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TRONICS LAUNCHES A CAPITAL INCREASE OF €28.9 MILLION WITH PREFERENTIAL SUBSCRIPTION RIGHTS FOR ALL SHAREHOLDERS

- Subscription price: €5.40 per new share
- Subscription ratio: 16 new shares for 11 existing shares
- Detachment of preferential subscription rights on November 10, 2021 and subscriptions open from November 12 to 25, 2021 inclusive
- Subscription Commitment of TDK for 100% of the issue by offsetting receivables, on a reducible and irreducible basis, and subscription intention of Thalès Avionics, by cash on an irreducible basis, for 3.5%.

Grenoble, France and Dallas TX, USA, November 5, 2021 – Tronics, a TDK Group Company that manufactures custom MEMS products and standard inertial sensors for industrial applications, announces the launch of a €28.9 million capital increase through the issue of new shares paid for in cash or by offsetting receivables, with preferential subscription rights for all shareholders.

This capital increase is guaranteed by TDK Electronics AG, the majority shareholder of Tronics. TDK Electronic AG has irrevocably undertaken to subscribe by offsetting receivables, on an irreducible basis in proportion to its existing share of the capital (74.26%) and on a reducible basis up to a maximum of €28.9 million, a subscription commitment of between 74.26% and 100% of the New Shares. TDK Electronics AG has supported Tronics's development for several years with regular cash contributions in the form of loans.

Thalès Avionics, another major Group shareholder, has also undertaken to subscribe in cash, a part of its preferential subscription rights on an irreducible basis, in order to maintain a shareholding of approximately 10%, i.e. an amount of €1 million.

The French Financial Markets Authority (AMF) approved the Prospectus relating to this transaction on November 4, 2021 under number 21-472. This capital increase is carried out in accordance with the twelfth resolution adopted by the combined general meeting of shareholders of the Company on October 19, 2021.

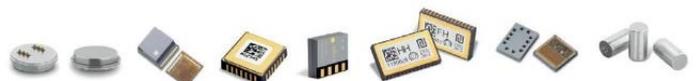
The purpose of the capital increase is to restore the financial position of Tronics by rebuilding its currently negative shareholders' equity, so that it can continue to grow its business.

MAIN TERMS OF THE CAPITAL INCREASE WITH MAINTENANCE OF PREFERENTIAL SUBSCRIPTION RIGHTS

Tronics is launching a capital increase through the issue of New Shares paid for in cash or by offsetting receivables, with preferential subscription rights for all shareholders, for a gross amount of €28.9 million, at a ratio of 16 new shares to 11 existing shares.

Each Tronics shareholder will be granted, on November 10, 2021, 1 preferential subscription rights for each 1 share held and recorded in their securities account at close of business on November 9, 2021, in accordance with the provisional schedule below.

The Offering will be open to the public in France only.





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NUMBER OF SHARES OFFERED

5,360,884 New Shares with a par value of €1 each.

SUBSCRIPTION PERIOD

The subscription period for the New Shares will be open from November 12, 2021 to November 25, 2021 inclusive.

SUBSCRIPTION PRICE OF THE NEW SHARES

The New Shares are issued at a subscription price of €5.40, including a nominal value of €1 and a premium of €4.40, i.e. 28,948,773.60 euros, to be fully paid up at the time of subscription, by payment in cash or by offsetting debts, representing a premium of 8.00% over the last quoted price of €5. This price has been set in line with the volume-weighted average price of the Company's shares over the ten trading days preceding the date of approval of the Prospectus by the AMF, i.e. €5.41, allowing to take into account the low liquidity of the share, and showing a discount of 0.2%.

The subscription price of the New Shares has been set at €5.40 per share (i.e. €1 par value and €4.40 share premium), representing €28,948,773.60.

Similarly, the theoretical value of the preferential subscription right is €(0.24) and the theoretical value of the ex-rights share is €5.24. The issue price of the New Shares represents a bonus of 3.11% to the theoretical value of the ex-rights share.

These values do not reflect the value of the preferential subscription right during the preferential subscription right trading period, nor the value of the ex-rights share, nor the discounts, as they will be established on the market.

GROSS AMOUNT OF THE TRANSACTION

The total amount of the issue, including the issue premium, is €28,948,773.60 (€5,360,884 par value and €23,587,889.60 issue premium), calculated as the number of New Shares issued (5,360,884 New Shares) multiplied by the subscription price of one New Share €5.40 (comprising €1 par value and €4.40 issue premium).

PREFERENTIAL SUBSCRIPTION RIGHTS

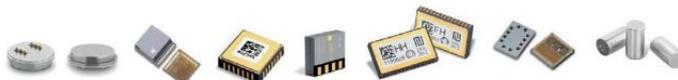
The subscription of the New Shares will be reserved, on a priority basis:

- for holders of Existing Shares recorded in their securities account at the close of business on November 9, 2021 in accordance with the provisional schedule, on the basis of one preferential subscription right per existing share;
- for transferees of the preferential subscription rights.

In order to exercise their preferential subscription rights, holders must submit a request via their authorised financial intermediary at any time between November 12, 2021 and November 25, 2021 inclusive and pay the corresponding subscription price. Preferential subscription rights that are not exercised will automatically expire at the end of the subscription period, i.e. on November 25, 2021, at the close of trading.

Subscribers who have made irreducible subscription orders are guaranteed, subject to the effective completion of the Capital Increase with preferential subscription rights, to receive the number of Offered Shares they have subscribed for within the applicable timeframes. Those who have made reducible subscription orders will be informed of their allocation by their financial intermediary.

Fractional preferential subscription rights may be sold on Euronext Growth Paris during the preferential subscription right trading period.





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Subscription orders are irrevocable.

LISTING AND PROCEDURE FOR EXERCISING PREFERENTIAL SUBSCRIPTION RIGHTS

The preferential subscription rights will be detached on November 10, 2021, and may be traded on Euronext Paris from November 10, 2021 until the close of the preferential subscription right trading period, i.e. until November 23, 2021 inclusive (at the close of trading), under ISIN code FR0014006979.

INTENTIONS AND SUBSCRIPTION COMMITMENTS OF MAJOR SHAREHOLDERS

In order to guarantee the completion of the capital increase, TDK Electronics AG, the reference shareholder holding 74.26% of the Company's share capital prior to the Offering, has irrevocably undertaken to subscribe to the capital increase by exercising all of its preferential subscription rights on an irreducible basis and on a reducible basis to new shares of the Company, by way of offsetting against receivables, for an amount of €28.95 million, a subscription commitment of between 74.26% and 100% of the New Shares.

Thales Avionics SAS, which holds 19.86% of the Company's share capital prior to the Offering, has undertaken to subscribe to the capital increase in cash by exercising 128,374 preferential subscription rights to new shares of the Company for an amount of €1,0 million.

As of the date of this Prospectus, the Company is not aware of any intention of other shareholders or members of its administrative or management bodies to participate in the Capital Increase with preferential subscription rights.

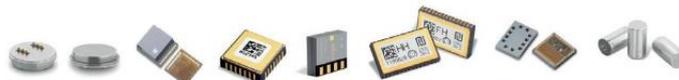
IMPACT OF THE ISSUE ON THE SHAREHOLDER'S FINANCIAL POSITION AND ON THE COMPANY'S SHAREHOLDERS' EQUITY

By way of illustration, the impact of the issue of the Offered Shares on the stake of a shareholder holding 1% of the share capital of the Company prior to the issue of the Offered Shares and not subscribing to the issue of the Offered Shares (calculated on the basis of the number of shares comprising the share capital of the Company at the Prospectus date) would be as follows:

	Non-diluted basis
Before issuance of the New Shares from the present capital increase	1.00%
After the issue of 5,360,884 New Shares resulting from the present capital increase	0.41%

Based on the consolidated shareholders' equity of the Company as at August 31, 2021, the consolidated shareholders' equity per share, before and after the Offering, would be as follows (after allocation of transaction costs) :

	Share of consolidated shareholders' equity (in euros)
Before issuance of the New Shares from the present capital increase	-6.87
After the issue of 5,360,884 New Shares resulting from the present capital increase	0.35





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PROVISIONAL SCHEDULE OF THE CAPITAL INCREASE

November 3, 2021	Executive Board decides on the terms of the Offering
November 4, 2021	Approval of the Prospectus by the AMF
November 5, 2021	Publication of a press release outlining the main features of the operation and the conditions under which the Prospectus is made available Publication of the issue notice by Euronext
November 9, 2021	Accounting day at the end of which the holders of existing shares recorded in their securities accounts will be granted preferential subscription rights
November 10, 2021	Detachment and opening of trading of preferential subscription rights on Euronext Growth Paris
November 12, 2021	Opening of subscription period
November 23, 2021	End of trading of preferential subscription rights on Euronext Growth Paris
November 25, 2021	Close of subscription period
November 30, 2021	Publication of a Company press release announcing the result of the subscriptions Publication by Euronext of the notice of listing of the Offered Shares indicating the final amount of the capital increase and the pro rata allocations for subscriptions on a reducible basis
December 2, 2021	Issue of the Offered Shares - Settlement/delivery
December 3, 2021	Offered Shares admitted to trading on Euronext Growth Paris

SHARE CODES

Share name: TRONICS
 ISIN code: FR0004175099
 Ticker symbol: ALTRO
 Place of listing: Euronext Paris
 Compartment: C
 ICB business sector: semiconductors
 ICB classification: 9576

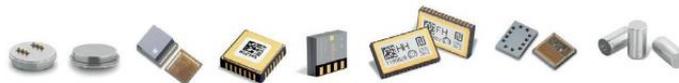
PROSPECTUS

Copies of the Prospectus are available free of charge at the registered office of the Company.

The Prospectus is also available on the Company's website (www.tronicsgroup.com) and on the AMF website (<http://www.amf-france.org>). The information provided on the Company's website does not form part of the Prospectus and has not been reviewed or approved by the AMF.

RISK FACTORS

The Company draws the public's attention to the material risk factors specific to the Group and to the Offered Shares to be issued and admitted to trading as set out in Chapter 4 of the Prospectus.





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Investors are advised to read the Prospectus in its entirety before making any investment decision and to make their own assessment as to the suitability of investing in the financial securities concerned. Shareholders are invited to regularly consult the page dedicated to the operation on the Company's website www.tronicsgroup-bourse.com, which will be updated whenever necessary.

About Tronics Microsystems

Tronics Microsystems is a division of TDK's Temperature & Pressure Sensors Business Group that manufactures custom MEMS products and standard inertial sensors for industrial applications. Addressing high-growth markets relying on increasing miniaturization of electronic devices, the company provides custom and standard products especially to the industrial, aeronautics, security, and medical markets. Founded in 1997, Tronics is located in Crolles, near Grenoble (France) and in Dallas, Texas (United States), and has around 100 employees, most of them engineers and scientists. Following a tender offer ending January 2017, TDK Electronics AG now holds 74 percent of Tronics' shares.

* ISIN code : FR0004175099 ALTRO

About TDK Corporation

TDK Corporation is a world leader in electronic solutions for the smart society based in Tokyo, Japan. Built on a foundation of material sciences mastery, TDK welcomes societal transformation by resolutely remaining at the forefront of technological evolution and deliberately "Attracting Tomorrow." It was established in 1935 to commercialize ferrite, a key material in electronic and magnetic products. TDK's comprehensive, innovation driven portfolio features passive components such as ceramic, aluminum electrolytic and film capacitors, as well as magnetics, high-frequency, and piezo and protection devices. The product spectrum also includes sensors and sensor systems such as temperature and pressure, magnetic, and MEMS sensors. In addition, TDK provides power supplies and energy devices, magnetic heads and more. These products are marketed under the product brands TDK, EPCOS, InvenSense, Micronas, Tronics and TDK-Lambda. TDK focuses on demanding markets in the areas of information and communication technology and automotive, industrial and consumer electronics. The company has a network of design and manufacturing locations and sales offices in Asia, Europe, and in North and South America. In the 2021 financial year, TDK achieved a turnover of USD 13.3 billion and employed around 129,000 people worldwide



TRONICS CONTACT

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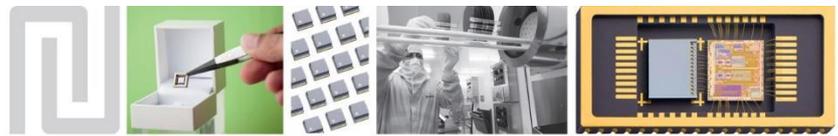
For more information: www.tronicsgroup-bourse.com/en/

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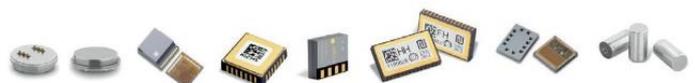
This press release is an advertisement and not a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 (as amended the "Prospectus Regulation"). Potential investors are advised to read the prospectus before making an investment decision in order to fully understand the potential risks and rewards associated with the decision to invest in the Securities. The approval of the prospectus by the AMF should not be understood as an endorsement of the Securities offered or admitted to trading on a regulated market.

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