



Technical Publications Service S.p.A.

• PRESS RELEASE •

### The Extraordinary Shareholders' Meeting of Technical Publications Service S.p.A.:

- has decided to increase the company share capital for the merger between the Satiz TPM Group and the TPS Group
- approving two further increases in company share capital optioned by shareholders up to a maximum of Euro 4.99 million, and an increase in capital reserved to institutional/professional investors up to a further Euro 1 million (both inclusive of premium) within the final subscription term of 31 December 2018

**Gallarate (VA), 5 October 2018** – TPS (TPS: IM) operational **holding** of the TPS Group, **leading** company in technical services and engineering for the aeronautical industry (“TPS” or “Company” or “Issuer”), hereby notifies that the Extraordinary Shareholders' Meeting convened today, at first call, has approved the project to increase company share capital for the merger between Satiz Technical Publishing and Multimedia S.r.l. (“**Satiz TPM**” and “**Operation**”) in the issuer as well as regarding two further increases in company share capital, within the terms set out here below.

#### IN-KIND CAPITAL INCREASE

The extraordinary meeting approved an in-kind capital increase and more precisely, paid and divisible share capital increases, for a total of Euro 320,000.00, through the issue of 80,000 new shares without par value, and with the same characteristics and possession rights as shares in circulation, at a subscription price of Euro 4.00 each (of which Euro 0.50 rated and Euro 3.50 premium), with exclusion of the option rights, pursuant to Art. 2441, section 4, first subsection of the civil code, as reserved to Satiz TPM shareholders due to conferment in kind of the entire company share capital of Satiz TPM in the Issuer (“**in-kind capital increase**”).

Therefore, following the relative decision from the meeting, the shareholders of Satiz TPM – i.e., “RDG ordinary partnership” and Daniele Rosso, Giulia Rosso and Massimiliano Anguillesi, each within their area of competency – have signed and wholly made available the in-kind capital increase to which they are entitled, through transfer to the Company of 100% of the shares in Satiz TPM, therefore holding a total of 1.34% of the company share capital of TPS. The relevant deed of transfer was duly signed at the meeting.

As already made known to the public, Satiz TPM stock being transferred were given an estimated value by independent experts Pricewaterhouse Coopers Advisory S.p.A. pursuant to art. 2343-ter, section two, subsection b), of the Italian Civil Code (the “**estimated evaluation**”), and as a result, the in-kind capital increase depends on the guidelines as per articles 2343-ter, 2343-quater and 2440 of the Civil Code.

As a result of the above, the new TPS shares from the in-kind capital increase will have a different ISIN code to the TPS shares in circulation (i.e., ISIN IT0005346793) and therefore, they are not negotiated on the alternative capital market (AIM Italia), are inalienable, and remain deposited at company headquarters until completion of the audits and legal procedures envisaged in the abovementioned articles of the civil code. At the positive outcome of these checks and processes - for which relevant notification will be given to the public within the terms of law - the relevant shares will be credited to the current accounts of Satiz TPM shareholders, after they been given the same ISIN code as the circulating TPS shares (i.e., IT0005246142).

Of the above audits and processes, the Board of Directors of TPS will be obliged to check - within a term of 30 days from today's meeting, will be duly registered in the relevant Business Register - if subsequent to the date of reference on the estimated value, “new and important facts” have come to light that will change the value of the stock being transferred and/or the requirements for professionalism and independence of the expert responsible for the

estimated value. As a result, in case of a positive audit outcome, the Board will proceed to deposit the declaration as per Art. 2343-*quater*, section 3, of the Civil Code, with the competent Business Register; otherwise, it will apply to the court having jurisdiction to appoint an expert to carry out a new audit of Satiz TPM stock being transferred.

Furthermore, pursuant to art. 2440, section 6 of the Civil Code, it is hereby notified that those shareholders who may represent and who represented on this day, at least the twentieth part of the company stock of the Issuer, will have the right to require the directors - always within the term of 30 days from the date of recording today's decision in the competent Business Register - to proceed to a new evaluation of Satiz TPM stock with the same terms and methods as above.

This subscription will therefore be made known to the market for the purposes of exercising the above rights.

Moreover, as already made known to the market on 17 September 2018:

- i. the shareholders in Satiz TPM have agreed to a *lock-up* undertaking with regard to the new TPS shares from the in-kind capital increase for a duration of 24 months from today's date;
- ii. it is therefore assumed that due to the hypothesised time limit, that the above new TPS shares from the in-kind capital increase will not be allocated option rights to invoke for the capital increased (as defined below);
- iii. the operation is a "*transaction of major relevance with related parties*" pursuant to the Procedure for Operations with Related Parties ("**ORP procedure**") approved by the Board of Directors of TPS and the relevant applicable standards and regulations, given the existing relationship between TPS and STPM shareholders (in particular, (i) Daniele and Giulia Rosso, who hold, directly and indirectly through "RDG ordinary partnership", 95% of stock in STPM, are close relations of the Board of Directors and Directors with strategic responsibilities in TPS and the subject that indirectly controls the issuer and (ii) Massimiliano Anguillesi, holder of 5% of the Company capital of STPM, is also a member of the Board of Directors of TPS). Therefore, the operation has been subject to the TRP Procedure and has been favourably received by the committee regarding transactions with related parts of the company;
- iv. The operation is also a "*significant operation*" pursuant to Art. 12 of the AIM Issuer Regulations due to the exceeding (by at least 25%) of the active relevance indexes, turnover and EBITDA.

## FURTHER INCREASES IN COMPANY CAPITAL

The Extraordinary Shareholders' Meeting also approved the Board of Directors' proposal to increase company paid share capital in separate issues,

- i. for a maximum total of Euro 4,999.999 (including premium) by issue of a maximum of 1,250,000 new shares without par value and with the same characteristics as the shares in circulation, to be offered as an option to shareholders pursuant to Art. 2441, subsection 1, of the civil code ("**capital increase**");
- ii. for a maximum total of Euro 1,000,000 (including premium), by issue of a maximum of 250,000 new shares without par value and with the same characteristics as the shares in circulation, with exclusion of the option to shareholders pursuant to Art. 2441, subsection 1, of the civil code, since these are reserved to subscription by institutional/professional investors ("**reserved capital increase**", and overall, "**cash capital increase**").

The new TPS shares, issued on release of the cash capital increase, will have regular dividend entitlement and must be underwritten by 31 December 2018.

It is therefore proposed that the issue of new shares from the cash capital increase, inclusive of premium, as for the exact number of same, as well as, for the capital increase, the subscription ratio and therefore, the terms and conditions to subscribe the new shares, including further means to float the offer, will be decided by the Administrative Body and for this, the Chairman of same, in proximity to the offers themselves, and they will be made known through press release, within the usual methods and terms for an operation of this type.

Regarding the capital increase, the shareholders G&D S.r.l. and Massimiliano Anguillesi have already stated their wish not to avail of their option rights to the benefit of other shareholders, with resulting potential increase in the company's floating capital.

The capital increase will have no diluting effect in terms of participation in company stock for those intending to exercise their full option rights, while the total subscription of the shares from the restricted capital increase will lead

to a dilution of current shareholders of a maximum of 4.06% (without taking into account the effects of the in-kind capital increase).



The minutes of the Extraordinary Shareholders' Meeting will be made available to the public at the company headquarters and can be consulted on the *website* of the company at [www.tps-group.it](http://www.tps-group.it) (Investor Relations/Meetings Section), within the terms prescribed by the applicable standards and regulations.

The issuer has been 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](http://www.1info.it) and [www.tps-group.it](http://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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