offeror. Clifford Chance is acting as the legal counsel to the Company as to Hong Kong and Luxembourg laws.

– End –

About L'Occitane International S.A.

L'Occitane International S.A. is an international multi-brand group that manufactures and retails premium beauty and wellness products. The Company operates in 90 countries worldwide and has more than 3,000 retail outlets, including approximately 1,300 owned stores. Within its portfolio of premium beauty brands that champion organic and natural ingredients are: L'OCCITANE en Provence, Melvita, Erborian, L'OCCITANE au Brésil, ELEMIS, Sol de Janeiro and Dr. Vranjes Firenze.

With its nature-positive vision and entrepreneurial ethos, it is committed to investing in communities, biodiversity, reducing waste and to finding sustainable solutions to create a better and healthier planet. L'Occitane International S.A. is a certified B Corporation.

Contact Information

Company Contact:

L'Occitane International S.A.

groupcommunication@loccitane.com

Media Contacts:

Brunswick Group

loccitane@brunswickgroup.com

Daniel Del Re (Hong Kong)
(852) 9255 5136

Benoit Grange (Paris)
(33) 6 14 45 09 26

Lydia Tsui (Hong Kong)
(852) 9879 7283

Tristan Roquet Montégon (Paris)
(33) 6 37 00 52 57

As at the date of this press release, the executive directors of L'Occitane International S.A. are Mr. Reinold Geiger (Chairman), Mr. André Hoffmann, Mr. Laurent Marteau (Chief Executive Officer), Mr. Karl Guénard (Company Secretary) and Mr. Séan Harrington (Chief Executive Officer of ELEMIS), the non-executive Director is Mr. Thomas Levilion, and the independent non-executive directors are Mrs. Christèle Hiss Holliger, Mr. Charles Mark Broadley, Ms. Betty Liu and Mr. Jackson Chik Sum Ng. The directors jointly and severally accept full responsibility for the accuracy of the information contained in this press release (other than the information relating to the Share Offer, and the Offeror and parties acting in concert with the Offeror) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this press release (other than the opinions expressed by the sole director of Offeror in his capacity as director of Offeror, and the directors of L'Occitane Groupe S.A. in their capacity as directors of L'Occitane Groupe S.A.) have been arrived at after due and careful consideration and there are no other facts not contained in this press release, the omission of which would make any statement in this press release misleading.