

APPAREL AND ACCESSORIES

Kering to divest part of its Puma stake to free up cash

October 5, 2020



Neymar Jr. fronting Puma. Image credit: Puma

By LUXURY DAILY NEWS SERVICE

Kering will divest almost one-third of its stake in sports footwear giant Puma as the French luxury conglomerate further refines its focus on luxury and also strengthens its balance sheet.

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246 ▶**

The Paris-based company will sell approximately 8.8 million shares that it owns in Puma SE, representing 5.9 percent of the share capital of the footwear maker.

"The proceeds of this transaction will be used for the general corporate purposes of Kering and will further strengthen its financial structure," Kering said in a statement.

Kering is the parent of such brands as Gucci, Bottega Veneta, Saint Laurent, Pomellato, Boucheron, Ulysse Nardin and Balenciaga.

Other shoe drops

The sell-down will be conducted through a placement to only qualified investors via an accelerated book-building process.

Once the placement is concluded, Kering will retain nearly 9.8 percent of Puma's outstanding shares.

As a result of the placement, Puma's free float is expected to increase to approximately 61.7 percent.

Kering will make public the results of the placement after the close of the book-building process.

"Kering and Artmis have entered into a lock-up agreement relating to the Puma's shares, which lock-up is expected to end after a period of 90 calendar days from the settlement date of the Shares, subject to certain exceptions or waiver by the joint global coordinators," Kering said.