



June, 19th 2020

The Commercial Court of Montpellier selects the tender offer of ORCHESTRA-PREMAMAN by NewOrch SAS

Review of the context

Orchestra-Prémaman company asked and obtained, by judgement of September 24th, 2019, the opening of a safeguard procedure.

April 1st 2020, Orchestra-Prémaman company announced its intention to convert the safeguard procedure into a legal recovery procedure due to financial consequences related to the global health crisis (COVID-19), which has significantly impacted its business.

April 29th 2020, the specialized Commercial Court of Montpellier has converted the safeguard procedure into a legal recovery procedure.

By judgement delivered on June 19th 2020, the specialized Commercial Court of Montpellier has appointed NewOrch SAS company as buyer of the assets of Orchestra-Prémaman.

Takeover project description

NewOrch's project is carried by a collective of suppliers, franchised and executives of the group representing 41% of the Partnership's capital of the new company now called NewOrch, plus historical shareholders of Orchestra-Prémaman Group, Mestre family will own 38% of the capital and Gotlib family up to 19% of Neworch's capital. Finally, 2% of the capital will be offered to group's employees, freely.

Main characteristics of the takeover plan are the following:

- keeping main geographic areas, where operated Orchestra-Prémaman group: France, Greece, Cyprus, Spain, Belgium, Luxembourg, Switzerland and Morocco;
- keeping purchasing offices;
- keeping 430 points of sale of which 257 in France; and

- setting up a social plan in France for the headquarter preserving 223 jobs out of 303. Worldwide, the group will preserve 3769 jobs out of 4520.

On the financial front, acquisition price amounts to €35.5M to which augmentative charges of the price of €34.0M will be added in order to pay off the procedure corresponding to miscellaneous provisions in Orchestra-Prémaman SA accounts (additional financial contribution) and €1.5M related to social plan, giving a global price of €71.0M.

The €35.5M are paid to the procedure as follows: €15.5M the day of the signing the deed of conveyance which will occur maximum 6 months after the date of judgement and €20.0M spread over 48 months.

Finally, the financing of the working capital, to relaunch company's business, relies on €35.0M of letters of credit, a loan of €19.5M mainly based on stocks guarantee, an additional funding of €3.0M guaranteed on Swiss subsidiary's stocks and notably on a fully paid capital of €10.0M.

In this context, the trading shares on Euronext Paris will be suspended until the liquidation of the company.

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ORCHESTRA-PREMAMAN

A public limited company with capital of €12,159,825
Headquarter: 200 avenue des Tamaris, Zac Saint Antoine, 34130 Saint-Aunès.
Registration n°: 398 471 565 in the Montpellier Trade and Companies Register