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## **JOINT ANNOUNCEMENT**

### **(1) REVISED PROPOSED PRIVATISATION BY WAY OF CONDITIONAL VOLUNTARY GENERAL OFFERS BY**

**J.P. MORGAN SECURITIES (ASIA PACIFIC) LIMITED  
ON BEHALF OF OFFEROR**

**TO ACQUIRE ALL ISSUED AND OUTSTANDING SHARES IN THE COMPANY  
(OTHER THAN SHARES ALREADY OWNED BY LOG) AND TO CANCEL  
ALL VESTED OPTIONS;**

**(2) PROPOSED LIQUIDITY ARRANGEMENT BY OFFEROR WITH RESPECT TO  
UNVESTED AWARDS;**

**(3) IRREVOCABLE UNDERTAKINGS AND NON-BINDING LETTERS OF SUPPORT  
TO ACCEPT THE SHARE OFFER;**

**(4) SPECIAL DEAL WITH RESPECT TO THE GA DISPOSAL; AND**

**(5) RESUMPTION OF TRADING**

**Exclusive Financial Adviser to Offeror**

**J.P.Morgan**

**J.P. Morgan Securities (Asia Pacific) Limited**

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

 **SOMERLEY CAPITAL LIMITED**

**Somerley Capital Limited**

#### **INTRODUCTION**

Reference is made to the Initial Announcement, in which LOG reserved the right to offer a share alternative, as described in the Initial Announcement, as an additional settlement method for the Share Offer (described as the “Potential Share Alternative Offer” in the Initial Announcement), and that if this right is exercised, a new announcement under Rule 3.5 of the Takeovers Code would be made.

On 17 June 2024, LOG informed the Board that LOG intended to exercise this right. This announcement sets out the revised proposal for the Share Offer. In connection with this, LOG has established a newly incorporated holding company for the purposes of making the Offers and issuing the Rollover Shares under the Share Alternative, as Offeror. As at Announcement Date, Offeror is a wholly-owned subsidiary of LOG.

Details of the Share Offer (with an option to elect settlement by way of the Cash Alternative or the Share Alternative) and arrangements for Awards (which remain unchanged) are set out in the section headed “Overview of the Offers”.

## **OFFERS**

As at Announcement Date: (a) the Company has 1,474,968,200 Shares that are issued and outstanding, 1,639,350 Vested Options, and 8,196,677 Unvested Awards (with each Vested Option and Unvested Award representing one Share); and (b) Offeror Concert Group holds 1,071,328,991 Shares (representing approximately 72.63% of the total issued and outstanding share capital of the Company), of which Offeror Group holds 1,071,231,391 Shares (representing approximately 72.63% of the total issued and outstanding share capital of the Company). For more information, see the section headed “Information on the Group — Shareholdings in the Company”.

Additionally, as at Announcement Date, the Company has 1,996,691 Treasury Shares, which will not form part of the Offer Shares and will not be subject to the Share Offer.

### *Share Offer*

J.P. Morgan will, on behalf of Offeror, make the Share Offer to Minority Shareholders for all Offer Shares, in exchange for either:

**Cash Alternative** . . . . . HK\$34.00 in cash for each Offer Share; or

**Share Alternative** . . . . . 10 Rollover Shares for each Offer Share.

Minority Shareholders who accept the Share Offer may elect, as a settlement method, either: (a) the Cash Alternative; or (b) the Share Alternative (but not a combination of both), with respect to their Offer Shares validly tendered for acceptance. Minority Shareholders who make an invalid election will receive the Cash Alternative by default.

The Share Alternative is subject to the Share Alternative Cap. This means that the aggregate number of Offer Shares (validly tendered for acceptance and election of the Share Alternative) to be settled by Rollover Shares will be up to the Share Alternative Cap and may be subject to the *Pro Rata* Downward Adjustment Mechanism, in which case, Share Alternative Holders will have the remainder of their Offer Shares validly tendered for acceptance to be settled in cash at the Offer Price. See the section headed “Further information on the Share Alternative — Cap on the Share Alternative” for more information.

For Qualifying Shareholders who elect the Share Alternative, your attention is drawn to certain risk factors set out in this announcement and to be set out in the Composite Document, including but not limited to:

- (a) the Rollover Shares are securities in a private and unlisted company incorporated in and governed by the laws of Luxembourg, and as of Announcement Date, Offeror has no intention for these securities to be listed or admitted to trading on any exchange or market, or be quoted on any inter-dealer system; accordingly, these securities will be illiquid and Offeror believes that it is unlikely that an active trading market will develop for the Rollover Shares;
- (b) as of Announcement Date, there is no intention or plan for all or any part of the business of the Company to be listed on any stock exchange, and there can be no assurance of such intention or plan in the future;
- (c) your interest in Offeror will be that of a minority shareholder with limited shareholder protection rights and you will not have the benefits and protections of the Listing Rules in terms of disclosure of material information, appointment of directors (including independent non-executive directors) and restrictions on connected or notifiable transactions of Offeror group;

- (d) the value of Offeror and your Rollover Shares in the future remains uncertain and there can be no assurance that your Rollover Shares can be sold in the future for a value that is at least the same as the Offer Price;
- (e) transfer of Rollover Shares are subject to transfer restrictions stipulated in Offeror’s amended articles of association (which are summarised in “Appendix A” to this announcement, and will be further set out in the Composite Document);
- (f) there is no dividend policy in respect of the Rollover Shares; and dividend payments in respect of the Rollover Shares will not be guaranteed or secured. Payment of dividends on the Rollover Shares (if any) would solely depend on whether such payment is recommended or declared by Offeror’s board of directors;
- (g) changes in the business and economic environment, and competition in the global skincare and cosmetics industry could adversely affect the profitability of Offeror and its assets;
- (h) the Company may no longer remain a “public company” under the Codes on Takeovers and Mergers and Share Buy-backs, in which case, the protections under these codes will not be applicable or afforded to Share Alternative Holders (whether the Company remains a “public company” under these codes will depend on a number of factors that the Executive will take into account, including among others, the number of Hong Kong shareholders in the Company or Offeror, and the extent of Shares or Offeror Shares traded in Hong Kong); and
- (i) LOG or Offeror may pledge, or otherwise encumber, part or all of the Shares, or the Company may pledge, or otherwise encumber, part or all of its securities in members of the Group, from time to time, in connection with financing arrangements, in which case, the rights attached to, or value of, Offeror Shares may be affected.

See the sections headed: (a) “Further information on the Cash Alternative” for more information on the Cash Alternative, including settlement and comparison of the Offer Price; and (b) “Further information on the Share Alternative” and “Appendix A” to this announcement for more information on the Share Alternative, including the Share Alternative Cap and *Pro Rata* Downward Adjustment Mechanism, settlement arrangements, Non-qualifying Shareholders who are not eligible for the Share Alternative, summary of Rollover Shares and key risk factors in relation to the Share Alternative.

The Share Offer is subject to the conditions set out in the section headed “Conditions of the Offers — Conditions of the Share Offer”.

If the Conditions are not satisfied or waived (if waivable) on or before the Long Stop Date, the Share Offer will lapse unless the Share Offer is extended by Offeror in accordance with the Takeovers Code.

**The Offer Price will not be increased, and Offeror does not reserve the right to do so. Shareholders, Award Holders and potential investors should be aware that, following the making of this statement, Offeror will not be allowed to increase the Offer Price.**

***Vested Option Offer***

J.P. Morgan will, on behalf of Offeror, make the Vested Option Offer to Vested Option Holders to cancel their Vested Options at the Award Cancellation Price, calculated as the “see-through” price (being the Offer Price *less* the exercise price of each such Vested Option), as follows:

For each Vested Option with exercise price of HK\$14.50. . . . .	HK\$19.50 in cash
For each Vested Option with exercise price of HK\$15.16. . . . .	HK\$18.84 in cash

The Vested Option Offer is conditional upon the Share Offer becoming or being declared unconditional in all respects.

In accordance with the relevant Share Incentive Plans, the Company has sent the Share Incentive Notice to all Award Holders, pursuant to which: (a) all Vested Options: (i) may only be exercised on or between Initial Announcement Date and 20 May 2024; or (ii) if not exercised, will be eligible for the Vested Option Offer on and between Composite Document Date and Offer Closing Date; and (b) if the Vested Option Holder takes neither action under (i) nor (ii), their Vested Options shall lapse after Offer Closing Date.

**NOTICE to Vested Option Holders: If you do not accept the Vested Option Offer on or between Composite Document Date and Offer Closing Date, then your Vested Options will automatically and immediately lapse after Offer Closing Date.**

Accordingly:

- (a) Vested Option Holders who hold Vested Options will be eligible to participate in the Vested Option Offer; and
- (b) all remaining Vested Options in respect of which the Vested Option Holder has not validly accepted the Vested Option Offer on or before Offer Closing Date, will automatically and immediately lapse after Offer Closing Date (in accordance with the relevant Share Incentive Plans and the Share Incentive Notice).

***Treatment of Unvested Awards and Liquidity Arrangement***

In accordance with the relevant Share Incentive Plans and the Share Incentive Notice to all Award Holders, Unvested Awards will be treated as follows:

- (a) no Unvested Awards will be accelerated, and all Unvested Awards will continue to vest in accordance with the existing schedule and conditions of grant under the relevant Share Incentive Plans; and
- (b) Unvested Award Holders will be eligible to participate in the Liquidity Arrangement, whereby Offeror will offer to enter into a Liquidity Agreement with each Unvested Award Holder, pursuant to which Offeror will pay to the Unvested Award Holder the Award Cancellation Price to cancel each Award following its vesting in accordance with the existing schedule and conditions of grant under the relevant Share Incentive Plan; with the Award Cancellation Price calculated as (i) the “see-through” price (being the Offer Price *less* the exercise price of each such vested Option); or (ii) the equivalent of the Offer Price (for each vested Free Share), as follows:

For each Option following vesting  
with exercise price of HK\$20.67. . . . . HK\$13.33 in cash

For each Free Share following vesting. . . . . HK\$34.00 in cash

The Liquidity Arrangement is conditional upon the Share Offer becoming or being declared unconditional in all respects.

**NOTICE to Unvested Award Holders: If you do not enter into a Liquidity Agreement on or before Offer Closing Date, you will become a Shareholder of a privately-operated company upon vesting and exercise (in the case of Options) or allocation (in the case of Free Shares) of your Awards (assuming that the Offers become or are declared unconditional in all respects and the Shares are delisted from the Stock Exchange).**

See the section headed “Outstanding Awards” for further details.

***Value of the Offers***

Assuming that all Minority Shareholders accept the Share Offer and elect the Cash Alternative in full, all Vested Option Holders with Vested Options as at Announcement Date accept the Vested Option Offer in full, and all Unvested Award Holders accept the Liquidity Arrangement in full, the maximum value for the Offers is expected to be: (a) HK\$13,850,947,506.00 for the Share Offer; (b) HK\$31,575,186.00 for the Vested Option Offer; and (c) HK\$143,703,650.00 for the Liquidity Arrangement.

### ***Funding of the Offers***

Offeror intends to finance the consideration payable by Offeror under the Offers through the Offeror Shareholder Loan, which in turn is funded by: (i) external debt facilities provided by Crédit Agricole Corporate and Investment Bank to LOG; and (ii) a shareholder's loan from Holdco to LOG that is funded by paid-in-kind (PIK) loan note financing from: (a) Blackstone Rio Holdings (CYM) L.P.; and (b) the West Street Strategic Solutions funds or other investment vehicles or accounts that are managed or advised by Goldman Sachs Asset Management International or its affiliates. LOG has undertaken to Offeror to pay on Offeror's behalf the cash consideration payable under the Offers. See the section headed "Value of the Offers and funding" for further details.

**WARNING: Shareholders and potential investors of the Company should note that the Share Offer is subject to the Conditions. Additionally, Award Holders should note that the Vested Option Offer and the Liquidity Arrangement are each subject to the Share Offer becoming or being declared unconditional in all respects. The Conditions may or may not be fulfilled and/or waived and accordingly the Share Offer may or may not proceed (and the Vested Option Offer and the Liquidity Arrangement may or may not take effect).**

**Shareholders, Award Holders and potential investors of the Company are advised to exercise extreme caution when dealing in the Shares and other securities of the Company, and if they are in doubt about their positions, they should consult their professional advisers.**

### **IRREVOCABLE UNDERTAKINGS AND NON-BINDING LETTERS OF SUPPORT**

#### ***Irrevocable Undertaking to accept Share Offer***

LOG has received an Irrevocable Undertaking from Pleasant Lake Partners LLP in respect of 47,956,250 Offer Shares (representing approximately 3.25% of the issued and outstanding share capital of the Company and 11.88% of the Offer Shares held by Disinterested Shareholders) as at Announcement Date to accept the Share Offer, and to vote in favour of the GA Disposal at the Special Deal EGM.

#### ***Irrevocable Undertakings to accept Share Offer in cash***

LOG has received Irrevocable Undertakings, which amount to, in aggregate 104,072,176 Offer Shares (representing approximately 7.06% of the issued and outstanding share capital of the Company and 25.78% of the Offer Shares held by Disinterested Shareholders) as at Announcement Date from ACATIS Investment KVG mbH (as to 63,079,800 Offer Shares) and Global Alpha Capital Management Limited (as to 40,992,376 Offer Shares) to accept the Share Offer and receive the Offer Price in cash, and to vote in favour of all resolutions necessary to implement the Offers at a general meeting of the Company.

#### ***Irrevocable Undertaking to recommend Share Offer in cash***

In addition, as part of Global Alpha's Irrevocable Undertaking, with respect to an additional 11,704,731 Offer Shares (representing approximately 0.79% of the issued and outstanding share capital of the Company and 2.90% of the Offer Shares held by Disinterested Shareholders) in which Global Alpha's clients are interested and over which Global Alpha has investment discretion, Global Alpha has undertaken to LOG that it will recommend to its clients to accept the Share Offer and to receive the Offer Price in cash, and to vote in favour of all resolutions necessary to implement the Offers at a general meeting of the Company.

#### ***Non-binding Letters of Support***

LOG has also received Non-binding Letters of Support, which amount to, in aggregate, 37,397,200 Offer Shares (representing approximately 2.54% of the issued and outstanding share capital of the Company and 9.27% of the Offer Shares held by Disinterested Shareholders) as at Announcement Date from ACATIS (as to the remaining 27,034,200 Offer Shares that ACATIS manages that are not covered under the Irrevocable Undertaking) and Southeastern Asset Management, Inc. (as to 10,363,000 Offer Shares) confirming their intention to accept, or procure the acceptance of, the Share Offer and to receive the Offer Price, and to vote in favour of all resolutions necessary to implement the Offers at a general meeting of the Company.

See the section headed "Irrevocable Undertakings and Non-binding Letters of Support" for further details.

## **POSSIBLE COMPULSORY ACQUISITION AND WITHDRAWAL OF LISTING OF SHARES**

Pursuant to Article 18 and Rule 2.11 of the Takeovers Code, if Offeror acquires not less than 90% of the Offer Shares held by Disinterested Shareholders (by virtue of acceptances of the Share Offer or purchases) on or between Announcement Date and the date ending 4 months following Composite Document Date, Offeror will privatise the Company by exercising the right to which it is entitled under Article 18 to compulsorily acquire all remaining Offer Shares on the same terms as the Share Offer settled in cash at the Offer Price, following which the listing of Shares will be withdrawn from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules.

See the section headed “Possible compulsory acquisition and withdrawal of listing of Shares” for further details.

## **SPECIAL DEAL IN RESPECT OF GA DISPOSAL**

On 2 April 2024 (before trading hours), the Company announced that it had entered into a disposal agreement on 28 March 2024 with Lavender Investments Limited, a wholly-owned controlled corporation of Mr. André Hoffmann, in relation to the GA Disposal. Under the Listing Rules, the GA Disposal constitutes a connected, but not a discloseable, transaction.

The GA Disposal is considered a “special deal” under Rule 25 of the Takeovers Code and requires consent from the Executive. The Executive’s consent, if granted, would be conditional upon: (a) the Independent Financial Adviser giving a public opinion that the terms of the GA Disposal are fair and reasonable; and (b) Disinterested Shareholders approving, by ordinary resolution, the GA Disposal at the Special Deal EGM.

Accordingly, the Offers are conditional on, among others, the Executive granting consent to the GA Disposal. If the Executive’s consent is not granted (or the conditions to the Executive’s consent are not fulfilled), and Offeror waives this condition, the GA Disposal will be terminated and Offeror will proceed with the Offers.

See “Other arrangements — Special deal with respect to the GA Disposal” for more information.

## **ESTABLISHMENT OF THE INDEPENDENT BOARD COMMITTEE**

As mentioned in the Initial Announcement, the Independent Board Committee, comprising independent non-executive Directors, Mrs. Christèle Hiss Holliger and Ms. Betty Liu, has been established for the purpose of making a recommendation to Disinterested Shareholders and Award Holders in connection with the Offers (and acceptance and election (in the case of the Share Offer) thereof) and the GA Disposal (and voting thereon).

See the section headed “Independent Board Committee” for more information.

## **APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER**

As mentioned in the Initial Announcement, Somerley Capital Limited has been appointed as the Independent Financial Adviser (with the approval of the Independent Board Committee) to advise the Independent Board Committee in connection with the Offers (and acceptance and election (in the case of the Share Offer) thereof) and the GA Disposal (and voting thereon).

## **DESPATCH OF SPECIAL DEAL CIRCULAR AND COMPOSITE DOCUMENT**

### ***Special Deal Circular in respect of the GA Disposal***

On 4 June 2024, the Company published the Special Deal Circular, setting out, among others, (i) details of the GA Disposal; (ii) the letter from the Independent Board Committee containing its recommendation in respect of the GA Disposal; (iii) the letter of advice from the Independent Financial Adviser to the Independent Board Committee in respect of the GA Disposal (which contained the Independent Financial Adviser’s opinion that the terms of the GA Disposal are fair and reasonable); and (iv) notice of the Special Deal EGM for Disinterested Shareholders to consider, and if thought fit, approve the GA Disposal.



### *Composite Document*

Offeror and the Company will despatch the Composite Document containing, among other things, (i) details of the Offers and their terms and conditions (including the expected timetable); (ii) the letter from the Independent Board Committee containing its recommendation in respect of the Offers; (iii) the letter of advice from the Independent Financial Adviser to the Independent Board Committee in respect of the Offers; and (iv) the Forms of Acceptance, to Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code and other applicable laws and regulations.

### **RESUMPTION OF TRADING**

Trading in the Shares on the Stock Exchange has been halted from 9:00 a.m. on 17 June 2024 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 1:00 p.m. on 17 June 2024.

## **1. INTRODUCTION**

On 8 April 2024 (after trading hours), LOG informed the Board that, among other matters, LOG intended to make a firm conditional voluntary general offer for all Offer Shares pursuant to the Share Offer, as well as make appropriate arrangements for all Awards in accordance with Rule 13 of the Takeovers Code (being the Vested Option Offer and the Liquidity Arrangement). Details are set out in the Initial Announcement.

Under the Initial Announcement, LOG reserved the right to offer a share alternative, as described in the Initial Announcement, as an additional settlement method for the Share Offer (described as the “Potential Share Alternative Offer” in the Initial Announcement), and that if this right is exercised, a new announcement under Rule 3.5 of the Takeovers Code would be made. On 17 June 2024, LOG informed the Board that LOG intended to exercise this right. The purpose of this announcement is to set out the revised proposal for the Share Offer. In connection with this, LOG has established a newly incorporated holding company (being Offeror) for the purposes of making the Offers and issuing the Rollover Shares under the Share Alternative. As at the date of this announcement, Offeror is a wholly-owned subsidiary of LOG.

Details of the Share Offer (with an option to elect settlement by way of the Cash Alternative or the Share Alternative) and arrangements for Awards (which remain unchanged) are set out in the section headed “Overview of the Offers”.

## **2. OVERVIEW OF THE OFFERS**

As at Announcement Date, the total issued share capital of the Company comprises 1,476,964,891 Shares, of which 1,996,691 are Treasury Shares.

### **Share Offer to Minority Shareholders**

#### *Share Offer*

J.P. Morgan will, on behalf of Offeror, make the Share Offer to Minority Shareholders for all Offer Shares, in exchange for either:

**Cash Alternative** . . . . . HK\$34.00 in cash for each Offer Share; or

**Share Alternative** . . . . . 10 Rollover Shares for each Offer Share

The Share Offer will be extended to all holders of Offer Shares (being the Minority Shareholders) in accordance with the Takeovers Code. For the avoidance of doubt, the Treasury Shares will not be subject to the Share Offer.

### ***Election of settlement method***

Minority Shareholders who accept the Share Offer may elect, as a settlement method, either: (a) the Cash Alternative; or (b) the Share Alternative (and not a combination of both), with respect to their Offer Shares validly tendered for acceptance. Minority Shareholders who make an invalid election will receive the Cash Alternative by default.

**Only Offer Shares held by registered holders will be eligible for the Share Alternative.** Accordingly, Minority Shareholders who wish to elect the Share Alternative are required to withdraw the portion of their Offer Shares deposited in CCASS, if any, from CCASS and enter into the Company's Hong Kong share register, on or before the date that such Minority Shareholder delivers its acceptance for the Share Offer where the Share Alternative is elected. See the section headed "Further information on the Share Alternative — Withdrawal of Offer Shares from CCASS" for more information.

Offeror will take reasonable steps to put in place measures so that a Minority Shareholder is only able to elect one settlement method for the Share Offer (including requiring Share Alternative Holders with all or part of their Offer Shares held in CCASS on or after Composite Document Date to provide their account holder information as part of the acceptance form for the Share Alternative; and the Company will make enquiries under section 329 of the SFO), which will be further detailed in the Composite Document.

See the sections headed "Further information on the Cash Alternative" and "Further information on the Share Alternative" for more information on, among other things, a comparison of the Offer Price, settlement arrangements, the Share Alternative Cap, and summary of Rollover Shares.

**The Offer Price will not be increased, and Offeror does not reserve the right to do so. Shareholders, Award Holders and potential investors should be aware that, following the making of this statement, Offeror will not be allowed to increase the Offer Price.**

### **Vested Option Offer to Vested Option Holders**

In accordance with Rule 13 of the Takeovers Code and Practice Note 6 to the Takeovers Code, J.P. Morgan will, on behalf of Offeror, make the Vested Option Offer to Vested Option Holders to cancel their Vested Options at the Award Cancellation Price, calculated as the "see-through" price (being the Offer Price *less* the exercise price of each such Vested Option), as follows:

	<b>Number of Vested Options</b>	<b>Exercise price per Vested Option</b>	<b>Award Cancellation Price per Vested Option</b>
(a)	1,045,200 Options	HK\$14.50 exercise price . . . . .	HK\$19.50 in cash
(b)	594,150 Options	HK\$15.16 exercise price . . . . .	HK\$18.84 in cash

For the avoidance of doubt, by accepting the Vested Option Offer, the relevant Vested Option Holder agrees that each Vested Option held by them will be canceled in exchange for the relevant Award Cancellation Price.

See the section headed "Further information on the Vested Option Offer" for more information.

### **Liquidity Arrangement to Unvested Award Holders**

Unvested Awards will not be accelerated for vesting and all Unvested Awards will remain to be vested under the existing schedule and conditions of grant under the relevant Share Incentive Plans. See the section headed "Further information on the Liquidity Arrangement" for more information on, among other things, material terms of the Liquidity Arrangement and Liquidity Agreement.



### 3. FURTHER INFORMATION ON THE CASH ALTERNATIVE

#### Settlement of the Cash Alternative

Settlement of the consideration payable by Offeror for valid acceptances of the Share Offer which have elected the Cash Alternative will be made as soon as possible and in any event no later than 7 business days after the later of: (i) the date of receipt of a completed and valid acceptance in respect of the Share Offer which have elected Cash Alternative; and (ii) the Offer Unconditional Date, or as otherwise consented to by the Executive and announced by Offeror and/or the Company. Relevant documents evidencing title must be received by the Hong Kong Share Registrar on behalf of Offeror to render the acceptance of the Share Offer by Minority Shareholders who have elected the Cash Alternative complete, valid and in compliance with Note 1 to Rule 30.2 of the Takeovers Code.

No fractions of a cent will be payable, and the amount of consideration payable to a Shareholder who accepts the Cash Alternative will be rounded up to the nearest cent, or as otherwise consented to by the Executive and announced by Offeror and/or the Company.

#### Offer Price and comparisons of value

The Offer Price of HK\$34.00 per Offer Share represents:

- (a) a premium of approximately 30.77% over the closing price of HK\$26.00 per Share as quoted on the Stock Exchange on the Undisturbed Date;
- (b) a premium of approximately 36.11% over the average closing price of HK\$24.98 per Share, being the average closing price of Shares as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to and including the Undisturbed Date;
- (c) a premium of approximately 40.55% over the average closing price of HK\$24.19 per Share, being the average closing price of Shares as quoted on the Stock Exchange for the ten (10) consecutive trading days immediately prior to and including the Undisturbed Date;
- (d) a premium of approximately 49.91% over the average closing price of HK\$22.68 per Share, being the average closing price of Shares as quoted on the Stock Exchange for the thirty (30) consecutive trading days immediately prior to and including the Undisturbed Date;
- (e) a premium of approximately 60.83% over the average closing price of HK\$21.14 per Share, being the average closing price of Shares as quoted on the Stock Exchange for the sixty (60) consecutive trading days immediately prior to and including the Undisturbed Date;
- (f) a premium of approximately 15.25% over the closing price of HK\$29.50 per Share as quoted on the Stock Exchange on the trading date prior to Initial Announcement Date (being on 8 April 2024);
- (g) a premium of approximately 4.13% over the closing price of HK\$32.65 per Share as quoted on the Stock Exchange on the trading date prior to Announcement Date;
- (h) a premium of approximately 402.22% over the audited consolidated net asset value attributable to owners of the Company per Share of approximately EUR0.81 (equivalent to approximately HK\$6.77) as at 31 March 2023, based on the total number of issued and outstanding Shares as at 31 March 2023; and
- (i) a premium of approximately 545.16% over the unaudited consolidated net asset value attributable to owners of the Company per Share of approximately EUR0.63 (equivalent to approximately HK\$5.27) as at 30 September 2023, based on the total number of issued and outstanding Shares as at 30 September 2023.

#### Highest and lowest closing prices of the Shares

During the six-month period immediately prior to and including the Undisturbed Date, the highest closing price of Shares as quoted on the Stock Exchange was HK\$27.80 per Share on 31 August 2023, and the lowest closing price of Shares as quoted on the Stock Exchange was HK\$18.12 per Share on 29 November 2023.

During the six-month period immediately prior to and including the trading date immediately prior to Initial Announcement Date (being 8 April 2024), the highest closing price of Shares as quoted on the Stock Exchange was HK\$32.00 per Share on 2 April 2024, and the lowest closing price of Shares as quoted on the Stock Exchange was HK\$18.12 per Share on 29 November 2023.

During the six-month period immediately prior to and including the trading date immediately prior to Announcement Date, the highest closing price of Shares as quoted on the Stock Exchange was HK\$32.80 per Share on 3 June 2024 and 6 June 2024, and the lowest closing price of Shares as quoted on the Stock Exchange was HK\$19.90 per Share on 18 December 2023.

#### Further terms

See the section headed “Further terms of the Offers — Acceptance of the Offers” for more information.

#### 4. FURTHER INFORMATION ON THE SHARE ALTERNATIVE

##### Cap on the Share Alternative

**The maximum number of Offer Shares to be exchanged for Rollover Shares pursuant to valid acceptances of the Share Offer electing to receive the Share Alternative shall not exceed the Share Alternative Cap (being 73,743,145 Offer Shares, representing 5% of the total issued and outstanding shares of the Company as at Initial Announcement Date; exchangeable for 737,431,450 Rollover Shares).** In the event that the total number of Offer Shares in respect of which valid acceptances of the Share Offer electing the Share Alternative are received exceed the Share Alternative Cap, the number of Offer Shares validly tendered for acceptance to be settled by the Share Alternative (with each such Offer Share being exchanged for 10 Rollover Shares) for each Share Alternative Holder (being “Share Alternative Holders”) shall be reduced on a *pro rata* basis pursuant to the formula set out below (“**Pro Rata Downward Adjustment Mechanism**”), and the consideration for the remaining portion of each such Share Alternative Holder’s respective Offer Shares validly tendered for acceptance will be settled in cash at the Offer Price.

- (a) the number of Offer Shares validly tendered for acceptance by each Share Alternative Holder that will be exchanged for Rollover Shares under the Share Alternative shall be calculated as follows:

$$NS = \frac{A}{B} \times C$$

“NS” = number of Offer Shares validly tendered for acceptance by that Share Alternative Holder that will be exchanged for Rollover Shares under the Share Alternative

“A” = Share Alternative Cap (being 73,743,145 Offer Shares)

“B” = aggregate number of Offer Shares validly tendered for acceptance by all Share Alternative Holders, provided that such amount is equal to or greater than the Share Alternative Cap

“C” = total number of Offer Shares validly tendered for acceptance by that Share Alternative Holder

- (b) the remaining number of Offer Shares validly tendered for acceptance by each such Share Alternative Holder shall be settled in cash at the Offer Price.

No fractions of a share or a cent will be issued or paid, respectively, and the number of Rollover Shares issuable to a Shareholder who accepts the Share Alternative will be rounded down to the nearest Rollover Share, or as otherwise consented to by the Executive and announced by Offeror and/or the Company, whilst payments in cash, if any, will be rounded up to the nearest cent.

The decision of Offeror as to any downward adjustment in respect of valid acceptances of the Share Alternative in accordance with the *Pro Rata Downward Adjustment Mechanism* and as to the treatment of fractions will be conclusive and binding on all Shareholders.

## Value of the Rollover Shares

The Rollover Shares will be shares of a newly incorporated, unlisted company incorporated in Luxembourg. Following completion of the Offers, Offeror will own the Company, and the value of Rollover Shares will be primarily determined by the value of the Company and the shareholder loan from LOG to Offeror for the purpose of funding the Offers. Details of the estimates of value of the Offeror Shares will be set out in the Composite Document.

## Withdrawal of Offer Shares from CCASS

**Only Offer Shares held by registered holders will be eligible for the Share Alternative.** For Qualifying Shareholders who hold all or part of their Offer Shares in CCASS and wish to elect the Share Alternative, their Offer Shares must first be withdrawn from CCASS by:

- (a) contacting their CCASS Participant(s) (or nominee/custodian) and make the withdrawal request; physical share certificate(s) in the name of HKSCC Nominees Limited will be withdrawn accompanying transfer form(s). The transfer form(s) should be duly completed, signed and stamped by the Hong Kong Stamp Duty Office at the Hong Kong Inland Revenue Department;
- (b) following step (a) above, arranging delivery of the original duly completed, signed and stamped transfer form(s), together with the original share certificate(s) in the name of HKSCC Nominees Limited and associated fee to the Hong Kong Share Registrar (at address: Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong; between the office hours: 9:00 a.m. to 4:30 p.m., Hong Kong time, on a business day) for re-registration to the name of the Minority Shareholder; and
- (c) in 10 business days after receipt by the Hong Kong Share Registrar of the documents at step (b) above, arranging collection from the Hong Kong Share Registrar of the original share certificate(s) in the name of the Minority Shareholder.

**The above procedure is for guidance only and Minority Shareholders who wish to withdraw their Offer Shares from CCASS should consult their CCASS Participant(s) (or nominee/custodian) for further information and assistance on the withdrawal process.**

**NOTICE TO QUALIFYING SHAREHOLDERS: If you wish to elect the Share Alternative, you must first withdraw your Offer Shares from CCASS and record your Offer Shares on the Company’s Hong Kong share register. This process may take time and will be based on your CCASS Participant(s) (or nominee/custodian). Please contact your CCASS Participant(s) (or nominee/custodian) as soon as possible to enquire about timing and follow their instructions on withdrawal. You must have your original share certificate (evidencing the Offer Shares being tendered for acceptance of the Share Alternative are registered on the Company’s Hong Kong share register in your name) or the transfer receipt (showing that the Offer Shares are in the process of being recorded on the Company’s Hong Kong share register in your name) when lodging your acceptance form for the Share Alternative.**

## Settlement of the Share Alternative

The total number of Offer Shares in respect of which valid acceptances of the Share Alternative have been received can only be determined after Offer Closing Date, following which, if the Share Alternative Cap has been exceeded, Offeror will apply the *Pro Rata* Downward Adjustment Mechanism.

Additionally, settlement of Offer Shares in respect of valid acceptances of the Share Alternative will be subject to the following settlement mechanism:

- (a) migration of the Offer Shares from the Company’s Hong Kong share register to the Company’s Luxembourg share register; and
- (b) contribution of the Offer Shares from the Share Alternative Holder to Offeror in exchange for Rollover Shares (and, where the *Pro Rata* Downward Adjustment Mechanism has been applied, together with cash at the Offer Price).

Accordingly, settlement of the consideration payable by Offeror in respect of acceptances of the Share Alternative will be made as soon as possible, and in any event not more than 14 business days after the Offer Closing Date. Offeror will apply to the Executive before Composite Document Date for a waiver from strict compliance with Rule 20.1 of the Takeovers Code for settlement to Share Alternative Holders in respect of the Share Alternative.

Relevant documents evidencing title must be received by the Hong Kong Share Registrar on behalf of Offeror to render acceptances of the Share Offer by Minority Shareholders who have elected the Share Alternative complete, valid and in compliance with Note 1 to Rule 30.2 of the Takeovers Code.

#### **Documentation required for election of the Share Alternative**

Accordingly, the following documentation will be required to be brought to the Hong Kong Share Registrar for election of the Share Alternative, further details of which will be set out in the Composite Document and the forms of which will be despatched together with the Composite Document on Composite Document Date:

- (a) Evidence of Title for the Offer Shares held by the Share Alternative Holder (and for holders with all or part of their Offer Shares held in CCASS, following withdrawal of these Offer Shares from CCASS);
- (b) duly completed acceptance form for electing the Share Alternative; and
- (c) the KYC information/documentation to be stated in the acceptance form for the Share Alternative, for the purposes of being issued the Rollover Shares and recording details of the Share Alternative Holder on the Offeror's register of members.

#### **Non-qualifying Shareholders not eligible for Share Alternative**

The Share Alternative, and receipt of Rollover Shares, are subject to the laws and regulations of the jurisdiction in which the Minority Shareholders are subject. Minority Shareholders wishing to elect the Share Alternative should be aware of the laws and regulations of their jurisdiction and ensure that they are able to elect the Share Alternative and receive Rollover Shares. Additionally, Rollover Shares issued will not be registered under any securities laws in any jurisdiction (including Hong Kong or overseas) and may only be issued to persons resident in a jurisdiction pursuant to an exemption from the requirements of the securities laws or regulations of that jurisdiction. In particular:

- (a) **Stock Connect Investors.** Investors who are interested in the Offer Shares through the Shanghai-Hong Kong Stock Connect or the Shenzhen-Hong Kong Stock Connect (collectively, “**Stock Connect**”) may not be eligible to elect the Share Alternative pursuant to Article 24 of the Implementation Rules for Registration, Depository and Clearing Services under the Mainland-Hong Kong Stock Markets Connect Programme (《內地與香港股票市場交易互聯互通機制登記、存管、結算業務實施細則》); as at Announcement Date, these investors represent approximately 1.16% of the total issued and outstanding share capital of the Company.
- (b) **Certain overseas holders.** Minority Shareholders in jurisdictions where: (i) the laws or regulations of that jurisdiction restrict Offeror from distributing, or the holder of Offer Shares from accepting, the Rollover Shares under the Share Alternative; or (ii) doing so would expose Offeror or the holder of Offer Shares to significant civil, regulatory or criminal risk, and Offeror considers the exclusion of that jurisdiction to be necessary or expedient on account of these legal restrictions or risks, may not be eligible to elect the Share Alternative.

See the section headed “Notice to overseas Shareholders” for further information. Further information on this will be provided in the Composite Document and Forms of Acceptance.

#### **Summary of Rollover Shares**

See “Appendix A” to this announcement for a summary of key information about, and terms and conditions, attached to the Rollover Shares.

## Risk factors

For Qualifying Shareholders who elect the Share Alternative, your attention is drawn to certain risk factors and other considerations to be set out in more detail in the Composite Document. Certain key risk factors and considerations are summarised below:

- (a) the Rollover Shares are securities in a private and unlisted company incorporated in and governed by the laws of Luxembourg, and as of Announcement Date, Offeror has no intention for these securities to be listed or admitted to trading on any exchange or market, or be quoted on any inter-dealer system; accordingly, these securities will be illiquid and Offeror believes that it is unlikely that an active trading market will develop for the Rollover Shares;
- (b) as of Announcement Date, there is no intention or plan for all or any part of the business of the Company to be re-listed on any stock exchange, and there can be no assurance of such intention or plan in the future;
- (c) your interest in Offeror will be that of a minority shareholder with limited shareholder protection rights and you will not have the benefits and protections of the Listing Rules in terms of disclosure of material information, appointment of directors (including independent non-executive directors) and restrictions on connected or notifiable transactions of Offeror group;
- (d) the value of Offeror and your Rollover Shares in the future remains uncertain and there can be no assurance that your Rollover Shares can be sold in the future for a value that is at least the same as the Offer Price;
- (e) transfer of Rollover Shares are subject to transfer restrictions stipulated in Offeror's amended articles of association (which is summarised in "Appendix A" to this announcement, and will be further set out in the Composite Document);
- (f) there is no dividend policy in respect of the Rollover Shares; and dividend payments in respect of the Rollover Shares will not be guaranteed or secured. Payment of dividends on the Rollover Shares (if any) would solely depend on whether such payment is recommended or declared by Offeror's board of directors;
- (g) changes in the business and economic environment, and competition in the global skincare and cosmetics industry could adversely affect the profitability of Offeror and its assets;
- (h) the Company may no longer remain a "public company" under the Codes on Takeovers and Mergers and Share Buy-backs, in which case, the protections under these codes will not be applicable or afforded to Share Alternative Holders (whether the Company remains a "public company" under these codes will depend on a number of factors that the Executive will take into account, including among others, the number of Hong Kong shareholders in the Company or Offeror, and the extent of Shares or Offeror Shares traded in Hong Kong); and
- (i) LOG or Offeror may pledge, or otherwise encumber, part or all of the Shares, or the Company may pledge, or otherwise encumber, part or all of its securities in members of the Group, from time to time, in connection with financing arrangements, in which case, the rights attached to, or value of, Offeror Shares may be affected.

See the sections headed "Notice to overseas Shareholders" and "Further terms of the Offers — Acceptance of the Offers" and "Appendix A" to this announcement for more information.

## 5. OUTSTANDING AWARDS

As at Announcement Date, the Company has a total of 9,836,027 Awards outstanding (vested and unvested), comprising the following:

	<b>Number of Awards outstanding (vested and unvested)</b>	<b>Exercise/issue price per Award</b>	<b>Number of Vested Awards</b>	<b>Number of Unvested Awards</b>
(a)	1,045,200 Options	HK\$14.50 exercise price	1,045,200 Options	None

(b)	594,150 Options	HK\$15.16 exercise price	594,150 Options	None
(c)	6,530,400 Options <sup>(1)</sup>	HK\$20.67 exercise price	None	6,530,400 Options
(d)	1,666,277 Free Shares <sup>(2)</sup>	Nil issue price	None	1,666,277 Free Shares

Notes:

- (1) The vesting date for these Options is: 27 October 2025.
- (2) The vesting dates for these Free Shares are: (a) 30 June 2027 (for 808,531 Free Shares granted to Mr. Laurent Marteau); and (b) 30 June 2026 (for the remaining 857,746 Free Shares).

Each Award entitles the Award Holder to receive one Award Share.

## 6. FURTHER INFORMATION ON THE VESTED OPTION OFFER

### Notice to Vested Option Holders

In accordance with the relevant Share Incentive Plans, which provide that the Company may send notice to Vested Option Holders specifying the exercise period and when the balance of Vested Options may lapse, the Company has sent the Share Incentive Notice to all Award Holders, pursuant to which: (a) all Vested Options: (i) may only be exercised on or between Initial Announcement Date and 20 May 2024; or (ii) if not exercised, will be eligible for the Vested Option Offer on and between Composite Document Date and Offer Closing Date; and (b) if the Vested Option Holder takes neither action under (i) nor (ii), their Vested Options shall lapse after Offer Closing Date.

Accordingly:

- (a) Vested Option Holders who hold Vested Options will be eligible to participate in the Vested Option Offer; and
- (b) all remaining Vested Options in respect of which the Vested Option Holder has not validly accepted the Vested Option Offer on or before Offer Closing Date, will automatically and immediately lapse after Offer Closing Date (in accordance with the relevant Share Incentive Plans and the Share Incentive Notice).

Key dates to note for Vested Option Holders are set out below:

	Period	Event
(i)	Composite Document Date . . . . .	First date to accept Vested Option Offer
(ii)	Offer Unconditional Date . . . . .	Vested Option Offer becomes unconditional
(iii)	Offer Closing Date . . . . .	Last date to accept the Vested Option Offer
(iv)	Day following Offer Closing Date . . . . .	Vested Options lapse <sup>(1)</sup>

Note:

- (1) Other than Vested Options in respect of which valid acceptances have been received by Offeror under the Vested Option Offer. If the Offers are terminated or withdrawn before Offer Unconditional Date, then Vested Options will not lapse after Offer Closing Date and Vested Options will continue to be exercisable between (x) the date that Offeror and/or the Company announces that the Offers have been terminated or are withdrawn; and (y) the end of the original exercise period, in accordance with the existing conditions of grant under the relevant Share Incentive Plan.

**NOTICE to Vested Option Holders: If you do not accept the Vested Option Offer on or between Composite Document Date and Offer Closing Date, then your Vested Options will automatically and immediately lapse after Offer Closing Date.**



## Settlement of Vested Option Offer

Settlement of the consideration payable by Offeror in respect of valid acceptances of the Vested Option Offer will be made as soon as possible and in any event no later than 7 business days after the later of: (i) the date of receipt of a completed and valid acceptance in respect of the Vested Option Offer; and (ii) the Offer Unconditional Date, or as otherwise consented to by the Executive and announced by Offeror and/or the Company.

No fractions of a cent will be payable, and the amount of consideration payable to a Vested Option Holder who accepts the Vested Option Offer will be rounded up to the nearest cent, or as otherwise consented to by the Executive and announced by Offeror and/or the Company.

### Further terms

See the section headed “Further terms of the Offers — Acceptance of the Offers” for more information.

## 7. FURTHER INFORMATION ON THE LIQUIDITY ARRANGEMENT

### Liquidity Arrangement and material terms of the Liquidity Agreement

In accordance with the relevant Share Incentive Plans and the Share Incentive Notice to all Award Holders, Unvested Awards will be treated as follows:

- (a) no Unvested Awards will be accelerated, and all Unvested Awards will continue to vest in accordance with the existing schedule and conditions of grant under the relevant Share Incentive Plans; and
- (b) all Unvested Awards shall remain to be vested in accordance with the existing schedule and conditions of grant under the relevant Share Incentive Plans and Unvested Award Holders will be eligible to participate in the Liquidity Arrangement.

Offeror proposes to enter into a Liquidity Agreement with each Unvested Award Holder pursuant to which Offeror will, in accordance with Rule 13 of the Takeovers Code and Practice Note 6 to the Takeovers Code, pay to the Unvested Award Holder the Award Cancellation Price to cancel each Award following its vesting in accordance with the existing schedule and conditions of grant under the relevant Share Incentive Plan; with the Award Cancellation Price calculated as: (i) the “see-through” price (being the Offer Price *less* the exercise price of each such vested Option); or (ii) the equivalent of the Offer Price (for each vested Free Share).

The material terms of the Liquidity Arrangement are set out below:

<b>Parties to each Liquidity Agreement:</b>	Offeror and relevant Unvested Award Holder.
<b>Treatment prior to acquisition:</b>	The Unvested Awards shall continue to vest in accordance with, and subject to, the existing schedule and conditions of grant under the relevant Share Incentive Plans.
<b>Period within which to enter into the Liquidity Agreement:</b>	Between Composite Document Date and Offer Closing Date.
<b>Award Cancellation Price:</b>	Offeror shall pay the Unvested Award Holder the Award Cancellation Price for each Award following its vesting, as follows:  For each Option following vesting with exercise price of HK\$20.67. . . . . HK\$13.33 in cash  For each Free Share following vesting. . . . . HK\$34.00 in cash
<b>Governing law:</b>	The laws of Hong Kong.

**Effective date of Liquidity Agreement:** Offer Unconditional Date.

**Conditions of Liquidity Arrangement:** As noted in the section headed “Conditions of the Offers — Conditions of the Vested Option Offer and the Liquidity Arrangement”, the Liquidity Arrangement is conditional upon the Share Offer becoming or being declared unconditional in all respects.

**NOTICE to Unvested Award Holders: If you do not enter into a Liquidity Agreement on or before Offer Closing Date, you will become a Shareholder of a privately-operated company upon vesting and exercise (in the case of Options) or allocation (in the case of Free Shares) of your Awards (assuming that the Offers become or are declared unconditional in all respects and the Shares are delisted from the Stock Exchange).**

#### **Settlement under the Liquidity Arrangement**

Under the Liquidity Arrangement, payments will be made to all Unvested Award Holders who have entered into a Liquidity Agreement following vesting of their relevant Awards in accordance with the existing schedule and conditions of grant under the relevant Share Incentive Plans, Award Holders will receive payment on a staggered basis and in accordance with the terms of the Liquidity Agreement, which will be further set out in the Composite Document.

Accordingly, based on the existing vesting dates under the Share Incentive Plans, the settlement of the consideration payable by Offeror under the Liquidity Arrangement will not be made within 7 business days after the later of Offer Unconditional Date and the date of each Liquidity Agreement in accordance with Rule 20.1 of the Takeovers Code. Offeror will apply to the Executive prior to Composite Document Date for a waiver from strict compliance with Rule 20.1 of the Takeovers Code for settlement to Unvested Award Holders under the Liquidity Arrangement.

#### **Further terms**

See the section headed “Further terms of the Offers — Acceptance of the Offers” for more information.

## **8. VALUE OF THE OFFERS AND FUNDING**

#### **Total value of the Share Offer and the Vested Option Offer**

The maximum value of (and amount payable by Offeror under) the Share Offer made to holders of Offer Shares is HK\$13,850,947,506.00; based on the assumptions that: (i) all holders of Offer Shares accept the Share Offer and elect the Cash Alternative in full; and (ii) there are no other changes to the relevant securities of the Company.

The maximum value of (and amount payable by Offeror under) the Vested Option Offer made to Vested Option Holders is HK\$31,575,186.00; based on the assumption that all Vested Option Holders accept the Vested Option Offer in full.

#### **Total value of the Liquidity Arrangement**

Additionally, the maximum value of (and amount payable by Offeror under) the Liquidity Arrangement made to Unvested Award Holders is HK\$143,703,650.00; based on the assumptions that: (i) each Unvested Award Holder enters into a Liquidity Agreement; and (ii) all Unvested Awards are vested in full.

#### **Funding for the Offers**

Offeror intends to finance the consideration payable by Offeror under the Offers through the Offeror Shareholder Loan, which in turn is funded by: (i) external debt facilities provided by Crédit Agricole Corporate and Investment Bank to LOG; and (ii) a shareholder’s loan from Holdco to LOG that is funded by paid-in-kind (PIK) loan note financing from: (a) Blackstone Rio Holdings (CYM) L.P. (“**Blackstone Investor**”); and (b) the West Street Strategic Solutions funds or other investment vehicles or accounts that are managed or advised by Goldman Sachs Asset Management International or its affiliates. LOG has undertaken to Offeror to pay on Offeror’s behalf the cash consideration payable under the Offers.

Blackstone Investor is an exempted limited partnership established in the Cayman Islands. As at Announcement Date, Blackstone Investor is wholly-owned by funds managed by Blackstone Inc. and its affiliates and such funds are ultimately controlled by Blackstone Inc. Blackstone Inc. is listed on the New York Stock Exchange (NYSE: BX).

Goldman Sachs Asset Management International is ultimately controlled by The Goldman Sachs Group, Inc., a bank holding company and a financial holding company regulated by the Board of Governors of the Federal Reserve System.

J.P. Morgan, the exclusive financial adviser to Offeror in respect of the Offers, is satisfied that sufficient financial resources are available to Offeror to satisfy the maximum amount of consideration required to effect the Offers.

## 9. CONDITIONS OF THE OFFERS

### Conditions of the Share Offer

The Share Offer is subject to fulfillment or waiver (if waivable) of the following Conditions:

- (a) valid acceptances of the Share Offer having been received (and not withdrawn) by 4:00 p.m. on Offer Closing Date (or such later time or date as Offeror may decide, subject to the rules of the Takeovers Code) in respect of such number of Offer Shares which, together with purchases, would result in Offeror holding not less than 90% of the Offer Shares held by Disinterested Shareholders;
- (b) no event having occurred that would: (a) make: (i) the Offers, (ii) the acquisition of the Offer Shares, or (iii) any lapse of unexercised Vested Options after Offer Closing Date, void, unenforceable or illegal; (b) prohibit the implementation of the Offers or treatment of Awards as described in this announcement; or (c) impose any additional material conditions or obligations with respect to the Offers;
- (c) all necessary consents (including amendments or waivers) in connection with the Offers (or structuring thereof, including financing) and in connection with the withdrawal of listing of the Shares from the Stock Exchange, which may be required under any existing contractual obligations of the Company having been obtained and remaining in effect (i.e., the consents required to be given by the counterparty(ies) of any contracts entered into between the Company and such counterparty(ies) when the Company withdraws the listing of its Shares on the Stock Exchange, pursuant to the terms of such contracts);
- (d) no relevant government, governmental, quasi-governmental, statutory or regulatory body, court or agency in Hong Kong, Luxembourg or any other applicable jurisdiction (i) having taken or instituted or initiated any outstanding action, proceeding, suit, investigation or enquiry; or (ii) having issued or proposed to issue any legislation, regulations or other guidance, that would make the Offers or the treatment of Awards or their respective implementation in accordance with their respective terms as described in this announcement and to be set out in the Composite Document void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Offers or their implementation in accordance with their terms);
- (e) since Initial Announcement Date and as of the first closing date (being the date to be stated in the Composite Document as the first closing date of the Share Offer), there having been no material adverse change in the business, financial condition, trading position or prospects (whether operational, legal or otherwise) of the Group (to an extent which is material in the context of the Group taken as a whole); and
- (f) obtaining consent from the Executive in respect of the GA Disposal, which in turn, is conditional upon: (i) the Independent Financial Adviser giving a public opinion that the terms of the GA Disposal are fair and reasonable; and (ii) Disinterested Shareholders approving, by ordinary resolution, the GA Disposal at the Special Deal EGM.

Other than Condition (a), Offeror reserves the right to waive, in whole or in part, all or any of the Conditions above.

With respect to Condition (c) above, as of Announcement Date, based on information available to Offeror, Offeror anticipates that certain waivers or consents from, and amendments to the terms of certain existing debt facility agreements with, the Group's material creditors will need to be obtained in respect of the Offers, the financing for the Offers or the withdrawal of listing of the Shares from the Stock Exchange. Offeror will use its best efforts to obtain

any and all necessary waivers, consents or amendments of the Group's material debt facilities. For the avoidance of doubt, but without prejudice to Condition (c) above regarding obtaining waivers from the Group's material creditors as a condition to the Share Offer, the terms of the financing for the funding by Offeror for the Offers are not themselves conditional upon obtaining such consents and waivers.

With respect to Condition (f), if the Executive's consent is not granted (or the conditions to the Executive's consent are not fulfilled), and Offeror waives this condition, the GA Disposal will be terminated and Offeror will proceed with the Offers.

Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, Offeror should not invoke any or all of the Conditions (other than Condition (a)) so as to cause the Offers to lapse unless the circumstances that give rise to the right to invoke any such Condition are of material significance to Offeror in the context of the Offers.

As at Announcement Date, the Conditions have not been fulfilled. If the above Conditions are not fulfilled or waived (if waivable) on or before the Long Stop Date, the Share Offer will lapse unless the Share Offer is extended by Offeror in accordance with the Takeovers Code. Offeror will issue an announcement in relation to the revision, extension or lapse of the Share Offer or fulfilling or waiving (if waivable) the Conditions in accordance with the Takeovers Code and the Listing Rules. In accordance with Rule 15.5 of the Takeovers Code, the latest time on which the Share Offer may become or may be declared unconditional as to acceptances is 7:00 p.m. on the 60th day after Composite Document Date (or such later date to which the Executive may consent).

#### **Conditions of the Vested Option Offer and the Liquidity Arrangement**

The Vested Option Offer and the Liquidity Arrangement are each conditional upon the Share Offer becoming or being declared unconditional in all respects.

#### **Offers to remain open for at least 14 calendar days after Offer Unconditional Date**

In accordance with Rule 15.3 of the Takeovers Code, Offeror must publish an announcement when the Share Offer becomes unconditional as to acceptances and when the Share Offer becomes or is declared unconditional in all respects. The Offers shall remain open for acceptance for at least 14 calendar days after the Offer Unconditional Date to give all remaining Minority Shareholders and Award Holders a final opportunity to accept the Offers. Shareholders are reminded that Offeror does not have any obligation to keep the Offers open for acceptance beyond this 14-day period.

**WARNING: Shareholders and potential investors of the Company should note that the Share Offer is subject to the Conditions described above. Additionally, Award Holders should note that the Vested Option Offer and the Liquidity Arrangement are each subject to the Share Offer becoming or being declared unconditional in all respects. The Conditions may or may not be fulfilled and/or waived and accordingly the Share Offer may or may not proceed (and the Vested Option Offer and the Liquidity Arrangement may or may not take effect). Shareholders, Award Holders and potential investors of the Company are advised to exercise extreme caution when dealing in the Shares and other securities of the Company, and if they are in doubt about their positions, they should consult their professional advisers.**

### **10. POSSIBLE COMPULSORY ACQUISITION AND WITHDRAWAL OF LISTING OF SHARES**

Under Article 18, Offeror will be entitled to exercise the compulsory acquisition right once Offeror has acquired not less than 90% in value of the Shares for which the Share Offer is made (by virtue of acceptances of the offer or otherwise) during the period of 4 months beginning on Composite Document Date (being the date the Share Offer commences); following which, Offeror has within a period of 5 months after Composite Document Date to issue a compulsory acquisition notice to Shareholders, to acquire on a compulsory basis, the remaining Shares (being those Shares subject to the Share Offer not already owned or acquired by Offeror or Shares in respect of which valid acceptances have not been received under the Share Offer).

Under Rule 2.11 of the Takeovers Code, in addition to satisfying any requirements imposed by law, and except with the consent of the Executive, Offeror may only exercise such compulsory acquisition right if Offeror Concert Group obtains acceptances of the offer and purchases (in each case of the Offer Shares held by Disinterested Shareholders) on or between Announcement Date and the date ending 4 months following Composite Document Date totaling 90% of the Offer Shares held by Disinterested Shareholders.

Subject to the satisfaction of the Conditions and requirements under Article 18 and Rule 2.11 of the Takeovers Code, Offeror will privatise the Company by exercising the right to which it is entitled under Article 18 to compulsorily acquire all remaining Offer Shares not already owned by Offeror under the Share Offer in cash at the Offer Price, following which listing of the Shares will be withdrawn from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules. The Company will comply with the relevant requirements of the Listing Rules in this regard, and an application will be made for the withdrawal of the listing of the Shares from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules.

**If the abovementioned threshold under Article 18 required for compulsory acquisition and the requirements of Rule 2.11 of the Takeovers Code are satisfied on or before Offer Closing Date, dealings in the Shares may be suspended from Offer Closing Date up to the withdrawal of listing of the Shares from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules.**

Whilst it is the intention of Offeror to privatise the Company, Offeror's ability to exercise rights of compulsory acquisition in respect of the Offer Shares is dependent on the prescribed threshold required for compulsory acquisition under Article 18 and on the requirements of Rule 2.11 of the Takeovers Code being satisfied.

In the event that Condition (a) is not met, Offeror will not be able to effect the compulsory acquisition, in which case the Share Offer will not become unconditional and will lapse and the Shares will remain listed on the Stock Exchange.

## **11. IRREVOCABLE UNDERTAKINGS AND NON-BINDING LETTERS OF SUPPORT**

**Irrevocable Undertaking from Pleasant Lake Partners to accept Share Offer (“Pleasant Lake Partners Irrevocable Undertaking”)**

LOG has received an Irrevocable Undertaking from Pleasant Lake Partners LLC in respect of 47,956,250 Offer Shares (“Pleasant Lake Partners undertaken interest”, representing approximately 3.25% of the issued and outstanding share capital of the Company and 11.88% of the Offer Shares held by Disinterested Shareholders) as at Announcement Date to accept the Share Offer.

Pursuant to the Pleasant Lake Partners Irrevocable Undertaking, Pleasant Lake Partners has irrevocably undertaken to:

- (a) accept the Share Offer in respect of all of the Pleasant Lake Partners undertaken interest and to elect either the Cash Alternative or the Share Alternative;
- (b) not withdraw any acceptances of the Share Offer in respect of all of the Pleasant Lake Partners undertaken interest;
- (c) exercise, or direct the exercise of, all voting rights attached to the Pleasant Lake Partners undertaken interest to vote in favour of the GA Disposal in the general meeting of the Company; and
- (d) not sell, transfer, encumber or accept any other offer in respect of the Pleasant Lake Partners undertaken interest prior to the earlier of the closing or lapsing of the Share Offer.

The Pleasant Lake Partners Irrevocable Undertaking will lapse only upon an announcement that the Share Offer has terminated, lapsed or been withdrawn by Offeror, or if earlier, the Long Stop Date (to the extent the conditions to the Offers have not been satisfied or waived by that date).

### **Irrevocable Undertakings to accept Share Offer in cash**

LOG has received Irrevocable Undertakings, which amount to, in aggregate, 104,072,176 Offer Shares (representing approximately 7.06% of the issued and outstanding share capital of the Company and 25.78% of the Offer Shares held by Disinterested Shareholders) as at Announcement Date to accept the Share Offer and receive the Offer Price in cash, and to vote in favour of all resolutions necessary to implement the Offers at a general meeting of the Company. In particular, LOG has received an Irrevocable Undertaking from:

- (a) *ACATIS Investment KVG mbH*, in respect of 63,079,800 Offer Shares (“**ACATIS undertaken interest**”) to accept the Share Offer and to receive the Offer Price in cash, and to vote all Shares controlled by them at the time of such general meeting (being 90,114,000 Shares as at Announcement Date) in favour of all resolutions necessary to implement the Offers at a general meeting of the Company.

The ACATIS undertaken interest represent approximately 4.28% of the issued and outstanding share capital of the Company, and 15.63% of the Offer Shares held by Disinterested Shareholders, as at Announcement Date.

- (b) *Global Alpha Capital Management Limited*, in respect of 40,992,376 Offer Shares managed by Global Alpha (“**Global Alpha undertaken interest**”) to accept the Share Offer and to receive the Offer Price in cash, and to vote in favour of all resolutions necessary to implement the Offers at a general meeting of the Company.

The Global Alpha undertaken interest represents approximately 2.78% of the issued and outstanding share capital of the Company, and 10.16% of the Offer Shares held by Disinterested Shareholders, as at Announcement Date.

### **Irrevocable Undertaking to recommend Share Offer in cash**

In addition, as part of Global Alpha’s Irrevocable Undertaking, with respect to an additional 11,704,731 Offer Shares in which Global Alpha’s clients are interested and over which Global Alpha has investment discretion (“**Global Alpha discretionary interest**”), Global Alpha has confirmed to LOG that it will recommend to its clients to accept the Share Offer and to receive the Offer Price in cash, and to vote in favour of all resolutions necessary to implement the Offers at a general meeting of the Company.

The Global Alpha discretionary interest represents approximately 0.79% of the issued and outstanding share capital of the Company, and 2.90% of the Offer Shares held by Disinterested Shareholders, as at Announcement Date.

### **Non-binding Letters of Support**

LOG has received Non-binding Letters of Support, which amount to, in aggregate, 37,397,200 Offer Shares (representing approximately 2.54% of the issued and outstanding share capital of the Company and 9.27% of the Offer Shares held by Disinterested Shareholders) as at Announcement Date. In particular, LOG has received a Non-binding Letter of Support from:

- (a) *ACATIS Investment KVG mbH*, in respect of 27,034,200 Offer Shares (“**ACATIS support interest**”), representing all remaining Offer Shares out of the total 90,114,000 Offer Shares managed by ACATIS that do not form part of the ACATIS undertaken interest, confirming their intention to accept the Share Offer and to receive the Offer Price in cash.

The ACATIS support interest represent approximately 1.83% of the issued and outstanding share capital of the Company, and 6.70% of the Offer Shares held by Disinterested Shareholders, as at Announcement Date.

- (b) *Southeastern Asset Management, Inc.*, in respect of 10,363,000 Offer Shares (“**Southeastern support interest**”) confirming their intention to accept, or procure the acceptance of, the Share Offer, and to vote in favour of all resolutions necessary to implement the Offers at a general meeting of the Company.

The Southeastern support interest represent approximately 0.70% of the issued and outstanding share capital of the Company, and 2.57% of the Offer Shares held by Disinterested Shareholders, as at Announcement Date.



The Non-binding Letters of Support indicate each supporting party's support of, and intention to accept, the Share Offer, but is provided instead of an irrevocable undertaking to enable the supporting party to maintain a level of liquidity prior to or during the Offer Period, such that the supporting party has flexibility to sell some or all of that portion of Shares prior to or during the Offer Period (rather than accepting the Share Offer, which would only be settled following the Offer Unconditional Date).

Key details of the Irrevocable Undertakings and Non-binding Letters of Support from ACATIS, Global Alpha and Southeastern are summarised below:

**Consideration:** *Irrevocable Undertakings to accept Share Offer in cash*

Each of (i) ACATIS (as to 63,079,800 Offer Shares); and (ii) Global Alpha (as to 40,992,376 Offer Shares), has irrevocably undertaken to LOG to accept the Share Offer in respect of its undertaken interest at the Offer Price in cash.

*Irrevocable Undertaking to recommend Share Offer in cash*

Additionally, Global Alpha (as to 11,704,731 Offer Shares) has undertaken to LOG to recommend to its clients to accept the Share Offer in respect of the Global Alpha discretionary interest at the Offer Price in cash.

*Non-binding Letters of Support*

Each of (i) ACATIS (as to the remaining 27,034,200 Offer Shares, out of its 90,114,000 Offer Shares, which are not covered by the ACATIS undertaken interest); and (ii) Southeastern (as to 10,363,000 Offer Shares), has confirmed to LOG its intention to accept the Share Offer in respect of its support interest at the Offer Price.

**No withdrawal:** *Irrevocable Undertakings*

Each of (i) ACATIS (as to 63,079,800 Offer Shares); and (ii) Global Alpha (as to 40,992,376 Offer Shares) has irrevocably undertaken to LOG that it will not, prior to the earlier of the closing or lapsing of the Share Offer, withdraw any acceptance of the Share Offer in respect of its undertaken interest and will, where applicable, procure that no rights to withdraw any such acceptance are exercised.

**Negative pledge:** *Irrevocable Undertakings*

Each of (i) ACATIS (as to 63,079,800 Offer Shares); and (ii) Global Alpha (as to 40,992,376 Offer Shares) has irrevocably undertaken to LOG that it will not, prior to the earlier of the closing or lapsing of the Share Offer, sell, transfer, or encumber or accept any other offer in respect of its undertaken interest.

**Voting:** *Irrevocable Undertakings to vote*

Each of (i) ACATIS; and (ii) Global Alpha, has irrevocably undertaken to LOG to exercise, or procure the exercise, of all voting rights attached to all Shares controlled by them at the time of such general meeting (being (i) for ACATIS, 90,114,000 Shares, and (ii) for Global Alpha 40,992,376 Shares, as at Announcement Date) to vote in favour of all resolutions proposed to approve or ensure the success of the Offers at a general meeting of the Company.

### *Irrevocable Undertaking to recommend voting*

Additionally, Global Alpha (as to 11,704,731 Offer Shares) has irrevocably undertaken to LOG to recommend to its clients to vote in favour of all resolutions necessary to implement the Offers at a general meeting of the Company.

### *Non-binding Letters of Support*

Additionally, Southeastern has indicated to LOG its non-binding intention to vote in favour of all resolutions necessary to implement the Offers at a general meeting of the Company.

### **Lapse:**

#### *Irrevocable Undertakings*

The Irrevocable Undertakings will lapse only upon an announcement that the Share Offer has terminated, lapsed or been withdrawn by Offeror, or if earlier, the Long Stop Date.

As at Announcement Date, other than the Irrevocable Undertakings and Non-binding Letters of Support, Offeror Concert Group has not received any indication or irrevocable commitment from any other Shareholder to accept or reject the Share Offer.

See the section headed “Information on the Group — Shareholdings in the Company” for the respective shareholding positions of Pleasant Lake Partners, ACATIS, Global Alpha and Southeastern.

## **12. NOTICE TO OVERSEAS SHAREHOLDERS**

### **General notice to overseas Shareholders**

**This announcement does not constitute, and is not intended to constitute, an offer to the public or a solicitation to purchase, sell or otherwise invest in any Shares or Rollover Shares in any jurisdiction. Further information will be provided in the Composite Document to be issued by Offeror and the Company.**

The making of the Share Offer to Minority Shareholders who are citizens, residents or nationals of jurisdictions outside Hong Kong may be subject to the laws of the relevant jurisdictions. Overseas Shareholders should inform themselves about, and observe, any applicable legal, tax or regulatory requirements. It is the responsibility of the person wishing to accept the Share Offer to satisfy themselves as to the full observance of the laws of those relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with any other necessary formalities and the payment of any issue, transfer or other taxes due by such person in such jurisdiction.

Additionally, the Share Offer will be made for the securities of a Luxembourg incorporated company and is subject to Hong Kong disclosure and other procedural requirements, which are different from those of other jurisdictions outside of Hong Kong (including securities laws in the United Kingdom, European Economic Area and United States). In addition, holders of Shares in overseas jurisdictions should be aware that this announcement has been (and the Composite Document will be) prepared in accordance with Hong Kong format and style, which differs from the formats and styles of overseas jurisdictions outside of Hong Kong (including the United Kingdom, European Economic Area and United States).

Rollover Shares issued under the Share Alternative will not be registered under any securities laws in any jurisdiction (including Hong Kong or overseas) and may only be issued to persons pursuant to an exemption from the registration or selling restriction requirements of the securities laws or regulations of the jurisdiction in which the Minority Shareholders are resident. In Hong Kong, this announcement and Composite Document is exempted from the prospectus registration and content requirements pursuant to paragraph 6 of the Seventeenth Schedule to the Companies (Winding-up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong).

In the event that the despatch of the Composite Document to overseas Shareholders is prohibited by any relevant law or regulation or may only be effected after compliance with conditions or requirements that Offeror regards as unduly onerous or burdensome (or otherwise not in the best interests of the Company or Shareholders), the Composite Document may not be despatched to such overseas Shareholders.

For that purpose, Offeror will apply for any waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time. Any such waiver will only be granted if the Executive is satisfied that it would be unduly burdensome to despatch the Composite Document to such overseas Shareholders. In granting the waiver, the Executive will be concerned to see that all material information in the Composite Document is made available to overseas Shareholders. If such waiver is granted by the Executive, Offeror reserves the right to make arrangements in respect of overseas Shareholders in relation to the terms of the Share Offer. Such arrangements may include notifying any matter in connection with the Share Offer to overseas Shareholders by announcement or by advertisement in a newspaper that may or may not be circulated in the jurisdiction within which such persons are resident. The notice will be deemed to have been sufficiently given despite any failure causing difficulty for overseas Shareholders to receive that notice.

#### **Notice to United Kingdom and European Economic Area investors**

The information contained or referenced in this announcement are not being made (and the Composite Document will not be made), and have not been and will not be approved, by an authorised person for the purposes of section 21 of the UK Financial Services and Markets Act 2000, as amended (“**FSMA**”). The communication of the information contained or referenced in this announcement (and to be contained or referenced in the Composite Document) to persons in the United Kingdom shall be exempt from the restrictions on financial promotions under section 21 of the FSMA on the basis that it is a communication by or on behalf of a body corporate which relates to a transaction to acquire shares in a body corporate and the object of the transaction may reasonably be regarded as being the acquisition of day to day control of the affairs of that body corporate within article 62 (Sale of body corporate) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005.

#### **Notice to U.S. investors**

The Share Offer will be extended to the United States pursuant to the applicable U.S. tender offer rules, in particular, Regulation 14E promulgated pursuant to the U.S. Securities Exchange Act of 1934 (the “**U.S. Exchange Act**”) or an available exemption therefrom and otherwise in accordance with the requirements of the SFO. Accordingly, the Share Offer will be subject to Hong Kong disclosure and other procedural requirements, including with respect to withdrawal rights and settlement procedures, which may differ from those applicable under U.S. domestic tender offer procedures and law.

The receipt of cash pursuant to the Offers by a U.S. holder of Shares may be a taxable transaction for U.S. federal income tax purposes and under applicable state and local, as well as foreign and other tax laws. Each holder of Shares is urged to consult his/her/its independent professional adviser immediately regarding the tax consequences of acceptance of the Offers.

It may be difficult for U.S. holders of Shares to enforce their rights and any claims arising out of the U.S. federal securities laws, since Offeror and the Company are located in a country other than the United States, and some or all of their respective officers and directors may be residents of a country other than the United States. In addition, most of the assets of Offeror and the Group are located outside the United States. U.S. holders of Shares may not be able to bring a claim against a non-U.S. company or its officers or directors in a non-U.S. court for any violations of the securities laws of the United States. Further, it may be difficult for U.S. holders of Shares to effect service of process within the United States upon Offeror or the Company or their respective officers or directors or to enforce against them a judgment of a U.S. court predicated upon the federal or state securities laws of the United States.

Offeror is assessing the applicability of the exemptions available pursuant to Rule 14d-1(c) and Rule 14d-1(d) of the U.S. Exchange Act with respect to the Share Offer. Assuming such exemptions are available for the Share Offer, in accordance with normal Hong Kong practice and pursuant to Rule 14e-5(b) of the U.S. Exchange Act, Offeror hereby discloses that it or its affiliates or its nominees, or their respective brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Shares outside of the United States, other than pursuant to the Share Offer, before or during the period in which the Share Offer remains open for acceptance. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices, provided that: (i) any such purchase or arrangement complies with applicable law and is made outside the United States; and (ii) if applicable, the Offer Price is increased to match any consideration paid in any such purchase or arrangement. Any information about such purchases will be reported to the SFC and will be available on the SFC website at [www.sfc.hk](http://www.sfc.hk).

**The above disclosures do not, whether directly or indirectly, represent legal advice, and none of the Company, Offeror, and their respective advisers, including J.P. Morgan, shall be taken to, or deemed to be, giving any advice, whether legal or otherwise, with respect to any jurisdiction, whether in Hong Kong or overseas.**

**Any acceptance by Shareholders will be deemed to constitute a representation and warranty from such persons to the Company, Offeror, and their respective advisers, including J.P. Morgan, that those relevant laws and regulatory requirements in those jurisdictions to which the accepting overseas Shareholders are subject have been complied with. Shareholders, Award Holders and potential investors should consult their professional advisers if in doubt.**

### **13. FURTHER TERMS OF THE OFFERS**

#### **Acceptance of the Offers**

Subject to fulfilment and/or waiver (if waivable) of the Conditions, provided that valid acceptance forms and relevant certificate(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) are complete and valid pursuant to Note 1 to Rule 30.2 of the Takeovers Code and have been received by the Hong Kong Share Registrar, by accepting the Offers, acceptance of: (a) the Share Offer by any person will constitute a warranty by that person to Offeror that (i) the Offer Shares sold by that person to Offeror are free from all liens, charges, encumbrances, rights of pre-emption and any other third-party rights of any nature and together with all rights, benefits and entitlements attaching thereto; and (ii) additionally, where such person has elected the Share Alternative, such person is a Qualifying Shareholder and all regulatory approvals (if any) required by such person to receive Rollover Shares have been obtained; (b) the Vested Option Offer by any Vested Option Holder will constitute a representation by that person to Offeror and the Company that they approve the cancellation of their Vested Options; and (c) the Liquidity Arrangement by any Unvested Award Holder will constitute a warranty by that person to Offeror that the Unvested Awards which are to be subject to the Liquidity Arrangement are free from all third-party rights, liens, claims, charges, equities and encumbrances and together with all rights attaching thereto (other than those imposed under the terms of grant).

Acceptance of the Offers shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

#### **No dividends or distributions**

The Company has confirmed that, as of Announcement Date, it has (a) not declared any dividend or distribution which remains unpaid; and (b) no plan to declare, recommend, or pay any dividends or make any other distributions until the close of the Share Offer.

If any dividend or other distribution or return of capital (whether in cash or in kind) is declared, made or paid in respect of the Offer Shares from Initial Announcement Date and until Offer Closing Date (both dates inclusive), and such dividend right or amount is not transferred to Offeror with the Offer Shares, the Offer Price for each Offer Share (or in the case of the Share Alternative, the value of the total Rollover Shares exchanged for such Offer Shares) in respect of acceptances received during this period will be reduced by an amount equal to the amount or value of such dividend, distribution and/or return of capital, on a gross basis; and any reference, in this announcement, the Composite Document or any other announcement or document, to the Offer Price (or the value of Rollover Shares offered under the Share Alternative) will be deemed to be a reference to the Offer Price (or the value of Rollover Shares offered under the Share Alternative) as so reduced.

#### **Hong Kong stamp duty**

Seller's *ad valorem* stamp duty at a rate of 0.1% of the market value of the Offer Shares or consideration payable by Offeror in respect of relevant acceptances of the Share Offer, whichever is higher, will be deducted from the amount payable to the relevant Shareholder on acceptance of the Share Offer (where the stamp duty calculated includes a fraction of HK\$1.00, the stamp duty would be rounded-up to the nearest HK\$1.00) for the transfer of Offer Shares to Offeror. Offeror will arrange for payment of the seller's *ad valorem* stamp duty on behalf of the accepting Shareholders and pay the buyer's *ad valorem* stamp duty and will account to the Stamp Office of Hong Kong for all stamp duty payable on the sale and purchase of Offer Shares in respect of valid acceptances received under the Share Offer.

In the case of the Share Alternative, the sale and purchase of Offer Shares will take place in Luxembourg and not Hong Kong, and as such, no Hong Kong stamp duty is payable for acceptance of the Share Offer electing the Share Alternative.

Neither the Vested Option Offer nor the Liquidity Arrangement involves the sale and purchase of Hong Kong stock. As such, no Hong Kong stamp duty is payable for acceptance of the Vested Option Offer or Liquidity Arrangement, cancellation of the underlying Awards, or payment of consideration by Offeror thereunder.

**Shareholders and Award Holders are advised to consult their professional advisers if in doubt about potential taxation implications that may be applicable in Hong Kong or other jurisdictions in respect of receiving payment under the Offers.**

#### **14. DECLARATION OF THE SHARE OFFER BECOMING UNCONDITIONAL**

The latest time on which Offeror can declare the Share Offer unconditional as to acceptances is 7:00 p.m. on the 60th calendar day after the Composite Document Date (or such later date to which the Executive may consent).

If all Conditions are satisfied (or waived, as applicable), Shareholders will be notified by way of an announcement in accordance with the Takeovers Code and the Listing Rules as soon as practicable thereafter.

#### **15. REASONS FOR AND THE BENEFITS OF THE OFFERS**

##### **Reasons for and benefits of the Offers for the Company**

*Provide greater flexibility to the Company in making longer-term business-focused decisions and long-term sustainable growth.* The Offers provide greater flexibility to the Company, as a privately-operated business, to pursue strategic investments and more efficiently implement strategies, free from the pressures of the capital markets' expectations, regulatory costs and disclosure obligations, share price fluctuations, and sensitivity to short-term market and investor sentiment. In particular, this is important because:

- (a) The Company has a multi-brand strategy comprising: (i) the core L'OCCITANE brand, which accounts for approximately 61% of total sales during the 12-month period ending 30 September 2023; (ii) ELEMIS and Sol de Janeiro brands, which have been growing at a faster pace; and (iii) other smaller brands. As competition in the global skincare and cosmetics industry continues to intensify with the entry of new international and local brands, the core L'OCCITANE brand is facing challenges from slowing growth and declining operating profit over the 18-month period ended 30 September 2023; ELEMIS's ongoing implementation of premiumisation strategy has required accelerating marketing expenditures; Sol de Janeiro has delivered strong performance since the Company's acquisition, and will require continued investment in manufacturing, distribution, and logistics in order to maintain its growth track record. Each of the Company's brands face different market and industry-specific challenges that require brand-tailored and geography-specific strategies to grow or maintain their market position.
- (b) Offeror believes that in order to maintain and invigorate the market shares of the Company's brands in an increasingly competitive environment, significant further investment in marketing, store refurbishment, IT infrastructure and attracting talent are of vital importance. These investments would entail incurring more costs in order to lay the foundation for longer-term growth. The bulk of the Company's incremental marketing investments has recently been allocated to boosting the visibility and relevance of its core brand, L'OCCITANE en Provence, mostly in China, representing the Company's second largest market by revenue, where pressure from weakening consumer sentiment coupled with increasing competition from local brands and higher operating costs is likely to continue to materially impact the sector, but also in strategic markets and channels such as the United States, Japan, South Korea, and the travel retail channel.

Privatising the Group would better address these challenges by enabling the Company to more efficiently and effectively implement strategies that are vital for longer-term sustainable growth. As a privately-operated group, the Company would be better-positioned to address these concerns without the overhang of regulatory and listing-related costs, and without being driven by or needing to divert business/administrative resources towards maintaining the short-term value of its share price.



**Consolidate the Company's independence and reduce market risk.** Given the current shareholding structure of the Company and the low trading volume of Shares on the market, the listing is of relatively little utility to the Company which has not raised capital from the public equity markets since its initial public offering in 2010. The operational functioning of the Company in the event of a delisting would be simplified in view of the provisions to which listed companies are subject, which are in addition to the regulatory constraints that also apply to the Company.

**The Liquidity Arrangement supports talent retention.** Offeror intends to continue operating the Company's business and retain all employees (other than changes in the ordinary course of business), and therefore, it is vital to maintain the Unvested Awards for the purposes of retaining employees and incentivising Unvested Award Holders to reach their respective performance targets (which is linked to the financial performance of the Group for the period preceding each respective vesting date).

#### **Reasons for and benefits of the Share Offer for Minority Shareholders and the Vested Option Offer for Vested Option Holders**

**Unlocking shareholder value at a compelling premium.** The Offers provide an attractive opportunity for Minority Shareholders and Vested Option Holders to monetise their investments at a premium over market price. The Offer Price represents a premium of approximately 30.77% over the closing price of HK\$26.00 per Share as quoted on the Stock Exchange on the Undisturbed Date, as well as a premium of approximately 49.91% and 60.83% over the average closing price of approximately HK\$22.68 per share and HK\$21.14 per share for the 30 and 60 trading days up to and including the Undisturbed Date, respectively. See the section headed "Further information on the Cash Alternative — Offer Price and comparisons of value" for more details.

**Unique opportunity to fully monetise investment with limited liquidity.** Offeror notes that the trading liquidity of Shares has been at a low level for a sustained period of time. The average daily trading volume of Shares for the 6, 12 and 24 months leading up to and including the Undisturbed Date were approximately 1,229,584 Shares, 1,341,956 Shares and 927,839 Shares, respectively, representing only 0.08%, 0.09% and 0.06% of the outstanding share capital of the Company as at Initial Announcement Date. Offeror is mindful of this prolonged low trading volume, which makes it challenging for Minority Shareholders and Vested Option Holders to execute substantial disposals in the open market without adversely affecting share price. The Cash Alternative under the Share Offer and the Vested Option Offer present a unique and immediate opportunity for Minority Shareholders and Vested Option Holders to fully realise their investments in return for cash that can then be reinvested elsewhere.

**Realise gains amidst current uncertain market conditions.** The Cash Alternative under the Share Offer and Vested Option Offer provide Minority Shareholders and Vested Option Holders, respectively, with an opportunity to realise their investment in the Company for cash amidst an uncertain market climate marked by geopolitical factors and uncertain sentiment in the broader equity markets, among others. In particular, Asian markets have been considerably volatile, with the Hang Seng index down 44.52% in the last five years and 46.17% from its highest point in 2021 to the last trading date prior to Initial Announcement Date, whilst global markets have been similarly subject to uncertainties in the face of geopolitical developments and an environment of increasing interest-rates.

**Immediate and high certainty value realisation for all shareholders compared to other strategic options.** Offeror has considered various strategic options to maximise shareholder value and has concluded that a going private transaction in its current form allows shareholders to derive maximum benefit and to avoid the significant execution risks and exposure to uncertain market conditions that are associated with other alternative strategic actions.

**Low likelihood of an alternative general offer to realise value.** Offeror Concert Group collectively holds 72.63% of the total issued and outstanding share capital of the Company as at the Announcement Date. This poses an obstacle to third parties to make an offer for the Shares, as a third-party would not be able to control the Company unless Offeror agreed to dispose of its controlling stake in the Company. Therefore, it is unlikely that Minority Shareholders will receive an alternative offer to realise value in their investments in the Company other than through Offeror.

**Opportunity to remain invested.** For Qualifying Shareholders, the Share Offer will allow these Minority Shareholders who have confidence in the long-term prospects of the Company, through election of the Share Alternative, to remain invested in the Company's business operations, subject to the risk factors of holding Rollover Shares as specified in the section headed "Further information on the Share Alternative-Risk factors".



## Additional benefit of the Liquidity Arrangement for Unvested Award Holders

*Provides exit opportunity to Unvested Award Holders on the same price and comparable terms as the Cash Alternative.* Unvested Award Holders will preserve the same opportunity to realise their equity interests in the Company and be entitled to the “see-through” offer price (in the case of vested Options) or the equivalent of the Offer Price (in the case of vested Free Shares), as with all other Minority Shareholders when their Unvested Awards naturally vest in accordance with the existing schedule and conditions of grant under the relevant Share Incentive Plans. Without the Liquidity Arrangement, and upon vesting and exercise of the Unvested Awards (which is expected to be after the Company privatises if the Share Offer becomes or is declared unconditional in all respects), Unvested Award Holders will hold Shares in the Company with limited liquidity.

**Minority Shareholders and Award Holders are reminded to refer to the details of the Offers set out in the Composite Document, including the advice of the Independent Financial Adviser and the recommendation from the Independent Board Committee in respect of the Offers, before deciding whether or not to accept the Share Offer, the Vested Option Offer or enter into the Liquidity Arrangement.**

## 16. INFORMATION ON THE GROUP

*The Group* is an international group that manufactures and retails beauty and well-being products that are rich in natural and organic ingredients. As a global leader in the premium beauty market, the Group has more than 3,000 retail outlets, including approximately 1,300 owned stores, and is present in 90 countries. Through its key brands — L’OCCITANE en Provence, Melvita, Erborian, L’OCCITANE au Brésil, ELEMIS, Sol de Janeiro and Dr. Vranjes Firenze — the Group offers new and extraordinary beauty experiences, using high quality products that respect nature, the environment and the people who surround it.

### Financial information about the Group

The following is a summary of the audited consolidated financial results of the Group for the three years ended 31 March 2023 and the unaudited consolidated financial results of the Group for the six months ended 30 September 2022 and 2023, as extracted from the Company’s financial reports for the corresponding financial periods:

	Year ended 31 March			Six months ended 30 September	
	2021 (restated)	2022	2023	2022	2023
Net sales (€ thousands)	1,537,845	1,781,358	2,134,689	900,505	1,072,024
Operating profit (€ thousands)	216,836	310,714	239,132	87,031	76,762
Profit for the period (€ thousands)	153,637	241,909	118,193	63,890	39,630
Profit attributable to equity owners (€ thousands)	151,180	242,034	115,110	61,832	34,033
Basic earnings per share (€)	0.103	0.165	0.078	0.042	0.023
	As at 31 March			As at 30 September	
	2021	2022	2023	2022	2023
Total assets (€ thousands)	2,489,539	3,009,074	2,816,428	3,070,445	2,936,887
Net assets (€ thousands)	1,271,537	1,314,606	1,187,001	1,352,953	952,147

### Shareholdings in the Company

As at Announcement Date, the total issued share capital of the Company comprises 1,476,964,891 Shares, of which 1,996,691 are Treasury Shares. The authorised share capital of the Company is €1,500,000,000 divided into 50,000,000,000 Shares.

On the assumptions that there is no other change in shareholdings in the Company before the Share Offer, the table below sets out the shareholdings in the Company (based on the total issued and outstanding share capital of the Company as at Announcement Date): (i) as at Announcement Date; and (ii) immediately following completion of the Share Offer (assuming that the Share Offer and Vested Option Offer are accepted in full):

	As at Announcement Date <sup>(1)</sup>		Immediately after completion of the Share Offer (assuming the Share Offer and Vested Option Offer are accepted in full) <sup>(1)</sup>	
	Number of Shares	%	Number of Shares	%
<b>Offeror Group</b>				
Offeror <sup>(2)</sup>	—	—	1,474,968,200	100.00%
LOG <sup>(2)</sup>	1,067,587,391	72.38%	—	—
Reinold Geiger <sup>(2)</sup>	1,148,750	0.08%	—	—
André Hoffmann <sup>(2)</sup>	2,495,250	0.17%	—	—
<b>Sub-total</b>	<b>1,071,231,391</b>	<b>72.63%</b>	<b>1,474,968,200</b>	<b>100.00%</b>
<b>Other Offeror Concert Group<sup>(4)(5)(6)</sup></b>				
Karl Guénard <sup>(3)</sup>	97,600	0.01%	—	—
<b>Sub-total of Offeror Concert Group</b>	<b>1,071,328,991</b>	<b>72.63%</b>	<b>1,474,968,200</b>	<b>100.00%</b>
<b>Shareholder providing an Irrevocable Undertaking to accept Share Offer</b>				
Pleasant Lake Partners LLC <sup>(7)</sup>	47,956,250	3.25%	—	—
<b>Sub-total of this Shareholder</b>	<b>47,956,250</b>	<b>3.25%</b>	<b>—</b>	<b>—</b>
<b>Shareholders providing Irrevocable Undertakings to accept Share Offer in cash</b>				
ACATIS Investment KVG mbH <sup>(7)</sup>	63,079,800	4.28%	—	—
Global Alpha Capital Management Limited <sup>(7)</sup>	40,992,376	2.78%	—	—
<b>Sub-total of these Shareholders</b>	<b>104,072,176</b>	<b>7.06%</b>	<b>—</b>	<b>—</b>
<b>Shareholders providing Non-binding Letters of Support</b>				
ACATIS Investment KVG mbH <sup>(7)</sup>	27,034,200	1.83%	—	—
Southeastern Asset Management, Inc. <sup>(7)</sup>	10,363,000	0.70%	—	—
<b>Sub-total of these Shareholders</b>	<b>37,397,200</b>	<b>2.54%</b>	<b>—</b>	<b>—</b>
<b>Other Minority Shareholders</b>				
Jackson Chik Sum Ng <sup>(8)</sup>	30,000	0.00%	—	—
Other Shareholders	214,183,583	14.52%	—	—
<b>Total</b>	<b>1,474,968,200</b>	<b>100.00%</b>	<b>1,474,968,200</b>	<b>100.00%</b>

Notes:

(1) Based on the information available to Offeror and the Company as at Announcement Date; percentages are based on the total issued and outstanding share capital of the Company, which excludes 1,996,691 Treasury Shares. Percentages are subject to rounding.

- (2) As at Announcement Date and until immediately prior to completion of the Offeror Corporate Restructuring (being also completion of the Share Offer), Offeror is and will remain a wholly-owned subsidiary of LOG. See “Appendix A” to this announcement for a simplified corporate structure chart of Offeror immediately following completion of the Offeror Corporate Restructuring.

The sole ultimate controlling shareholder of LOG is Mr. Reinold Geiger. Mr. Geiger is the Chairman of the Board and an executive Director; he is also a director and chairman of the board of directors of LOG and the sole director of Offeror. Mr. Geiger is the ultimate beneficial owner of the entire issued share capital of Cime S.C.A., which has 100% interest in Société d’Investissements CIME S.A., which in turn controls 73.31% (as at Announcement Date) and will control 75.25% (following Offer Unconditional Date and immediately following the LOG Corporate Restructuring) of the total issued and outstanding share capital of LOG. Mr. Geiger is therefore deemed under the SFO to be also interested in all the Shares registered in the name of LOG. Accordingly, Mr. Geiger is deemed to be interested in 1,067,587,391 Shares beneficially owned by LOG and 1,996,691 Treasury Shares that are held by the Company. Mr. Geiger is also the beneficial owner of 1,148,750 Shares.

Mr. André Hoffmann is an executive Director and a director of LOG. Mr. Hoffmann wholly-owns Lavender Investments Limited, which in turn is a substantial shareholder of LOG, controlling 18.78% (as at Announcement Date) and 17.41% (following Offer Unconditional Date and immediately following the LOG Corporate Restructuring) of the total issued and outstanding share capital of LOG. Mr. Hoffmann, through Lavender Investments Limited, is also the beneficial owner of 2,495,250 Shares.

- (3) Executive Director and director of LOG, who also holds 166,300 Vested Options as at Announcement Date.
- (4) J.P. Morgan is the exclusive financial adviser to Offeror in respect of the Offers. Accordingly, J.P. Morgan and persons controlling, controlled by or under the same control as J.P. Morgan (except exempt principal traders and exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code) are presumed to be acting in concert with Offeror in accordance with class 5 of the definition of “acting in concert” under the Takeovers Code.

As at Announcement Date, members of the J.P. Morgan group do not legally or beneficially own, control or have direction over any Shares (except in respect of Shares held by exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code and also excluding Shares held on behalf of non-discretionary investment clients of the J.P. Morgan group). Notwithstanding that connected exempt principal traders within the J.P. Morgan group are not acting in concert with Offeror, Shares held by any such connected exempt principal traders must not be assented to the Share Offer until the Share Offer becomes or is declared unconditional as to acceptances in accordance with the requirements of Rule 35.3 of the Takeovers Code, unless (i) the relevant connected exempt principal trader holds the Shares as a simple custodian for and on behalf of non-discretionary clients, and (ii) there are contractual arrangements in place between the relevant connected exempt principal trader and its clients that strictly prohibit the relevant connected exempt principal trader from exercising any discretion over the relevant Shares, and all instructions shall originate from the client only, and if no instructions are given, then no action shall be taken on the relevant Shares held by the relevant connected exempt principal trader.

- (5) Blackstone Investor is an original subscriber under the paid-in-kind (PIK) loan note financing for Holdco. Accordingly, Blackstone Investor and the various participating funds ultimately controlled by Blackstone Inc. and managed by Blackstone Inc. and its affiliates (“**Participating Blackstone Funds**”, and together with Blackstone Investor, the “**Blackstone Entities**”) who are providing finance or financial assistance (directly or indirectly) to Offeror in connection with the Offers are presumed to be acting in concert with Offeror in accordance with class 9 of the definition of “acting in concert” under the Takeovers Code.

As at Announcement Date, none of the Blackstone Entities legally or beneficially own, control or have direction over any Shares.

- (6) Goldman Sachs International has been appointed by Holdco as a bookrunner in connection with the paid-in-kind (PIK) loan note financing for Holdco. Accordingly, Goldman Sachs International and persons controlling, controlled by or under the same control as Goldman Sachs International (except exempt principal traders and exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code) are presumed to be acting in concert with Offeror in accordance with class 5 of the definition of “acting in concert” under the Takeovers Code.

As at Announcement Date, members of the Goldman Sachs group do not legally or beneficially own, control or have direction over any Shares (except in respect of Shares held by exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code and also excluding Shares held on behalf of non-discretionary investment clients of the Goldman Sachs group). Notwithstanding that connected exempt principal traders within the Goldman Sachs group are not acting in concert with Offeror, Shares held by any such connected exempt principal traders must not be assented to the Share Offer until the Share Offer becomes or is declared unconditional as to acceptances in accordance with the requirements of Rule 35.3 of the Takeovers Code, unless (i) the relevant connected exempt principal trader holds the Shares as a simple custodian for and on behalf of non-discretionary clients, and (ii) there are contractual arrangements in place between the relevant connected exempt principal trader and its clients that strictly prohibit the relevant connected exempt principal trader from exercising any discretion over the relevant Shares, and all instructions shall originate from the client only, and if no instructions are given, then no action shall be taken on the relevant Shares held by the relevant connected exempt principal trader.

- (7) Pleasant Lake Partners has given an Irrevocable Undertaking over these 47,956,250 Shares. See the section headed “Irrevocable Undertakings and Non-binding Letters of Support” for more information.

As at Announcement Date, ACATIS controls 90,114,000 Shares, of which 63,079,800 Shares are the subject of an Irrevocable Undertaking and an additional 27,034,200 Shares are the subject of a Non-binding Letter of Support. See the section headed “Irrevocable Undertakings and Non-binding Letters of Support” for more information.

As at Announcement Date, Global Alpha controls 40,992,376 Shares, which are the subject of an Irrevocable Undertaking. Additionally, Global Alpha advises and has investment discretion over an additional 11,704,731 Shares for its clients. See the section headed “Irrevocable Undertakings and Non-binding Letters of Support” for more information.

Southeastern has given a Non-binding Letter of Support over these 10,363,000 Shares. See the section headed “Irrevocable Undertakings and Non-binding Letters of Support” for more information.

(8) Independent non-executive Director.

Other than as disclosed above, as at Announcement Date, no other Offeror Concert Group members have an interest in the Shares that would need to be disclosed under Part XV of the SFO.

## Awards

As at Announcement Date, the below Directors hold an aggregate of 1,241,031 Awards:

	Position	Number of Vested Options	Number of Unvested Awards
Laurent Marteau	Executive Director, Chief Executive Officer, Group Managing Director	—	205,200 Options <sup>(1)</sup> 808,531 Free Shares <sup>(2)</sup>
Karl Guénard	Executive Director, Company Secretary; director of Offeror	166,300 Options	61,000 Options <sup>(1)</sup>

*Notes:*

(1) The vesting date for these Options is: 27 October 2025.

(2) The vesting date for these Free Shares is: 30 June 2027.

See the section headed “Outstanding Awards” for more details on the Awards as at Announcement Date.

## 17. INFORMATION ON OFFEROR GROUP

### Offeror Group

**Offeror** is a company incorporated in Luxembourg on 10 June 2024 with limited liability. Offeror is an investment holding company and has no independent business operations and was established for the purposes of making the Offers and issuing new shares under the Share Alternative and Offeror Corporate Restructuring. As at this Announcement Date, Offeror is a wholly-owned subsidiary of LOG; see “Appendix A” to this announcement for more information.

**LOG** is a company incorporated in Luxembourg with limited liability. It is an investment holding company and has no independent business operations. LOG holds interests in Offeror, the Company and other companies in, among other industries, retail and consumer products, and hotels and resorts. Offeror is ultimately controlled by Mr. Reinold Geiger. LOG has been, prior to the Share Offer, and will remain after the Share Offer, a controlling shareholder of the Company (as defined under the Takeovers Code and the Listing Rules).

**Mr. Reinold Geiger** is the Chairman of the Board and an executive Director; as well as a director and chairman of the board of directors of LOG and the sole director of Offeror. Mr. Geiger, through his wholly-owned controlled corporations (being investment holding companies) — Société d’Investissements CIME S.A., Cime S.C.A., and Cime Management S.à.r.l. — is the sole ultimate controlling shareholder of LOG and Offeror. Mr. Geiger is also a 0.08% direct Shareholder.

*Lavender Investments Limited* is wholly-owned by Mr. André Hoffmann, who is an executive Director and director of LOG. Lavender Investments Limited is also a 0.17% direct Shareholder.

*Topco* is a special purpose vehicle established to hold 100% of Holdco, which in turn will control LOG following Offer Unconditional Date (immediately following the LOG Corporate Restructuring). The sole ultimate controlling shareholder of Topco is Mr. Reinold Geiger, who controls Topco through his wholly-owned controlled corporations. Mr. André Hoffmann is a substantial shareholder of Topco.

*Holdco* is a special purpose vehicle established to hold: (a) as at Announcement Date 0.1%; and (b) following Offer Unconditional Date 99%, interest in LOG. Holdco is wholly-owned by Topco. The remaining 1% interest in LOG is primarily held by LOG group's employees and management who were awarded shares in LOG under LOG share incentive plans.

See the section headed "Other arrangements — LOG corporate structure charts" for the shareholdings of Offeror Group before and immediately following the LOG Corporate Restructuring.

## 18. OTHER ARRANGEMENTS

### LOG Corporate Restructuring

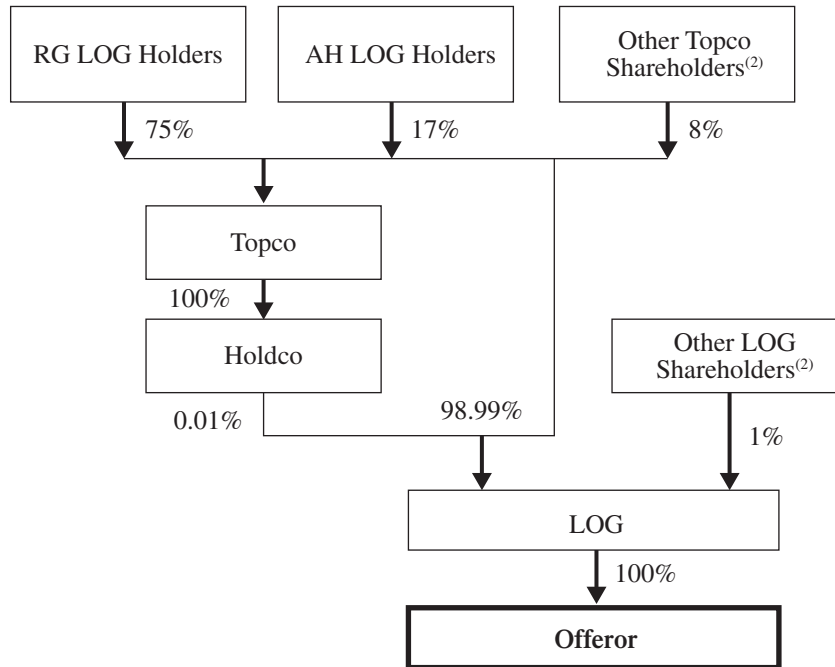
As part of the LOG Corporate Restructuring being implemented in parallel with the Offers:

- (a) RG LOG Holders and AH LOG Holders will contribute all of their LOG shares directly held by them as at Initial Announcement Date to Holdco, (a) with the majority portion of their LOG shares to be contributed in kind to Topco (which will then contribute such shares to Holdco) in exchange for a pro-rata shareholding (less the portion sold under the LOG Cash Buy-Out, defined below) in Topco (which wholly-owns Holdco); and (b) the remaining portion of their LOG shares to be sold to Holdco for cash payable by Holdco ("**LOG Cash Buy-Out**") ("**LOG Contribution Arrangement**"). The LOG Contribution Arrangement is conditional upon the Share Offer becoming or being declared unconditional and will take place on or shortly after the Offer Unconditional Date. The price per LOG share payable by Holdco under the LOG Cash Buy-Out is pegged to the Offer Price, adjusted for assets and liabilities of LOG group (other than assets and liabilities associated with LOG's shareholding in the Group).
- (b) Pursuant to the LOG Cash Buy-Out, RG LOG Holders and AH LOG Holders are expected to sell LOG shares up to a maximum consideration of EUR171 million. The LOG shares to be sold by RG LOG Holders represent 322,175 LOG shares (i.e., representing approximately 3.3% of the total holding of RG LOG Holders in LOG) and the LOG shares to be sold by AH LOG Holders represent 322,175 LOG shares (i.e., representing approximately 13.0% of the total holding of AH LOG Holders in LOG). The number of LOG shares to be sold may be adjusted in case of a decrease in the net assets of the LOG group as at 31 March 2024 (based on audited financials) or, for Luxembourg corporate purposes, to ensure that the LOG shares are not overvalued under the LOG Contribution Arrangement. The maximum consideration payable under the LOG Cash Buy-Out will not increase.

### LOG corporate structure charts

The following corporate structure charts depict a simplified shareholding structure of Topco, Holdco, LOG and Offeror as at Announcement Date and immediately following the LOG Corporate Restructuring following Offer Unconditional Date.

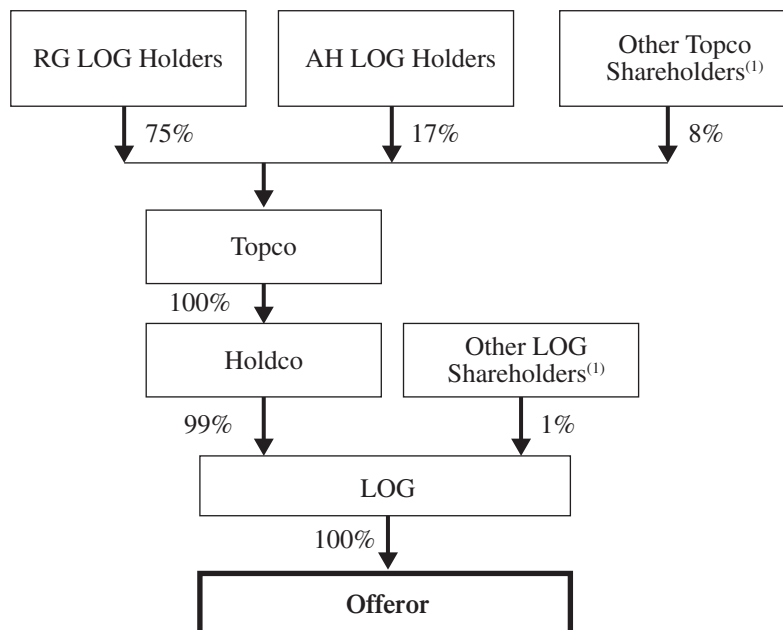
**As at Announcement Date<sup>(1)</sup>**



*Notes:*

- (1) As at Announcement Date, RG LOG Holders, AH LOG Holders, and Other Topco Shareholders hold approximately 75%, 17%, and 8%, respectively, in Topco, and approximately 73%, 19%, and 7%, respectively, (directly and indirectly, in aggregate) in the total issued and outstanding share capital of LOG. The percentages in this corporate structure chart are approximated due to rounding.
- (2) Not part of Offeror Group. Other Topco Shareholders are Mr. Christopher Braden, a director of LOG, Chasselas Equity S.A., and Chasselas S.A., none of whom are Shareholders.

**Following Offer Unconditional Date (upon completion of the LOG Corporate Restructuring but before Offeror Corporate Restructuring)**



*Note:*

- (1) Not part of Offeror Group. The percentages in this corporate structure chart are approximated due to rounding.



## **Offeror Corporate Restructuring**

In connection with the Share Offer, as soon as possible after Offer Closing Date (“**Offeror Corporate Restructuring**”):

- (a) LOG will contribute all of its Shares to Offeror in exchange for 10,675,873,910 Offeror Shares;
- (b) Offeror will issue the Rollover Shares (up to a maximum of 737,431,450 Rollover Shares) to Share Alternative Holders who have validly tendered their acceptances to the Share Offer and validly elected for the Share Alternative, following contribution of their Offer Shares to Offeror; and
- (c) under the Offeror Shareholder Loan, upon capitalisation, in one or more instances, Offeror will issue to LOG 10 Offeror Shares for every HK\$34.00 of capitalised shareholder loan (being the amount drawn down for the cash portion of the Offers), subject to adjustments for rounding and issuing whole Offeror Shares.

Following the Offeror Corporate Restructuring, LOG is expected to hold not less than 95% of the total issued Offeror Shares, and the Share Alternative Holders, in aggregate, are expected hold up to 5% of the total issued Offeror Shares. See “Appendix A” to this announcement for a simplified corporate structure chart of Offeror as at Announcement Date and immediately following the Offeror Corporate Restructuring.

## **Special deal with respect to the GA Disposal**

On 28 March 2024, the Company entered into a disposal agreement with Lavender Investments Limited, a wholly-owned controlled corporation of Mr. André Hoffmann, pursuant to which the Company shall dispose of all its interests in Grown Alchemist to Lavender Investments Limited (being the GA Disposal). Further details about the GA Disposal, including background to the GA Disposal and material terms of the GA Disposal agreement, are set out in the Special Deal Circular.

The highest of the applicable size test ratios (calculated in accordance with Rule 14.07 of the Listing Rules) is between 0.1% and 5%, and accordingly, the GA Disposal constitutes a connected, but not a discloseable, transaction under the Listing Rules. Under the Listing Rules, the GA Disposal is subject to announcement (which was made on 2 April 2024), but is exempt from the circular (including independent financial advice) and shareholder approval requirements.

Notwithstanding the Listing Rules requirements set out above, the GA Disposal is considered a “special deal” under Rule 25 of the Takeovers Code as it constitutes a disposal of the Group’s assets to a Shareholder when the Offers were reasonably in contemplation. As such, completion of the GA Disposal is subject to consent from the Executive. Accordingly, the Company has applied to the Executive for consent to the GA Disposal, which is normally conditional upon: (i) the Independent Financial Adviser giving a public opinion that the terms of the GA Disposal are fair and reasonable; and (ii) Disinterested Shareholders approving, by ordinary resolution, the GA Disposal at a general meeting of the Company.

Accordingly, (a) the Offers are conditional upon obtaining consent from the Executive in respect of the GA Disposal, which in turn, (b) would be conditional upon: (i) the Independent Financial Adviser giving a public opinion that the terms of the GA Disposal are fair and reasonable; and (ii) Disinterested Shareholders approving, by ordinary resolution, the GA Disposal at the Special Deal EGM (with (a) and (b) collectively constituting Condition (f) to the Share Offer).

If the Executive’s consent is not granted (or the conditions to the Executive’s consent are not fulfilled), and Offeror waives this condition, the GA Disposal will be terminated and Offeror will proceed with the Offers.

On 4 June 2024, the Company published the Special Deal Circular, setting out, among others, (i) details of the GA Disposal; (ii) the letter from the Independent Board Committee containing its recommendation in respect of the GA Disposal; (iii) the letter of advice from the Independent Financial Adviser to the Independent Board Committee in respect of the GA Disposal (which contained the Independent Financial Adviser’s opinion that the terms of the GA Disposal are fair and reasonable); and (iv) notice of the Special Deal EGM for Disinterested Shareholders to consider, and if thought fit, approve the GA Disposal.

The Independent Board Committee and Independent Financial Adviser have each confirmed that as of Announcement Date, there has been no material change to the opinion and recommendation contained in their respective letters set out in Appendix II (*Letter from Independent Board Committee*), Appendix III (*Letter from Independent Financial Adviser*) to the Special Deal Circular and Appendix IV (*Reports from Company's auditor and the Independent Financial Adviser on the GA Financial Information and Expected Gain*) to the Special Deal Circular since the latest practicable date set out in the Special Deal Circular.

## 19. OTHER INFORMATION

### Other arrangements in relation to the Offers

As at Announcement Date:

- (a) save as disclosed under the section headed “Information on the Group — Shareholdings in the Company”, Offeror Concert Group does not own, control or have direction over any voting rights in any Shares nor own, control or have direction over any other rights or interests in the issued and outstanding share capital or voting rights of the Company;
- (b) save as disclosed under the section headed “Information on the Group — Awards”, Offeror Concert Group does not hold any warrants, options, derivatives or other securities convertible or exchangeable into Shares or other types of equity interest in the Company;
- (c) there is no outstanding derivative in respect of the securities in the Company that has been entered into by Offeror Concert Group;
- (d) save as disclosed under the section headed “Irrevocable Undertakings and Non-binding Letters of Support”, Offeror Concert Group has not received any irrevocable commitment to accept or reject the Offers or to vote for or against the GA Disposal;
- (e) save as disclosed under the section headed “Irrevocable Undertakings and Non-binding Letters of Support”, there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the Shares or other securities in the Company or Offeror which might be material to the Offers;
- (f) save as disclosed under the section headed “Other arrangements — Special deal with respect to the GA Disposal”, there is no arrangement to which Offeror is a party that relate to circumstances in which it may or may not invoke or seek to invoke any Conditions;
- (g) Offeror Concert Group has not borrowed or lent any relevant securities in the Company (as defined in Note 4 to the Rule 22 of the Takeovers Code);
- (h) save for the Offer Price, the Rollover Shares, Award Cancellation Price, and as disclosed under the section headed “Other arrangements”, there is no other consideration, compensation or benefit in whatever form paid or to be paid by Offeror Concert Group, on the one hand, to any Shareholder (or Award Holder) or parties acting in concert with any of them, on the other hand, in connection with the Offers;
- (i) save as disclosed under the sections headed “Irrevocable Undertakings and Non-binding Letters of Support” and “Other arrangements”, there is no agreement, arrangement or understanding or special deal (as defined under Rule 25 of the Takeovers Code) between (i) any Shareholder, on the one hand, and (ii)(a) Offeror Concert Group or (b) the Company, its subsidiaries or associated companies, on the other hand;
- (j) save as disclosed under the sections headed “Irrevocable Undertakings and Non-binding Letters of Support” and “Other arrangements”, there is no agreement, arrangement or understanding (including any compensation) existing between (i) Offeror Concert Group, on the one hand; and (ii) any Directors, recent Directors, Shareholders or recent Shareholders or Award Holders, having any connection with or dependent upon the Offers, on the other hand; and

- (k) no benefit (other than statutory compensation) had been or would be given to any Director as compensation for loss of office or otherwise in connection with the Offers.

### **Dealings in Shares and derivatives of the Company**

Other than as set out below, none of Offeror Concert Group had dealt for value in any Shares, convertible securities, warrants or options of the Company or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the six months period immediately prior to Initial Announcement Date and up to and including Announcement Date:

<b>Holder</b>	<b>Date</b>	<b>Dealings</b>	<b>Highest Price per Share</b>	<b>Price per Share</b>
Mr. Thomas Levilion, non-executive Director	2 February 2024	Exercised 413,000 Options	HK\$14.50	HK\$14.50
	2 February 2024	Sold 413,000 Shares on-market for cash	HK\$25.45	HK\$25.45
Mr. Karl Guénard, executive Director	22 December 2023	Exercised 97,600 Options	HK\$14.36	HK\$14.36

### **20. INTENTIONS OF OFFEROR REGARDING THE GROUP**

It is the intention of Offeror that the existing business of the Group shall continue unaffected, notwithstanding the Offers or the completion thereof. Subject to the Group's business needs and prevailing market conditions, Offeror may explore various business opportunities to further develop the existing business of the Group, improve efficiency and create shareholder value.

### **21. INDEPENDENT BOARD COMMITTEE**

As mentioned in the Initial Announcement, the Independent Board Committee has been established for the purpose of making a recommendation to: (a) the Disinterested Shareholders and Award Holders as to whether the Offers are fair and reasonable and as to acceptance and election (in the case of the Share Offer) thereof; and (b) the Disinterested Shareholders as to whether the GA Disposal is fair and reasonable and as to voting.

The Independent Board Committee comprises independent non-executive Directors, Mrs. Christèle Hiss Holliger and Ms. Betty Liu, who have no direct or indirect interest in the Offers and the GA Disposal as at Announcement Date.

(i) Mr. Thomas Levilion (non-executive Director) was a former executive Director; (ii) Mr. Jackson Chik Sum Ng (independent non-executive Director) holds 30,000 Shares and 400 free shares of LOG (vesting on 1 July 2024); and (iii) Mr. Charles Mark Broadley (independent non-executive Director) holds 400 free shares of LOG (vesting on 1 July 2024), and as such, they are not members of the Independent Board Committee.

### **22. INDEPENDENT FINANCIAL ADVISER**

As mentioned in the Initial Announcement, Somerley Capital Limited has been appointed as the Independent Financial Adviser (with the approval of the Independent Board Committee) to advise the Independent Board Committee in connection with the Offers (and acceptance and election (in the case of the Share Offer) thereof) and the GA Disposal (and voting thereon).

### **23. GENERAL**

#### **Taxation and independent advice**

Shareholders and Award Holders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting the Offers. None of Offeror, the Company or J.P. Morgan, nor any of their respective directors, officers, associates, advisers or any other person involved in the Offers accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offers.

## Composite Document

It is the intention of Offeror and the Board to combine the offer document and the offeree board circular in the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, Offeror and the Company are required to despatch the Composite Document containing, among other things, (i) details of the Offers and their terms and conditions (including the expected timetable); (ii) the letter from the Independent Board Committee containing its recommendation in respect of the Offers (and with respect to the Share Offer, election between Cash Alternative and Share Alternative); (iii) the letter of advice from the Independent Financial Adviser to the Independent Board Committee in respect of the Offers (and with respect to the Share Offer, election between Cash Alternative and Share Alternative); and (iv) the Forms of Acceptance, to Shareholders as soon as possible and in compliance with the requirements of the Takeovers Code and other applicable laws and regulations.

Reference is made to the announcement dated 20 May 2024 jointly issued by the Company and Offeror; as of Announcement Date, the Executive has granted its consent to extend the time for despatch of the Composite Document to on or before 2 July 2024. Accordingly, except with the further consent of the Executive, Offeror and the Company expect to despatch the Composite Document on or before 2 July 2024.

## Disclosure of dealings in the securities of the Company

Associates of the Company and Offeror (including persons who own or control 5% or more of any class of relevant securities issued by the Company or Offeror) are hereby reminded to disclose their dealings in the securities of the Company and Offeror pursuant to the Takeovers Code. In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

### *“Responsibilities of stockbrokers, banks and other intermediaries*

*Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.*

*This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.*

*Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”*

## 24. RESUMPTION OF TRADING

Trading in the Shares on the Stock Exchange has been halted from 9:00 a.m. on 17 June 2024 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 1:00 p.m. on 17 June 2024.

## 25. DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“acting in concert”	has the meaning ascribed to it in the Takeovers Code
“AH LOG Holders”	Mr. André Hoffmann and Lavender Investments Limited
“Announcement Date”	17 June 2024, being the date of this announcement
“Article 18”	article 18 of the Articles

“Articles”	the articles of association of the Company currently in force, a copy of which is available on the Stock Exchange website (www.hkexnews.hk)
“associates”	has the meaning ascribed to it in the Takeovers Code
“Award(s)”	outstanding, whether vested or unvested, Options or Free Shares as of Initial Announcement Date
“Award Cancellation Price”	being the price payable by Offeror in cash to: (i) Vested Option Holders under the Vested Option Offer, calculated as the “see-through” price of each vested Option, as set out in the section headed “Overview of the Offers — Vested Option Offer to Vested Option Holders”; and (ii) Unvested Award Holders under the Liquidity Arrangement, calculated as the “see-through” price for each vested Option or the equivalent of the Offer Price for each vested Free Share, as set out in the section headed “Further information on the Liquidity Arrangement — Liquidity Arrangement and material terms of the Liquidity Agreement”
“Award Holder”	a holder of an Award; and (i) if such holder holds a Vested Option, the “ <b>Vested Option Holder</b> ”, and (ii) if such holder holds an Unvested Award, the “ <b>Unvested Award Holder</b> ”
“Award Share”	the Share underlying each Award
“Board”	the board of directors of the Company
“business day”	has the meaning ascribed to it in the Takeovers Code
“Cash Alternative”	settlement of the Share Offer in cash at the Offer Price, as further set out in the section headed “Overview of the Offers — Share Offer to Minority Shareholders — Share Offer”
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“CCASS Participant”	the CCASS participant through which a Minority Shareholder holds an Offer Share that is deposited in CCASS and registered under the name of HKSCC Nominees
“Company”	L’Occitane International S.A., a company incorporated in Luxembourg with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 00973)
“Composite Document”	the composite offer document and offeree board circular to be jointly issued by Offeror and the Company to the Shareholders in connection with the Offers in accordance with the Takeovers Code, including any revisions thereof made in accordance with the Takeovers Code
“Composite Document Date”	the date of the Composite Document
“Conditions”	the condition(s) of the Share Offer, as set out under the section headed “Conditions of the Offers — Conditions of the Share Offer”
“Director(s)”	director(s) of the Company
“Disinterested Shareholders”	Shareholders other than: (i) with respect to the GA Disposal, Offeror Concert Group and persons who are involved in or interested in the GA Disposal; and (ii) with respect to the Offers, Offeror Concert Group

<b>“€” or “EUR”</b>	Euros, the single currency of participating members of the European Union
<b>“Evidence of Title”</b>	in respect of a Minority Shareholder, satisfactory evidence of title showing that the Minority Shareholder has title over their Offer Shares, being original share certificate(s), original transfer receipt(s), or satisfactory indemnity/indemnities, or a combination thereof
<b>“Executive”</b>	the Executive Director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong from time to time or any delegate of such Executive Director
<b>“Forms of Acceptance”</b>	the forms of acceptance and transfer/cancellation in respect of the Share Offer and the Vested Option Offer (as the case may be)
<b>“Free Share”</b>	a free share unit, representing one Share, granted under the Free Share Plan from time to time
<b>“Free Share Plan”</b>	the free share plan of the Company, being the Free Share Plan 2021
<b>“GA Disposal”</b>	the disposal of Grown Alchemist, the details of which are set out in “Other arrangements — Special deal with respect to the GA Disposal”
<b>“Group”</b>	the Company and its subsidiaries
<b>“Grown Alchemist”</b>	14 Groupe S.A., a company incorporated in Luxembourg with limited liability, and its subsidiaries (including Group Fourteen Holdings Pty. Ltd., a company incorporated in Australia with limited liability), which together operate the “Grown Alchemist” brand
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong
<b>“Holdco”</b>	Schuss S.à.r.l., a company incorporated in Luxembourg as a limited liability company
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People’s Republic of China
<b>“Hong Kong Share Registrar”</b>	Computershare Hong Kong Investor Services Limited, the branch share registrar of the Company
<b>“Independent Board Committee”</b>	the independent board committee of the Company formed for the purpose of advising and giving recommendation to (i) Disinterested Shareholders and Award Holders in respect of the terms of Offers; and (ii) Disinterested Shareholders in respect of the GA Disposal, pursuant to the requirements of the Takeovers Code
<b>“Independent Financial Adviser”</b>	Somerley Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, the independent financial adviser appointed for the purpose of advising the Independent Board Committee in respect of the terms of Offers and the GA Disposal
<b>“Initial Announcement”</b>	the announcement dated 29 April 2024 jointly issued by LOG and the Company pursuant to Rule 3.5 of the Takeovers Code
<b>“Initial Announcement Date”</b>	29 April 2024, being the date of the Initial Announcement



<b>“Irrevocable Undertakings”</b>	the irrevocable undertakings given by Pleasant Lake Partners LLC ( <b>“Pleasant Lake Partners”</b> ), ACATIS Investment KVG mbH, ( <b>“ACATIS”</b> ), and Global Alpha Capital Management Limited ( <b>“Global Alpha”</b> ) to LOG as of Announcement Date as further set out in the section headed “Irrevocable Undertakings and Non-binding Letters of Support”
<b>“J.P. Morgan”</b>	J.P. Morgan Securities (Asia Pacific) Limited, a registered institution under the SFO, licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 7 (providing automated trading services) regulated activities under the SFO; as the exclusive financial adviser to Offeror in respect of the Offers
<b>“Liquidity Agreement”</b>	agreement to be entered into between Offeror and Unvested Award Holder under the Liquidity Arrangement
<b>“Liquidity Arrangement”</b>	the liquidity arrangement offered by Offeror to each Unvested Award Holder and as further detailed in the section headed “Further information on the Liquidity Arrangement — Liquidity Arrangement and material terms of the Liquidity Agreement”
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
<b>“LOG”</b>	L’Occitane Groupe S.A., a company incorporated in Luxembourg
<b>“LOG Corporate Restructuring”</b>	corporate restructuring of LOG as further set out in the section headed “Other arrangements — LOG Corporate Restructuring”
<b>“Long Stop Date”</b>	26 August 2024 (or such other date as Offeror and the Company may agree, and as permitted by the Executive), the latest date for the Offers to become unconditional in all respects
<b>“Main Board”</b>	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
<b>“Minority Shareholders”</b>	all holders of Offer Shares other than LOG; for the avoidance of doubt, this excludes Vested Option Holders with respect to Vested Options and Unvested Award Holders with respect to the Unvested Awards
<b>“Non-binding Letters of Support”</b>	the non-binding letters of support given by ACATIS and Southeastern Asset Management, Inc. ( <b>“Southeastern”</b> ) to LOG as of Initial Announcement Date as further set out in the section headed “Irrevocable Undertakings and Non-binding Letters of Support”
<b>“Non-qualifying Shareholder”</b>	a Minority Shareholder who is not eligible for the Share Alternative, as further explained in the section headed “Further information on the Share Alternative — Non-qualifying Shareholders not eligible for Share Alternative”
<b>“Offer Closing Date”</b>	the date to be stated in the Composite Document as the first offer closing date of the Share Offer and Vested Option Offer or any subsequent offer closing date of the Share Offer and Vested Option Offer as may be extended or revised in accordance with the Takeovers Code
<b>“Offeror”</b>	L’Occitane Holding S.A., a holding company incorporated in Luxembourg established for the purposes of making the Offers and issuing new shares under the Share Alternative and Offeror Corporate Restructuring; as at Announcement Date, Offeror is a wholly-owned subsidiary of LOG

<b>“Offeror Concert Group”</b>	Offeror and parties acting in concert with Offeror, including LOG, J.P. Morgan, Blackstone Entities, and Goldman Sachs International (except members of the J.P. Morgan group and Goldman Sachs group, which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code), Offeror Group, and persons who are presumed to be acting in concert with Offeror and to the extent that such presumption has not been rebutted
<b>“Offeror Corporate Restructuring”</b>	corporate restructuring of Offeror as further set out in the section headed “Other arrangements — Offeror Corporate Restructuring”
<b>“Offeror Group”</b>	Offeror, LOG, RG LOG Holders, AH LOG Holders, Holdco, Topco
<b>“Offeror Share”</b>	a share in the share capital of Offeror; which for the avoidance of doubt, includes a Rollover Share
<b>“Offeror Shareholder Loan”</b>	the interest-free shareholder’s loan from LOG to Offeror to fund the Offers, as mentioned in the section headed “Value of the Offers and funding — Funding for the Offers”, which will be capitalised by the latest date for settlement of the Share Alternative under the Share Offer for the amount drawn down by Offeror to fund the cash portion of the Offers as part of the Offeror Corporate Restructuring
<b>“Offer Period”</b>	has the meaning ascribed to it in the Takeovers Code
<b>“Offer Price”</b>	the price at which the Share Offer will be made, being HK\$34.00 per Offer Share, as to be further set out in the Composite Document
<b>“Offers”</b>	the Share Offer, the Vested Option Offer and the Liquidity Arrangement
<b>“Offer Shares”</b>	all Shares in the total issued and outstanding share capital of the Company which are subject to the Share Offer, which excludes Shares held by LOG
<b>“Offer Unconditional Date”</b>	the date on which the Share Offer becomes or is declared unconditional in all respects
<b>“Option”</b>	a share option, representing one Share, granted under the Share Option Plans from time to time
<b>“Pro Rata Downward Adjustment Mechanism”</b>	the <i>pro rata</i> downward adjustment mechanism applicable to the Share Alternative in the manner set out in the section headed “Further information on the Share Alternative — Cap on the Share Alternative”
<b>“Qualifying Shareholder”</b>	a Minority Shareholder who is not a Non-qualifying Shareholder
<b>“RG LOG Holders”</b>	Mr. Reinold Geiger, Société d’Investissements CIME S.A., Cime S.C.A., and Cime Management S.à.r.l.
<b>“Rollover Share”</b>	a new Offeror Share to be issued under the Share Alternative, subject to the Share Alternative Cap
<b>“SFO”</b>	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
<b>“Share”</b>	an ordinary share in the issued share capital of the Company (unless specified otherwise, all references to (i) “ <b>total issued share capital</b> ” of the Company shall be inclusive of the Treasury Shares; (ii) “ <b>total issued and outstanding share capital</b> ” of the Company shall be exclusive of the Treasury Shares)

<b>“Share Alternative”</b>	settlement of the Share Offer by the issuance of Rollover Shares, as further set out in the sections headed “Overview of the Offers — Share Offer to Minority Shareholders” and “Further information on the Share Alternative”
<b>“Share Alternative Cap”</b>	up to 73,743,145 Offer Shares, being the maximum number of Offer Shares that will be exchanged for Rollover Shares (being a maximum of up to 737,431,450 Rollover Shares) under the Share Alternative; the Share Alternative Cap represents 5% of the total issued and outstanding Shares as at Initial Announcement Date
<b>“Share Alternative Holder”</b>	(i) before settlement of the Share Alternative, a Qualifying Shareholder who validly accepts the Share Offer and validly elects the Share Alternative; and (ii) following settlement of the Share Alternative, a holder of a Rollover Share under the Share Alternative
<b>“Shareholder”</b>	a holder of Shares, including Award Holders after exercise or allocation (as the case may be) of their Awards and upon registration of the Award Shares in their name in the Company’s register of members
<b>“Share Incentive Notice”</b>	written notice sent by the Company to all Award Holders under the relevant Share Incentive Plans, informing Award Holders of the treatment of Vested Options and Unvested Awards
<b>“Share Incentive Plans”</b>	the Share Option Plans and the Free Share Plan
<b>“Share Offer”</b>	the voluntary conditional offer by J.P. Morgan on behalf of Offeror to acquire all of the Offer Shares in accordance with the terms and conditions to be set out in the Composite Document, and any subsequent revision or extension of such offer; which for the avoidance of doubt, may be settled, at the election of the Minority Shareholder, by either the Cash Alternative or the Share Alternative (but not a combination of both)
<b>“Share Option Plans”</b>	the share option plans of the Company, being the Share Option Plan 2013, Share Option Plan 2016 and Share Option Plan 2020, collectively, and each a <b>“Share Option Plan”</b>
<b>“Special Deal Circular”</b>	the circular dated 5 June 2024 published by the Company in relation to the GA Disposal
<b>“Special Deal EGM”</b>	the extraordinary general meeting of Shareholders to be convened by the Company at 4:00 p.m. (Hong Kong time) on Friday, 21 June 2024 for Disinterested Shareholders to consider, and if thought fit, approve the GA Disposal, the details of which are set out in the Special Deal Circular and the notice of general meeting published by the Company on the same date
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited
<b>“substantial shareholder”</b>	has the meaning ascribed to it in the Listing Rules
<b>“Takeovers Code”</b>	the Hong Kong Code on Takeovers and Mergers as in force and as amended from time to time
<b>“Topco”</b>	Nolde S.à.r.l., a company incorporated in Luxembourg as a limited liability company
<b>“trading day”</b>	a day on which the Stock Exchange is open for the business of dealings in securities

<b>“Treasury Shares”</b>	Shares held in a treasury account on behalf of the Company, and which do not count towards the issued and outstanding share capital of the Company
<b>“Undisturbed Date”</b>	5 February 2024, being the last trading day prior to when there were irregular trading volumes and price movements in the Shares
<b>“Unvested Awards”</b>	Awards which have not vested on or before Initial Announcement Date
<b>“U.S.” or “United States”</b>	the United States of America
<b>“Vested Option Offer”</b>	the voluntary conditional cash offer by J.P. Morgan on behalf of Offeror to cancel all Vested Options in accordance with the terms and conditions set out in the Composite Document, and any subsequent revision or extension of such offer, at the Award Cancellation Price
<b>“Vested Options”</b>	Awards (being all Options) which have vested on or before Initial Announcement Date

*In this announcement, amounts denominated in Euros have been translated into Hong Kong dollars at the rate of €1 = HK\$8.3920. Such conversion rate is for illustration purpose only and should not be construed as a representation that the amounts in question have been, could have been or could be converted at any particular rate or at all.*

By order of the board of directors of  
**L’Occitane Holding S.A.**  
**Mr. Reinold Geiger**  
*Sole Director*

By order of the Board of  
**L’Occitane International S.A.**  
**Mr. Laurent Marteau**  
*Director and Chief Executive Officer*

Luxembourg, 17 June 2024

*As at Announcement Date, the sole director of Offeror is Mr. Reinold Geiger. The sole director of Offeror accepts full responsibility for the accuracy of the information contained in this announcement (other than the information relating to the Group) and confirm, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this announcement 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.*

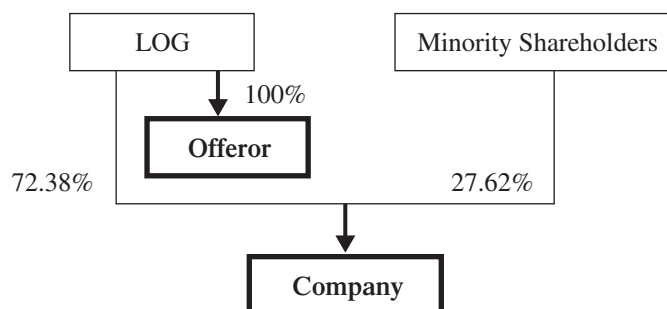
*As at Announcement Date, the directors of LOG are Mr. Reinold Geiger (Chairman), Mr. André Hoffmann, Mr. Karl Guénard, Mr. Olivier Baussan, Mr. Christopher Braden, Mr. Sylvain Desjonqueres, Mr. Adrien Geiger, Mr. Maximilien Geiger and Mr. Nicolas Geiger. The directors of LOG jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than the information relating to the Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than the opinions expressed by the Directors in their capacity as Directors) 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 Announcement Date, the executive Directors 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 announcement (other than the information relating to the Offers and Offeror Concert Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than the opinions expressed by the directors of LOG in their capacity as directors of LOG, and the sole director of Offeror in his capacity as director of Offeror) 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.*

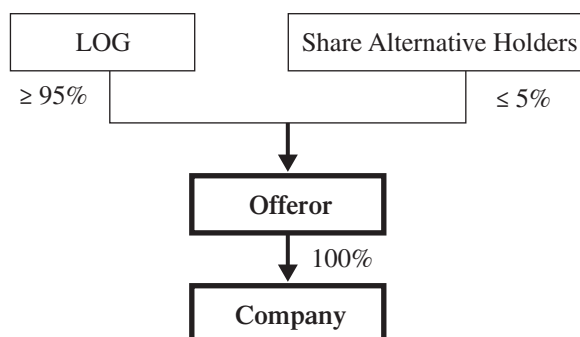
## 1. CORPORATE STRUCTURE OF OFFEROR INTEREST IN THE COMPANY

The following corporate structure charts depict a simplified shareholding structure of Offeror in the Company during Offer Period:

*As at Announcement Date*



*Following Offer Closing Date (upon completion of the Offeror Corporate Restructuring)<sup>(1)</sup>*



*Note:*

(1) Assuming acceptance of the Offers in full.

## 2. KEY CORPORATE GOVERNANCE DETAILS OF OFFEROR

*As at Announcement Date:*

- (a) Offeror has an authorised share capital of HK\$16,000,000,000 divided into 16,000,000,000 ordinary shares with a nominal value of HK\$1.00 each. The total issued share capital of Offeror is 300,000 Offeror Shares, all of which are issued to LOG. Each Offeror Share is entitled to 1 vote at the general meeting of Offeror.

*After completion of the Offeror Corporate Restructuring:*

- (a) **Board composition.** Offeror's board of directors will comprise no less than 3 directors. The initial Chairperson of Offeror's board is Mr. Reinold Geiger, and going forward, the Chairperson shall be appointed from time to time by the executive directors of Offeror. An Offeror director may be appointed (together with approval of their remuneration) or removed from the board by ordinary resolution of the shareholders of Offeror.

- (b) **General meeting of shareholders.** Offeror directors may call a general meeting of shareholders at any time. Offeror directors or Offeror's auditor may also call a general meeting if a requisition in writing is given by one or more shareholders of Offeror who, in aggregate, hold not less than 10% of the right to vote at such general meeting, in which event, Offeror directors or Offeror's auditor shall have one month from the date of receipt of such requisition to call a general meeting. General meetings of shareholders will be convened through announcements filed with the Luxembourg Trade and Companies Register and published at least 15 days before the meeting, on the *Recueil électronique des sociétés et associations* and in a Luxembourg newspaper. In such case, notices by mail shall be sent at least 8 days before the meeting to the registered shareholders by ordinary mail (*lettre missive*). Alternatively, the convening notices may be exclusively made by registered mail in case Offeror has only issued registered shares or if the addressees have individually agreed to receive the convening notices by another means of communication ensuring access to the information, by such means of communication.
- (c) The following key items will require the approval of shareholders of Offeror:

<b>Key items</b>	<b>Quorum</b>	<b>Approval threshold</b>	<b>Type of meeting</b>
Increasing the capital commitments of Offeror shareholders.	Unanimous attendance of all Offeror shareholders whose capital commitment is proposed to be increased.	Unanimous consent of all Offeror shareholders whose capital commitment is proposed to be increased.	Extraordinary general meeting.
Change of share capital of Offeror.	At least a majority of the issued share capital.	At least a 2/3 majority.	Extraordinary general meeting.
Dissolution of Offeror.	At least a majority of the issued share capital.	At least a 2/3 majority.	Extraordinary general meeting.
Amending Offeror's articles of association (including, amongst others, (i) the change of corporate name, (ii) the change of financial year, (iii) the change of currency, (iv) the change of corporate purpose, and (v) the change of corporate form).	At least a majority of the issued share capital.	At least a 2/3 majority.	Extraordinary general meeting.
Merger, division (demerger), and change of nationality.	At least a majority of the issued share capital.	At least a 2/3 majority.	Extraordinary general meeting.
Transfer of professional assets ( <i>transferts d'actifs, de branche d'activité et d'universalité; transferts du patrimoine professionnel</i> ).	At least a majority of the issued share capital.	At least a 2/3 majority.	Extraordinary general meeting.
Appointment and removal of statutory and independent auditor.	None.	At least a simple majority.	Ordinary general meeting.
Appointment, removal and discharge of directors.	None.	At least a simple majority.	Ordinary general meeting.
Approval of annual financial statements and report of the independent auditor.	None.	At least a simple majority.	Ordinary general meeting.



A copy of the amended articles of association of Offeror will be made available as a document on display at the same time as despatch of the Composite Document.

### 3. TERMS AND CONDITIONS OF ROLLOVER SHARES

A summary of the key terms and conditions attached to the issuance and receipt of Rollover Shares, which, aside from (a) below, will be recorded in the amended articles of association of Offeror to be published together with the Composite Document, are set out below:

- (a) **KYC documentation.** Share Alternative Holders shall promptly (in the manner to be set out in the Composite Document and Forms of Acceptance, and to be delivered to Offeror before issuance of the Rollover Shares) complete all applicable “know your client” checks as reasonably required by J.P. Morgan and/or Offeror or their respective associates.
- (b) **Qualifying Shareholder.** Share Alternative Holders shall ensure, and warrant to Offeror, that they are Qualifying Shareholders, and that all regulatory approvals (if any) required by such person to receive Rollover Shares have been obtained. Offeror’s board of directors may, from time to time, make requests to a Share Alternative Holder to provide reasonable evidence of such Share Alternative Holder being a Qualifying Shareholder (including evidence of obtaining appropriate regulatory approvals (if any) required for such person to hold Rollover Shares). The foregoing requirements shall cease to apply following enforcement of any pledge granted by LOG on its Offeror Shares.
- (c) **Voting rights and right to attend shareholder meetings.** Each Share Alternative Holder shall be entitled to attend, and vote at, general meetings of shareholders convened by Offeror. Each Rollover Share shall entitle its holder to one vote at general meetings of shareholders.
- (d) **No competition.** Share Alternative Holders must not be considered by Offeror’s board of directors (acting reasonably and without delay) to be a Competitor of Offeror or its associates (as defined in the Listing Rules), where: “**Competitor**” means any person that (directly or indirectly) carries on, or is concerned in, any business that is competitive, or would reasonably be considered to be competitive, with any Competitive Business, provided that a person shall not be regarded as a Competitor solely by being a passive investor (whether directly or indirectly) holding not more than 5% (together with its affiliates) of the issued share capital of any company whose shares are publicly traded or listed; and “**Competitive Business**” means any and all of the businesses carried on by Offeror and its subsidiaries (“**Offeror group**”) from time to time, excluding any individual business representing less than 5% of Offeror group’s consolidated revenues for the last financial year.
- (e) **Right of first refusal.** Other than in respect of any Permitted transfers (see paragraph (h) below), any proposed transfer of a Rollover Share shall be subject to a right of first refusal by LOG (or any person designated by, or a successor to, LOG pursuant to the enforcement of any pledge granted by LOG on Offeror Shares or otherwise).
- (f) **Transfer restrictions.** Subject to the permitted transfers set out below, the following transfers of Rollover Shares shall not be permitted:
  - (i) transfers to a Competitor; and
  - (ii) transfers to any sanctioned transferees.
- (g) **No encumbrances.** No encumbrances (including charges or creation of any security or equitable mortgage) on the Rollover Shares shall be permitted.
- (h) **Permitted transfers.** The following transfers of Rollover Shares will be permitted: (1) transfers to and from LOG (including any of its successors pursuant to the enforcement of any pledge granted by LOG on Offeror Shares or otherwise); (2) transfers pursuant to the tag-along or drag-along rights (set out below); and (3) transfers to affiliates of the holders of Rollover Shares (provided that the transferee complies with the transfer restrictions described above).

- (i) **Tag-along rights.** In the event of a direct or indirect change of control of Offeror to the benefit of a *bona fide* third-party, through a single transfer or a series of transfers (“**control**” means, for the purpose of the tag-along and drag-along rights, by reference to the control of 50% or more of the share capital and/or voting rights of Offeror), each Share Alternative Holder (or its successor or assignee) shall have a right, but not an obligation, to sell, on conditions that are no less favourable than those offered by the *bona fide* third-party, all (but not part of) their then-held Rollover Shares to the *bona fide* third-party or such other person designated by LOG. In addition, in the event of a direct transfer by LOG (or any successor) of Offeror Shares representing 25% or more of the total issued Offeror Shares which does not result in a change of control of Offeror, each Share Alternative Holder (or its successor or assignee) shall have a right, but not an obligation, to sell on conditions (including consideration) that are no less favourable than those offered by the *bona fide* third-party, a number of Offeror Shares proportional to the stake transferred by LOG (or its successor). Neither tag-along right shall apply, however, in case of enforcement of any pledge granted by LOG on Offeror Shares.
- (j) **Drag-along rights.** In the event of a direct or indirect change of control of Offeror to the benefit of a *bona fide* third-party, through a single transfer or a series of transfers, LOG (or any of its successors pursuant to the enforcement of any pledge granted by LOG on Offeror Shares or otherwise) has a right, but not an obligation, to require all Share Alternative Holders (or their successors or assignee) to transfer all of their then-held Rollover Shares for cash, on conditions (including consideration) that are no less favourable than those offered by the *bona fide* third-party to LOG, to the *bona fide* third-party or such other person designated by LOG.
- (k) **Call option.** All Share Alternative Holders (and their successors) shall grant a call option to LOG (and to any successor thereto pursuant to the enforcement of any pledge granted by LOG on Offeror Shares or otherwise) entitling LOG (or such successor) the right, but not the obligation to require such holder to transfer all of their then-held Rollover Shares to LOG (or such other person designated by, or successor to, LOG) at 80% of the fair market value of those Rollover Shares; with the call option to be exercisable within 6 months after the date that Offeror’s board of directors, acting reasonably, issues a decision that (i) the holder is a sanctioned person; or (ii) the holder is a Competitor.
- (l) **Priority right and registration rights.** Additionally, in case of occurrence of a listing, on a stock exchange or another market index, of Offeror or the Company, and if any pledge granted by LOG on Offeror Shares has not been enforced pursuant thereto, the holders of Rollover Shares holding 1.5% or more of Offeror’s share capital shall have the right, subject to customary lock-ups and requirements by relevant regulators, stock exchange authorities and financial advisors, to sell the Rollover Shares as part of the listing application, if an opportunity to sell is available, in priority to the Offeror Shares held by LOG. If the listing is made on stock exchange or market index in the United States, Qualifying Shareholders shall be entitled to request customary registration rights as appropriate for the purpose of giving effect to their priority right.
- (m) **Dividends.** Holders of Rollover Shares shall be entitled to receive their pro rata share of any distribution of dividends by Offeror made in respect of ordinary shares of Offeror, as may occur from time to time.
- (n) **Preemptive rights.** Holders of Rollover Shares shall have a preemptive right (*droit préférentiel de souscription*) in accordance with Luxembourg laws, save for issuances made (i) pursuant to management incentive plans, employee share incentive plans and other such plans up to an aggregate amount of 10% of all Offeror Shares in issue, or (ii) for the purposes of Emergency Funding, subject to customary catch-up rights and “**Emergency Funding**” means funding required urgently to (a) prevent an insolvency event or breach of applicable law, (b) avoid or cure a breach of any debt facility or other financing (including an event of default), (c) avoid or cure breach of any third party contract (other than any related-party contract), or (d) avert or mitigate unforeseen events which would cause significant immediate damage to the Offeror or any of its assets.
- (o) **Information rights.** Holders of Rollover Shares shall be entitled to receive the information due to any holder of ordinary shares in a Luxembourg *société anonyme*, including the annual audited accounts of Offeror. In addition, holders of Rollover Shares holding 1.5% or more of Offeror’s share capital shall be entitled to receive, upon request, the half-yearly audited or unaudited (as the case may be) accounts of Offeror.
- (p) **Governance.** The board of directors of Offeror shall be responsible for the overall direction, supervision and management of Offeror and its subsidiaries.

- (q) ***Amendment of articles.*** Any amendment of any provision of the articles of Offeror or otherwise of the rights of the Rollover Shares which would have a disproportionate and detrimental impact on the rights or obligations of one or more holders of Rollover Shares or on the rights or obligations attached to the Offeror Shares held by any holder of Rollover Shares as compared to its impact on any other holder of Offeror Shares shall require the positive vote of any such affected holder of Rollover Shares.
  
- (r) ***Governing law and dispute.*** The governing law of Offeror's articles of association and with respect to the Offeror Shares shall be the laws of the Grand-Duchy of Luxembourg; disputes in respect of Offeror Shares or in respect of the articles of association of Offeror shall be settled by a court of competent jurisdiction in Luxembourg.