

# L'OCCITANE

EN PROVENCE

## **L'Occitane, Inc. to Optimize U.S. Store Footprint to Best Position Business for the Future**

*Iconic Brand to Offer Customers Same Extraordinary Beauty Experience In-Store and Online*

*Commences Voluntary Chapter 11 to Further Accelerate U.S. Lease Portfolio Restructuring Initiative;  
Case Does Not Include Parent Company or Any of Its Other Subsidiaries*

*L'OCCITANE en Provence Boutiques Open Nationwide and All Gift Cards to be Honored in Normal Course*

*Ample Liquidity to Support Business-as-Usual Operations Across All Channels*

**NEW YORK, January 26, 2021** – L'Occitane, Inc. ("L'Occitane" or the "Company"), a leading U.S. retailer of beauty and well-being products rich in natural and organic ingredients that preserves and celebrates the traditions of Provence, today announced that it has taken action to further accelerate a transformation already well underway to best position its business for the future. With its iconic global brand and highest quality offerings beloved by many, L'Occitane has successfully evolved its business model to serve customers nationwide across multiple channels. The initiative announced today will allow the Company to create a sustainable U.S. store platform for the long term.

To implement this store footprint optimization plan, including the contemplated exit of unprofitable locations, the Company commenced a voluntary case under Chapter 11 of the U.S. Bankruptcy Code in the United States Bankruptcy Court for the District of New Jersey. The filing does not include the L'OCCITANE en Provence brand or any operations outside the U.S.; parent company L'Occitane International S.A. ("Group"); or any other Group subsidiaries, including ELEMIS and LimLife.

### **Boutiques Open; Ample Liquidity to Support Ongoing Operations Across All Channels**

L'OCCITANE en Provence boutiques across the country are open and operating safely in accordance with all applicable COVID-related guidelines. The Company has ample liquidity to support ongoing operations across all channels and fulfill commitments to its valued employees, customers, and suppliers in the ordinary course during the restructuring of its U.S. store lease portfolio, which it anticipates completing in short order.

### **Transformation Well Underway to Achieve Iconic Brand's Full Potential in U.S.**

Despite L'Occitane's success in advancing its strategy, including dramatic year-over-year growth in online sales, its business continues to be impacted by disproportionately high store rent obligations that are no longer tenable. The Company determined that a Chapter 11 process was the necessary path to right-size its brick-and-mortar presence following repeated endeavors to engage with its landlords to address unmanageable store lease terms.

"Today's action is a pivotal step forward in achieving the full potential of L'Occitane's U.S. business," said Yann Tanini, Managing Director of L'Occitane North America. "Over the past year, we have moved aggressively to address COVID-related challenges head on, developing innovative new ways to connect with our community and continue to deliver the extraordinary L'Occitane beauty experience that our customers know and love, all while accelerating the essential transformation of our store footprint already

underway. We look forward to working collaboratively with our landlords to achieve partnerships that make economic sense in this current retail environment and best position our marquee brand's boutique offering for years to come."

Mr. Tanini added, "Just like in L'Occitane's other markets around the world, we look forward to continuing to serve our loyal clients here in the U.S. in our boutiques, online, and through our amazing team of passionate beauty advisors. As always, L'Occitane is focused on creating a delightful and personalized customer experience, and we will continue to develop innovative products with unique benefits. Our unwavering commitment to sustainability and ambition to make a positive impact in the world are stronger than ever. We appreciate the continued support of our employees, community, and partners, and we are excited about the bright future of our U.S. business."

### **First Day Motions**

The Company has filed with the Court a series of customary motions seeking to continue operating its business as usual, allowing for ongoing successful engagement with customers in-store, online, and through L'Occitane's clienteling applications, particularly during this period of continued social distancing. These "first day" motions include requests to continue to pay wages and provide benefits to employees as usual, honor all gift cards in the normal course, and maintain customer policies. The Company intends to continue to pay suppliers in the ordinary course for all goods received and services rendered after the filing, just as it had done prior thereto.

### **Additional Information**

Additional information about L'Occitane's lease portfolio restructuring, including Court filings, is available at <https://cases.stretto.com/LOccitane>.

Fox Rothschild LLP is serving as legal counsel, RK Consultants LLC is serving as financial advisor, and Hilco Real Estate, LLC is serving as real estate advisor to the Company.

### **About L'OCCITANE en Provence**

Founded by Olivier Baussan more than 40 years ago, L'OCCITANE captures the true art de vivre of Provence, offering a sensorial immersion in the natural beauty and lifestyle of the South of France. From the texture of L'OCCITANE products to the scent, each skincare, body care, and fragrance formula promises pleasure through beauty and well-being – a moment rich in enjoyment and discovery that goes beyond tangible benefits to create a different experience of Provence. L'OCCITANE products are available at [usa.loccitane.com](http://usa.loccitane.com) and in boutiques throughout the U.S.

### **Media Contacts**

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