



Technical Publications Service S.p.A.

• PRESS RELEASE •

Certain final conditions of the Capital Increase and of the Reserved Capital Increase passed by the Extraordinary Shareholders' Meeting on October 5, 2018

Gallarate (VA), October 10, 2018 – TPS S.p.A. (TPS: IM), *an operational holding company of TPS Group, leader in the technical services field and the aeronautical industry (“TPS” or “Company” or “Issuer”)*, announces that on today's date, in implementing the resolution passed by the Company's Extraordinary Shareholders' Meeting on October 5, 2018, the final conditions were set for the capital increase with an option to purchase offered to those entitled as set forth in art. 2441, paragraph 1, Civil Code (the “**Capital Increase**”) as well as for the capital increase reserved for subscription to qualified/corporate investors (the “**Reserved Capital Increase**”) by the terms described more in depth below.

CAPITAL INCREASE

The Company has set the condition to issue up to a maximum no. 1,241,310 new ordinary shares, with nominal value of zero, with regular dividend rights, with the same characteristics of the shares in circulation (“**New Shares**”), with an option to purchase offered to those entitled for the shareholders in the ratio of no. 21 New Shares every no. 100 shares held, at the price of 4 € (of which €3.50 as additional paid in capital) per share (“**Subscription Price**”), for a total consideration equal to at most €4,965,240.00.

To each ordinary share held, no. 1 option right shall be assigned (“**Option Right**”) – with cancellation, due to the balance of the option ratio, of no. 50 Option Rights - for total no. 5,911,050 Option Rights.

The Option Rights for subscription of the New Shares, contraddistinguished by dividend check no.1, shall be made available to those entitled through Monte Titoli S.p.A. (“**Monte Titoli**”) and will have the following ISIN code: IT0005346751. The cut-off date of the relative Option Rights is October 15, 2018.

Option Rights must be exercised, on pain of their loss, in the offer period (*option to purchase and right of first refusal*) set from October 15, 2018 to November 6, 2018, both inclusive (“**Offer Period**”).

Option Rights may be negotiated on AIM Italia Borsa Italiana S.p.a. from October 15, 2018 to October 31, 2018, both inclusive.

The Capital Increase is aimed at obtaining new financial resources to allocate to achieve strategic growth objectives for the company and its *business*. Specifically, through the Capital Increase, TPS means to gain financial tools for pursuing its growth and development strategy.

To accept the offer, one must submit the designated acceptance form – to be filled out and duly signed, on pain of nullity – to the authorized brokers belonging to the central management system managed by Monte Titoli S.p.A., with which the Option Rights are lodged. Brokers are obliged to give instructions on this to Monte Titoli S.p.A. by 2 PM on the last day of the Offer Period.

Acceptance of the offer shall be irrevocable and may not be subject to conditions.

As set forth in art. 2441, paragraph three, Civil Code, as long as they request it on the acceptance form at the same time, those that exercise Option Rights shall have pre-emption rights to purchase any New Shares that—at the end of the Offer Period—might be left unopted at the same Subscription Price (the “**Pre-emption Right**”). If the New Shares left unopted do not suffice to meet the all the subscription requests received, the Company shall make assignments on the basis of a mechanism of division proportional to the Option Rights exercised by November 9, 2018. Any New Shares left unopted after exercise of the Option Rights and Pre-emption Right by those entitled may

be allocated by the Administrative Body, following current regulations, by the final subscription deadline of December 31, 2018.

Full payment of the New Shares must be made upon their subscription with the authorized broker that the subscription request was submitted to by exercising the Option Rights for them according to the terms and conditions given on the subscription sheet itself. The Company does not require any extra cost or expense from the subscribers.

The New Shares subscribed by the end of the Offer Period shall be credited to the accounts of the brokers that belong to the central management system managed by Monte Titoli S.p.A. by the end of the regulation stage on the last day of the Offer Period with availability on the same date. The New Shares that will be assigned after any exercise of the Pre-emption Right shall be credited to the accounts of the brokers that belong to the central management system managed by Monte Titoli S.p.A. by the end of regulation stage on November 9, 2018, and shall therefore be available on the same date.

The notice of rights shall be issued in the Companies Register of Varese as set forth in art. 2441, paragraph two, Civil Code

The notice of rights issue and the acceptance form will be available on the Issuer's *website* www.tps-group.it, section *Investor Relations, Meetings, Capital increases 2018* and with the brokers that belong to the central management system managed by Monte Titoli S.p.A.

Lastly, (i) to the no. 80,000 shares for which the in-kind increase of the share capital decided and subscribed on October 5, 2018, with code ISIN IT0005346793 was not assigned any Option Right, and (ii) as set forth in art. 4.(i) of the regulation of the "TPS 2017-2020 Warrants" ("**Warrants**"), by effect of carrying out the Capital Increase, the strike price of the converted shares to the warrants shall be corrected with validity in the next few years, notifying the market of this in a timely manner.

Moreover, as already made known to the market, note that the shareholders G&D S.r.l. and Massimiliano Anguillesi stated that they do not want to follow the Capital Increase, not exercising the Option Rights they are entitled to.

RESERVED CAPITAL INCREASE

The Company has also set the condition to issue up to a maximum of no. 250,000 new ordinary shares with nominal value of zero, with regular dividend rights, with the same characteristics as the shares in circulation, excluding the option right as set forth in art no. 2441, paragraph five, Civil Code, at the price of 4 € (of which €3.50 as additional paid in capital) per share for a total consideration equal to maximum €1 million.

The New Reserved Shares shall be offered for subscription within the scope of a private allocation exclusively to "qualified investors" (as defined by art. 34-b, paragraph *one*, lett. b) of the issuing regulation adopted with Consob resolution no. 11971 of May 14, 1999, and as amended) in Italy and "institutional investors" abroad (not including the United States and any other country where the offer or sale of shares being offered would be prohibited according to the law or in the absence of exemptions), by December 31, 2018.

The New Reserved Shares must be entirely free in cash at the time of their subscription and may be admitted to negotiation on AIM Italia, just like the shares already in circulation and following the applicable legal and regulation provisions.

The New Reserved Shares without Option Right shall be assigned at the end of the Offer Period.

The Reserved Capital Increase primarily pursues the goal of allowing the Company to strengthen its assets and foster trading, rapidly increasing the outstanding shares and at the same time expanding the shareholder base to primary Italian and foreign investors, not to mention finding risk capital to be used to pursue the development and expansion plan of its activities and that of the group headed by TPS.



The issuer is assisted in the transaction by an Associated Legal Firm, in association with Simmons & Simmons LLP.

This press release is available to read online at www.1info.it and www.tps-group.it (in the Investor Relations/Press Release section)



TPS S.p.A. is an operational holding company of TPS Group, leader in the technical services field for the aeronautical industry, with specific focus on helicopters. TPS is a Borsa Italiana "Elite" company.

Founded in 1964, Technical Publications Service was one of the first Italian businesses to offer an outside service to analyse and edit technical publications for the aeronautical industry, working with the main national companies since the mid-1960s, publishing technical documents and on-board unit user manuals. The TPS Group can include leaders in the field of aircraft design and production, as well as the manufacture of aeronautical parts among its client base.

ISIN code ordinary shares: IT0005246142 – Ticker ordinary shares: TPS

ISIN Code Warrant: IT0005246225 – Ticker Warrant: WTPS20

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