

LE TANNEUR

RECAPITALIZATION AND GROWTH PLAN OF EUR 13.3 M BACKED BY TOLOMEI PARTICIPATIONS

PROPOSED SIMPLIFIED TENDER OFFER AT A PRICE OF 2.5 EUROS PER SHARE

Paris, June 23, 2017 - Le Tanneur & Cie ("**Le Tanneur**") announces today that Le Tanneur, Qatar Luxury Group - Fashion S.P.C. ("**QLG**"), its majority shareholder, and Tolomei Participations ("**Tolomei**") have entered into exclusive negotiations to recapitalize and grow Le Tanneur for an amount of at least EUR 13,300,000. QLG holds 85.6% of the share capital and 92.0% of the voting rights of Le Tanneur. Tolomei group is specialized in luxury leather products.

This recapitalization and growth plan aims to significantly improve Le Tanneur's prospects by (i) allowing the company to repay QLG's shareholder current account, for an amount of 9.5 million euros in principal as of the date hereof¹, (ii) enabling Le Tanneur to pursue its development and (iii) leveraging Tolomei's significant industry expertise and experience in manufacturing and distributing luxury leather products.

As a result of the recapitalization and growth plan, Tolomei would become the majority shareholder of Le Tanneur.

This proposal is based on a three-step plan as follows:

- A share capital increase to be subscribed in cash and reserved to Tolomei for an aggregate amount of EUR 10,800,000 (without shareholders' preferential subscription right) at a subscription price of EUR 2.5 per share (the "**Reserved Capital Increase**"), following which Tolomei would hold approximately 50.2% of the share capital and voting rights of Le Tanneur, with the proceeds of the Reserved Capital Increase being used to fully repay QLG's shareholder current account. Following this Reserved Capital Increase, QLG would hold approximately 42.6% of the share capital and voting rights of Le Tanneur. The Reserved Capital Increase would be immediately preceded by a special meeting of the holders of double voting rights to suppress the double voting rights provided in the by-laws. The dilutive effect of this Reserved Capital Increase would bring a shareholder holding 1% of the capital prior to the Reserved Capital Increase to hold 0.4978% of the capital as a result of the recapitalization;
- Upon completion of the Reserved Capital Increase, a simplified mandatory tender offer² to be initiated by Tolomei at a price of EUR 2.5 per share on all outstanding shares of the company in accordance with applicable regulations (the "**Tender Offer**"), with QLG having committed not to tender its shares to the Tender Offer. Tolomei does not intend to implement a squeeze-out or delisting of Le Tanneur;
- Within three months of the settlement of the Tender Offer, a share capital increase to be subscribed in cash for an aggregate amount of EUR 2,500,000 (with shareholders' preferential subscription right) at a subscription price of EUR 1 per share, with QLG having committed not to exercise its preferential subscription rights (the "**Additional Capital Increase**"). The Additional Capital Increase would be fully guaranteed by Tolomei. Until August 31, 2017, QLG would have the opportunity to decide to subscribe to the Additional Capital Increase for an amount of €1,000,000, in which case the aggregate amount of the Additional Capital Increase would be raised to EUR 3,500,000 with the subscription price per share remaining unchanged.

¹ It being specified that QLG committed to make available to Le Tanneur an additional funding of 1 million euros as part of the shareholder current account and that accrued unpaid interest will be paid upon the repayment of the principal amount.

² In accordance with the provisions of article 234-2 of the AMF general regulation.

It is proposed to hold the extraordinary shareholders meeting no later than September 30, 2017 and the Reserved Capital Increase and the Tender Offer are expected to complete during the fourth quarter of 2017.

The Board of Directors of Le Tanneur expressed its unanimous support to the Tolomei recapitalization and growth plan and will designate an independent expert to assess the fairness of the price of the Reserved Capital Increase and the Tender Offer.

The Board of Directors of Le Tanneur will meet again once the opinion of the works council has been issued and the independent expert has delivered its report in order to decide on the Tolomei offer and convene an extraordinary shareholders meeting as well as the special meeting of the holders of double voting rights. The purpose of the extraordinary shareholders meeting is to approve the Reserved Capital Increase and to authorize the Board of Directors to implement the Additional Capital Increase. The purpose of the special meeting of the holders of double voting rights is to suppress the double voting rights.

The transaction is subject to customary closing conditions, including approval of the shareholders meeting and approval of the AMF on the prospectus related to the Reserved Capital Increase.

About Le Tanneur & Cie

Le Tanneur was established in 1898 as the association of a leather goods manufacturer and a tanner who together patented "Sans Couture": made from a single leather piece, this seamless purse is a breakthrough for its time. Innovation is still deeply rooted in the brand's DNA, which today continuously renews its collections through a network of about fifty boutiques in France and abroad, 80 corners in department stores, an e-commerce website and a network of more than 300 multi-brand retailers.

About Tolomei Participations

Tolomei Participations was incorporated in 2004. Tolomei group is a leader in the fashion accessories and leather goods industry. As a French manufacturer for diverse brands (in France and abroad), well-known for the excellence of its processes and its productions, the Tolomei group also developed an expertise in brand management: it created and managed (until end of 2016) with success Cemalac, worldwide licensed joint-venture of LACOSTE for its leather goods activities (suitcases, bags, wallets and belts), as well as its own brands Renaud Pellegrino and PK-214.

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