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**L'ORÉAL**



MAGIC HOLDINGS INTERNATIONAL LIMITED

美即控股國際有限公司

*(Incorporated in France as a société anonyme)* *(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1633)**

## **JOINT ANNOUNCEMENT**

### **CONDITIONAL PROPOSAL FOR ALL THE ISSUED SHARES OF MAGIC HOLDINGS INTERNATIONAL LIMITED BY L'ORÉAL S.A. BY WAY OF A SCHEME OF ARRANGEMENT (UNDER SECTION 86 OF THE COMPANIES LAW)**

#### **DESPATCH OF SCHEME DOCUMENT**

**Financial Adviser to L'Oréal S.A.**



**BNP PARIBAS**  
CORPORATE & INVESTMENT BANKING

**Independent Financial Adviser to the Independent Board Committee**

**Quam**  **華富嘉洛**  
CAPITAL 企業融資

Quam Capital Limited

## **DESPATCH OF SCHEME DOCUMENT**

The Scheme Document together with the respective notices of the Court Meeting and EGM to be held on Monday, 24 March 2014 and the relevant proxy forms have been despatched to the Shareholders on Friday, 28 February 2014.

## **RECOMMENDATIONS OF THE INDEPENDENT BOARD COMMITTEE**

The Scheme Document contains, among other things, a letter from Quam Capital Limited, the Independent Financial Adviser, giving its advice and recommendations to the Independent Board Committees, and a letter from the Independent Board Committee containing its recommendations to the Shareholders in relation to the Proposal, the Scheme and the Service Agreement, including the Remuneration Package, respectively. In addition, the Scheme Document contains a letter from the Listing Rules Independent Board Committee containing its recommendations to the Shareholders as to whether the terms of the Service Agreement are, or are not, fair and reasonable and in the interests of the Company and the Shareholders as a whole and on how to vote. Shareholders are urged to read and consider carefully the recommendations of the Independent Board Committee, the advice and recommendations of the Independent Financial Adviser and the recommendations of the Listing Rules Independent Board Committee, in relation to the Proposal, the Scheme and the Service Agreement, including the Remuneration Package, respectively, set out in the letter from the Independent Board Committee, the letter from the Independent Financial Adviser and the letter from the Listing Rules Independent Board Committee, respectively.

## **CLOSURE OF REGISTER OF MEMBERS OF THE COMPANY**

For the purpose of determining the entitlements of Shareholders to attend and vote at the Court Meeting and the EGM, the register of members of the Company in the Cayman Islands and in Hong Kong will be closed from Wednesday, 19 March 2014 to Monday, 24 March 2014 (both days inclusive). During such period, no transfer of Shares will be effected.

## **CONDITIONS OF THE PROPOSAL**

Shareholders and potential investors should be aware that the Proposal and the Scheme are subject to the satisfaction, or waiver, as applicable, of the Conditions, and thus the Proposal may not become unconditional and the Scheme may or may not become effective. Subject to all Conditions being fulfilled or waived, as applicable, the Scheme is expected to become effective on Monday, 7 April 2014 (Cayman Islands time). Details of these Conditions are set out in the Scheme Document. The Scheme will lapse if it does not become effective on or before 29 April 2014 (or such later date as the Offeror and the Company may agree and the Grand Court may allow and in accordance with the Takeovers Code). Shareholders will be notified accordingly by announcement.

A detailed timetable for the Proposal is set out in this announcement under the heading "Expected Timetable".

**Shareholders and potential investors should exercise caution when dealing in the Shares and any rights in respect of them. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

## **INTRODUCTION**

References are made to (i) the joint announcement issued by the Offeror and the Company dated 15 August 2013 (the “**Joint Announcement**”) in relation to the pre-conditional proposal for all the issued shares of Magic Holdings International Limited by L’Oréal S.A. by way of a scheme of arrangement (under Section 86 of the Companies Law); (ii) the joint announcement issued by the Offeror and the Company dated 13 January 2014, in which it was announced that the Proposal had been cleared by MOFCOM under the Anti Monopoly Law of the PRC by a decision communicated to the Offeror and the Company on 9 January 2014, and that all Pre-Conditions to the making of the Proposal by the Offeror had been satisfied; (iii) the joint announcement issued by the Offeror and the Company dated 16 January 2014, in which it was announced that the Offeror applied to the Executive for its consent to an extension of the time limit for the despatch of the Scheme Document from 16 January 2014 to 20 February 2014 and (iv) a further joint announcement by the Offeror and the Company dated 20 February 2014 in which it was announced that the Offeror and the Company applied to the Executive for its consent to a further extension of the time limit for the dispatch of the Scheme Document from 20 February 2014 to 14 March 2014.

Terms used in this announcement shall have the meaning given to them in the Scheme Document unless the context otherwise requires.

## **DESPATCH OF THE SCHEME DOCUMENT**

The Scheme Document together with the respective notices of the Court Meeting and the EGM to be held on Monday, 24 March 2014 were despatched to Shareholders on Friday, 28 February 2014.

The Scheme Document contains, among other things, further details of the Proposal, the Scheme and the Service Agreement, including the Remuneration Package, the expected timetable, a letter from Quam Capital Limited, the Independent Financial Adviser, a letter from the Independent Board Committee, a letter from the Listing Rules Independent Board Committee, the explanatory statement of the Scheme as required under the Companies Law, general information regarding the Company and the Offeror, a notice of Court Meeting and a notice of the EGM.

## **RECOMMENDATIONS OF THE INDEPENDENT BOARD COMMITTEES**

The Independent Board Committee, which comprises all the non-executive directors of the Company, namely Mr. Sun Yan, Mr. Chen Dar Cin, Mr. Yan Kam Tong, Professor Dong Yin Mao and Professor Yang Rude, has been established by the Board to make a recommendation to the Independent Shareholders as to whether the Proposal, the Scheme and the Service Agreement, including the Remuneration Package, are, or are not, fair and reasonable and as to voting.

In addition, pursuant to Rule 13.68 of the Listing Rules, the Listing Rules Independent Board Committee, which comprises all the independent non-executive directors of the Company namely, Mr. Yan Kam Tong, Professor Dong Yin Mao and Professor Yang Rude, has been established by the Board to form a view in respect of the Service Agreement and to make a recommendation to the Independent shareholders as to whether the terms of the Service Agreement are, or are not, fair and reasonable and in the interests of the Company and its Shareholders as a whole and on how to vote.

Quam Capital Limited has been appointed as the independent financial adviser to advise the Independent Board Committees in connection with the Proposal, the Scheme and the Service Agreement, including the Remuneration Package.

The Scheme Document contains, among other things, a letter from the Independent Financial Adviser giving its advice and recommendations to the Independent Board Committees in relation to the Proposal, the Scheme and the Service Agreement, including the Remuneration Package, a letter from the Independent Board Committee giving its recommendations to the Independent Shareholders in relation to the Proposal, the Scheme and the Service Agreement, including the Remuneration Package and a letter from the Listing Rules Independent Board Committee giving its recommendations to the Independent Shareholders in relation to the Service Agreement.

Shareholders are urged to read and consider carefully the recommendations of the Independent Board Committee, the advice and recommendations of the Independent Financial Adviser and the recommendations of the Listing Rules Independent Board Committee, in relation to the Proposal, the Scheme and the Service Agreement, including the Remuneration Package, respectively, set out in the letter from the Independent Board Committee, the letter from the Independent Financial Adviser and the letter from the Listing Rules Independent Board Committee, respectively.

## **COURT MEETING AND EGM**

The Court Meeting and the EGM are scheduled to be held at 2:00 p.m. and 3:00 p.m. (or soon thereafter as the Court Meeting convened on the same day and place shall have been concluded or adjourned), respectively, on Monday, 24 March 2014 at Marina Room I, 2/F, The Excelsior Hotel, 281 Gloucester Road, Causeway Bay, Hong Kong. The Grand Court has directed that the Court Meeting shall be held for the Shareholders to consider and, if thought fit, to approve the Scheme (with or without modification). The EGM shall be held for the Shareholders to consider, and if thought fit, to pass a special resolution to approve the reduction of the issued share capital of the Company by cancelling and extinguishing the Shares, and an ordinary resolution to immediately restore the issued share capital of the Company to the same amount prior to the cancellation of the Shares by paying up in full, at par, such number of new Shares as is equal to the number of Shares cancelled as a result of the Scheme, credited as fully paid, for issuance to the Offeror. The EGM shall also be held for the Independent Shareholders to consider and, if thought fit, to pass an ordinary resolution to approve the terms of the Service Agreement, including the Remuneration Package.

Notices of the Court Meeting and the EGM are also contained in the Scheme Document. Further announcement(s) will be made by the Company in relation to, among other things, the voting results of the Court Meeting and the EGM.

## CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining entitlements of the Shareholders to attend and vote at the Court Meeting and the EGM, the register of members of the Company in Hong Kong and in the Cayman Islands will be closed from Wednesday, 19 March 2014 to Monday, 24 March 2014 (both days inclusive). During such period no transfer of Shares will be effected. In order to qualify to vote at the Court Meeting and at the EGM, Shareholders should ensure that the relevant transfer documentation for their Shares is lodged with the share registrar of the Company for registration in their names or in the names of their nominees before the closure of the register of members of the Company. The share registrar of the Company in Hong Kong is Tricor Investor Services Limited, located at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.

## CONDITIONS OF THE PROPOSAL AND THE SCHEME

Shareholders and potential investors of the Company should be aware that the Proposal and the Scheme are subject to the satisfaction or waiver, as applicable, of the Conditions as detailed in the Scheme Document and therefore the Proposal may not become unconditional and the Scheme may or may not become effective. Subject to all the Conditions of the Proposal being fulfilled or waived, as applicable, the Scheme is expected to become effective on Monday, 7 April 2014 (Cayman Islands time). Shareholders will be notified accordingly by announcement.

## EXPECTED TIMETABLE

Latest time for lodging transfers of

Shares in order to qualify for attending and  
voting at the Court Meeting and the EGM . . . . . 4:30 p.m. on Tuesday,  
18 March 2014

Register of members of the Company closed  
for determination of entitlements of  
Scheme Shareholders to attend and vote

at the Court Meeting and the EGM (*Note 1*). . . . . from Wednesday, 19 March 2014 to  
Monday, 24 March 2014  
(both days inclusive)

Meeting Record Date . . . . . Friday, 21 March 2014

Latest time for lodging forms of proxy in respect of (*Note 2*)

— Court Meeting . . . . . 2:00 p.m. on Saturday,  
22 March 2014  
(or be handed directly  
to the Chairman  
at the Court Meeting)

— EGM. . . . . 3:00 p.m. on Saturday,  
22 March 2014

Suspension of dealings in the Shares  
on the Stock Exchange. . . . . 9:00 a.m. on Monday,  
24 March 2014

Court Meeting (*Note 3*) . . . . . 2:00 p.m. on Monday,  
24 March 2014

EGM (*Note 3*). . . . . 3:00 p.m. on Monday,  
24 March 2014  
(or immediately after the  
conclusion or adjournment of  
the Court Meeting)

Announcement of the results of the  
Court Meeting and the EGM published  
on the website of the Stock Exchange and  
the website of the Company. . . . . not later than 7:00 p.m.  
on Monday, 24 March 2014

Resumption of dealings in the Shares  
on the Stock Exchange . . . . . 9:00 a.m. on Tuesday,  
25 March 2014

Expected last day for dealing in the Shares  
on the Stock Exchange . . . . . 4:00 p.m. on Tuesday,  
1 April 2014

Latest time for lodging transfers of the Shares  
in order to qualify for entitlements under the Scheme . . . . . 4:30 p.m. on Friday,  
4 April 2014

Court hearing of the petition to sanction the Scheme  
and to confirm the capital reduction . . . . . Friday, 4 April 2014  
(Cayman Islands Time)

Announcement of the result of the court  
hearing to sanction the Scheme and to confirm  
the capital reduction . . . . . Sunday, 6 April 2014

Register of members of the Company closed for determining  
entitlements to qualify under the Scheme (*Note 4*). . . . . Monday, 7 April 2014

Record Date . . . . . Monday, 7 April 2014

Effective Date (*Note 5*) . . . . . Monday, 7 April 2014  
(Cayman Islands Time)

Announcement of the Effective Date and the withdrawal of the  
listing of the Shares on the Stock Exchange. . . . . Tuesday, 8 April 2014

Expected withdrawal of the listing of the Shares  
on the Stock Exchange (*Note 6*) . . . . . 4:00 p.m. on Wednesday,  
9 April 2014

Cheques for cash payment under the Proposal and  
the Scheme to be despatched . . . . . on or before Wednesday,  
16 April 2014

**Shareholders should note that the above timetable is subject to change. Further announcement(s) will be made in the event that there is any change.**

*Notes:*

- (1) The register of members of the Company will be closed during such period for the purpose of determining the entitlements of the Shareholders to attend and vote at the Court Meeting and the EGM. This book close period is not for determining entitlements under the Scheme.
- (2) Forms of proxy should be lodged with the office of the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event no later than the times and dates stated above. If the **pink** form of proxy is not so lodged, it may also be handed to the Chairman of the Court Meeting at the Court Meeting who shall have absolute discretion as to whether or not to accept it. In order to be valid, the **pink** form of proxy for the Court Meeting and the **white** form of proxy for the EGM must be lodged no later than the latest times and dates stated above. Completion and return of a form of proxy for the Court Meeting or the EGM will not preclude a Shareholder from attending the relevant meeting and voting in person. In such event, the returned form of proxy will be deemed to have been revoked.
- (3) The Court Meeting and the EGM will be held at Marina Room I, 2/F, The Excelsior Hotel, 281 Gloucester Road, Causeway Bay, Hong Kong at the times and dates specified above. Please see the notice of Court Meeting set out in Appendix IV to the Scheme Document and the notice of EGM set out in Appendix V to the Scheme Document for details.
- (4) The register of members of the Company will be closed during such period for the purpose of determining Shareholders who are qualified for entitlements under the Scheme.
- (5) The Scheme shall become effective upon all the Conditions set out in the paragraph headed "3. Conditions of the Proposal and the Scheme" in Part VIII — Explanatory Memorandum of the Scheme Document having been fulfilled or (to the extent permitted) waived.
- (6) If the Proposal becomes unconditional and the Scheme becomes effective, it is expected that the listing of the Shares on the Stock Exchange will be withdrawn from 4:00 p.m. on Wednesday, 9 April 2014.

**Warnings:**

**Shareholders and potential investors should be aware that the Proposal and the Scheme are subject to the satisfaction, or waiver, as applicable, of the Conditions, and thus the Proposal may or may not become unconditional and the Scheme may or may not become effective. Shareholders and potential investors should therefore exercise caution when dealing in the Shares and any rights in respect of them. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

**The Offeror and the Offeror Concert Parties hereby remind their respective associates of the dealing restrictions under the Takeovers Code and to disclose their permitted dealings, if any, in any securities of the Company.**

By Order of the Board of  
**L'Oréal S.A.**  
**Jean-Paul Agon**  
*Chairman*

By Order of the Board of  
**Magic Holdings International Limited**  
**Tang Siu Kun Stephen**  
*Chairman*

Hong Kong, 28 February 2014

*As at the date of this announcement, the directors of the Offeror are:*

*Directors:*

Jean-Paul Agon  
Jean-Pierre Meyers  
Peter Brabeck-Letmathe  
Françoise Bettencourt Meyers  
Paul Bulcke  
Christiane Kuehne  
Jean-Victor Meyers

*Independent Directors:*

Virginie Morgon  
Annette Roux  
Charles-Henri Filippi  
Xavier Fontanet  
Bernard Kasriel  
Marc Ladreit de Lacharrière  
Louis Schweitzer

*The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Magic Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Magic Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*As at the date of this announcement, the directors of the Company are:*

*Executive Directors:*

Tang Siu Kun Stephen  
She Yu Yuan  
Luo Yao Wen  
Cheng Wing Hong

*Non-executive Directors:*

Sun Yan  
Chen Dar Cin

*Independent Non-executive  
Directors:*

Yan Kam Tong  
Dong Yin Mao  
Yang Rude

*The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Offeror Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Offeror Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*