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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 (2013 REVISION) OF THE CAYMAN ISLANDS)

(1) RESULTS OF THE COURT MEETING AND THE EGM

and

(2) RESUMPTION OF TRADING IN THE SHARES

and

(3) CLOSURE OF REGISTER OF MEMBERS OF MAGIC HOLDINGS INTERNATIONAL LIMITED

and

(4) PROPOSED WITHDRAWAL OF LISTING OF THE SHARES

Financial Adviser to L'Oréal S.A.



BNP PARIBAS
CORPORATE & INVESTMENT BANKING

RESULTS OF THE COURT MEETING AND THE EGM

The resolution to approve the Scheme was approved by the Independent Shareholders at the Court Meeting.

Reference is made to the application by the Offeror for consent from the Executive in relation to the Remuneration Package. The Offeror has obtained the Executive's consent in relation to the Remuneration Package pursuant to Note 3 of Rule 25 of the Takeovers Code, subject to the passing of an ordinary resolution of the Independent Shareholders at the EGM approving the Remuneration Package.

The special resolution to approve and give effect to the reduction of the issued share capital of the Company by cancelling and extinguishing the Shares and the ordinary resolution to immediately restore the issued share capital of the Company to the same amount as immediately 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 were approved by the Shareholders at the EGM.

The ordinary resolution to approve the Service Agreement and the transactions contemplated under it, including the Remuneration Package, was also approved by the Independent Shareholders at the EGM.

RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on Monday, 24 March 2014, pending the release of this announcement. An application has been submitted to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on Tuesday, 25 March 2014.

CLOSURE OF REGISTER OF MEMBERS OF THE COMPANY

For the purpose of determining the Shareholders who are qualified for entitlements under the Scheme, the register of members of the Company in the Cayman Islands and in Hong Kong will be closed on Monday, 7 April 2014. On such day, no transfer of Shares will be effected.

INTRODUCTION

This announcement is made further to the scheme document jointly issued by the Offeror and the Company to the Shareholders on Friday, 28 February 2014 in relation to the proposed privatisation of the Company by way of a scheme of arrangement under Section 86 of the Companies Law (the "**Scheme Document**").

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

RESULTS OF THE COURT MEETING

The Court Meeting was held at 2:00 p.m. on Monday, 24 March 2014 at Marina Room I, 2/F, The Excelsior Hotel, 281 Gloucester Road, Causeway Bay, Hong Kong. Shareholders who were present and voting either in person or by proxy were entitled to vote in respect of all of their respective Shares. In compliance with both Section 86 of the Companies Law and Rule 2.10 of the Takeovers Code, the approval required to be obtained at the Court Meeting in respect of the Scheme would be regarded as obtained if (1) the Scheme is approved by a majority in number of the Shareholders representing not less than 75% in value of the Shares held present and voting either in person or by proxy at the Court Meeting; provided that (2) the Scheme is approved (by way of poll) by Independent Shareholders holding at least 75% of the votes attaching to the Shares held by the Independent Shareholders that are voted either in person or by proxy at the Court Meeting; and (3) the number of votes cast (by way of poll) by the Independent Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all Shares held by all the Independent Shareholders.

At the Court Meeting:

- (1) a total number of 59 Shareholders (representing approximately 88.0597% of the total number of Shareholders who attended and voted either in person or by proxy at the Court Meeting) representing 767,418,449 Shares (representing approximately 99.9994% in value of the Shares held by the Shareholders who were present and voting either in person or by proxy at the Court Meeting) voted in favour of the resolution to approve the Scheme, and a total number of 8 Shareholders (representing approximately 11.9403% of the total number of Shareholders who attended and voted either in person or by proxy at the Court Meeting) representing 4,877 Shares (representing approximately 0.0006% in value of the Shares held by the Shareholders who were present and voting either in person or by proxy at the Court Meeting) voted against the resolution to approve the Scheme;
- (2) a total number of 59 Independent Shareholders representing 767,418,449 Shares (representing approximately 99.9994% of the votes attaching to the Shares held by the Independent Shareholders that were voted either in person or by proxy at the Court Meeting) voted in favour of the resolution to approve the Scheme, and a total number of 8 Independent Shareholders representing 4,877 Shares (representing approximately 0.0006% of the votes attaching to the Shares held by the Independent Shareholders that were voted either in person or by proxy at the Court Meeting) voted against the resolution to approve the Scheme; and
- (3) a total number of 59 Independent Shareholders representing 767,418,449 Shares (representing approximately 85.2540% of the votes attaching to all Shares held by all Independent Shareholders) voted in favour of the resolution to approve the Scheme, and a total number of 8 Independent Shareholders representing 4,877 Shares (representing approximately 0.0005% of the votes attaching to all Shares held by the Independent Shareholders) voted against the resolution to approve the Scheme.

Accordingly, in compliance with both Section 86 of the Companies Law and Rule 2.10 of the Takeovers Code: (1) the resolution proposed at the Court Meeting to approve the Scheme was duly passed by a majority in number of the Shareholders representing not less than 75% in value of the Shares held by the Shareholders who were present and voting either in person or by proxy at the Court Meeting; (2) the resolution to approve the Scheme at the Court Meeting was also duly passed (by way of poll) by Independent Shareholders holding at least 75% of the votes attaching to the Shares held by the Independent Shareholders that voted either in person or by proxy at the Court Meeting; and (3) the number of votes cast (by way of poll) by the Independent Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting was not more than 10% of the votes attaching to all Shares held by all of the Independent Shareholders.

The total number of Shares entitling the holders to attend and vote for or against the Scheme at the Court Meeting was 900,155,434 Shares. For the purposes of satisfying Rule 2.10 of the Takeovers Code, Shareholders that are not Independent Shareholders abstained from voting at the Court Meeting in accordance with the Takeovers Code. None of the Offeror, Mr. She, his associates (including the SPVCo, his spouse and the Share Award Plan Trustee) and any other party acting in concert with any of them (including BNP Paribas) voted their Shares at the Court Meeting.

In compliance with the law of the Cayman Islands, HKSCC, being the nominee for and on behalf of certain different ultimate beneficial owners of the Shares, was permitted to vote for and against the Scheme in accordance with instructions from individual CCASS Participants for the purposes of ascertaining whether or not the requirement that a “majority in number” of the Shareholders approve the Scheme, pursuant to section 86(2) of the Companies Law, has been satisfied. As all CCASS Participants gave instructions to vote in favour of the Scheme, HKSCC was only counted once in favour in the calculation of a majority in number.

Other than as disclosed above, no holder of Shares was required to abstain from voting on the Scheme at the Court Meeting nor did any person indicate in the Scheme Document that he/she/it intended to abstain from voting on or vote against the Scheme at the Court Meeting.

Tricor Investor Services Limited acted as scrutineers for the vote-taking at the Court Meeting.

RESULTS OF THE EGM

Reference is made to the application made by the Offeror for consent from the Executive in relation to the Remuneration Package. The Offeror has obtained the Executive’s consent in relation to the Remuneration Package pursuant to Note 3 of Rule 25 of the Takeovers Code subject to the passing of an ordinary resolution by the Independent Shareholders at the EGM approving the Remuneration Package.

The EGM was held after the conclusion of the Court Meeting on Monday, 24 March 2014 at Marina Room I, 2/F, The Excelsior Hotel, 281 Gloucester Road, Causeway Bay, Hong Kong for the purpose of considering, and if thought fit, passing the special and ordinary resolutions set out in the notice of the EGM dated Friday, 28 February 2014.

At the EGM:

- (1) in respect of the special resolution proposed at the EGM to approve and give effect to the reduction of the issued share capital of the Company by cancelling and extinguishing the Shares, a total of 861,217,730 Shares (representing approximately 82.9775% of the total number of Shares) were voted in person or by proxy on a poll, of which:
 - (a) 861,212,904 Shares (representing approximately 99.9994% of the Shares voted in respect of the special resolution) were voted in favour of the resolution; and
 - (b) 4,826 Shares (representing approximately 0.0006% of the Shares voted in respect of the special resolution) were voted against the resolution;
- (2) in respect of the ordinary resolution proposed at the EGM to immediately restore the issued share capital of the Company to the same amount as immediately prior to the cancellation of the Shares by issuing to the Offeror such number of new Shares as is equal to the number of Shares cancelled as a result of the Scheme, credited as fully paid, a total of 861,217,730 Shares (representing approximately 82.9775% of the total number of Shares) were voted in person or by proxy on a poll, of which:
 - (a) 861,212,904 Shares (representing approximately 99.9994% of the Shares voted in respect of the ordinary resolution) were voted in favour of the resolution; and
 - (b) 4,826 Shares (representing approximately 0.0006% of the Shares voted in respect of the ordinary resolution) were voted against the resolution;
- (3) in respect of the ordinary resolution proposed at the EGM to approve the Service Agreement and the transactions contemplated under it, including the Remuneration Package, a total of 723,585,280 Shares held by Independent Shareholders (representing approximately 80.3845% of the total number of Shares held by the Independent Shareholders) were voted in person or by proxy on a poll, of which:
 - (a) 723,580,454 Shares held by Independent Shareholders (representing approximately 99.9993% of the Shares held by the Independent Shareholders voted in respect of the ordinary resolution) were voted in favour of the resolution; and
 - (b) 4,826 Shares held by Independent Shareholders (representing approximately 0.0007% of the Shares held by the Independent Shareholders voted in respect of the ordinary resolution) were voted against the resolution.

Accordingly, (1) the special resolution proposed at the EGM to approve and give effect to the reduction of the issued share capital of the Company by cancelling and extinguishing the Shares was duly passed by a majority of not less than 75% of the votes cast by the Shareholders present and voting (either in person or by proxy) at the EGM; (2) the ordinary resolution proposed at the EGM to immediately restore the issued share capital of the Company to the same amount as immediately prior to the cancellation of the Shares by issuing to the Offeror such number of new Shares as is equal to the number of Shares cancelled as a result of the Scheme, credited as fully paid, was duly passed by a simple majority of the votes cast by the Shareholders present and voting (either in person or by

proxy) at the EGM; and (3) the ordinary resolution to approve the Service Agreement and the transactions contemplated under it, including the Remuneration Package, was duly passed by a simple majority of the votes cast by the Independent Shareholders present and voting (either in person or by proxy) at the EGM.

The total number of Shares entitling the holders to attend and vote for or against the special resolution and the ordinary resolution at the EGM described under paragraphs (1) and (2) above, respectively, was 1,037,892,736 Shares. No holder of Shares was required to abstain from voting on either the special resolution described under paragraph (1) above, or the ordinary resolution described under paragraph (2) above at the EGM nor did any person indicate in the Scheme Document that he/she/it intended to abstain from voting on or vote against the said resolutions at the EGM.

The total number of Shares entitling the Independent Shareholders to attend and vote for or against the ordinary resolution at the EGM described under paragraph (3) above was 900,155,434 Shares. No Independent Shareholder was required to abstain from voting on the ordinary resolution described under paragraph (3) above at the EGM nor did any person indicate in the Scheme Document that he/she/it intended to abstain from voting on or vote against the said resolution at the EGM.

Tricor Investor Services Limited acted as scrutineers for the vote-taking at the EGM.

SUSPENSION AND RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on Monday, 24 March 2014, pending the release of this announcement. An application has been submitted to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on Tuesday, 25 March 2014.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the Shareholders who are qualified for entitlements under the Scheme, the registers of members of the Company will be closed on Monday, 7 April 2014. On such day, no transfer of Shares will be effected.

PROPOSED WITHDRAWAL OF LISTING OF THE SHARES

Subject to the Scheme becoming effective, the withdrawal of the listing of the Shares on the Stock Exchange is expected to become effective from 4:00 p.m. on Wednesday, 9 April 2014 (Hong Kong time).

EXPECTED TIMETABLE

The expected timetable for completing the remaining steps of the Proposal, including the withdrawal of the listing of the Shares, is as follows:

Hong Kong Time

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 1*) Monday, 7 April 2014

Record Date Monday, 7 April 2014

Effective Date (*Note 2*) 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 3*) 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 Shareholders who are qualified for entitlements under the Scheme.
- (2) 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. As at the date of this announcement, all the Conditions have been satisfied save for Conditions (d) to (j). The Effective Date is tentative subject to the Grand Court granting the sanction of the Scheme and the applicable laws of the Cayman Islands.
- (3) 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.

GENERAL

Immediately before 2 August 2013 (the commencement of the offer period) and as at the date of this announcement, the total number of Shares held, controlled or directed by the Offeror and parties acting in concert with it was 132,000 Shares, representing 0.01% of the total number of Shares in issue. None of the Offeror or parties acting in concert with it had acquired or agreed to acquire any Shares or any convertible securities, warrants, options or derivatives in respect of the Shares since 2 August 2013 up to the date of this announcement. As at the date of this announcement, none of the Offeror or parties acting in concert with it had borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

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, 24 March 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.