



PRESS RELEASE

Figéac, June 20th, 2022

FIGEAC AÉRO SUCCESSFULLY COMPLETES ITS FINANCIAL RESTRUCTURING AND ADOPTS A NEW GOVERNANCE STRUCTURE

The FIGEAC AÉRO Group (ticker: FGA) (the “Company”), a leading partner for major aerospace manufacturers, announces that, in accordance with the terms of the financial restructuring agreement announced on April 5th, 2022 and following on from the press release issued on June 16th, 2022, it has concluded its financial restructuring (the “Financial Restructuring”), having successfully completed the last stages of the plan set out in the conciliation procedure which was approved by the Commercial Court of Toulouse in a ruling handed down on June 9th, 2022 (the “Conciliation Procedure”).

Jean-Claude Maillard, Chairman and Chief Executive Officer of FIGEAC AÉRO, says: “We have successfully completed the last stages set out in our financial restructuring plan. This achievement is of great importance to the Group’s future and was accomplished thanks to the commitment of all our stakeholders, and I would like to take this opportunity to thank them once again. I would also like to thank all our clients and partners whose trust in FIGEAC AÉRO has held firm in these unprecedented circumstances.

We now have high ambitions for this new chapter of our story with a stronger financial footing and with the backing of a new reference shareholder. We are now going to speed up our business plan, and FIGEAC AÉRO will be able to resume profitable growth, generate cash and create value for our shareholders as our markets gradually recover.”

The Company’s Financial Restructuring was completed today, primarily consisting of the following: (i) Ace Aéro Partenaires, a Tikehau Ace Capital affiliate, effectively became a shareholder in the Company, (ii) the Company’s main bank loans were rescheduled out to 2028 and it gained access to a €66 million “PGE Aéro” (state-guaranteed loan allocated to aerospace firms), and (iii) the new terms and conditions applied to the bonds redeemable into cash and/or new and/or existing shares (the “ORNANEs”) came into effect, including the effective completion of the partial redemption of 777,605 ORNANEs as announced by the Company on May 9th, 2022 for a total nominal amount of €20 million.

Ace Aéro Partenaires, a Tikehau Ace Capital affiliate, becomes a shareholder in the Company and four new directors are appointed to the Board of Directors

For the record, the Company has today announced that an agreement has been reached on the sale of the industrial and real estate assets of its Hermosillo subsidiary in Mexico to Latécoère (the “Disposal of the Mexican Assets”) and the conclusion of an agreement with the American company Kaman Aerospace Group Inc. for the acquisition of their industrial assets located in the state of Chihuahua in Mexico. The Disposal of the Mexican Assets should improve the Group’s cash position as part of its efforts to streamline its production facilities.

Consequently, the capital increase without preferential subscription rights reserved to Ace Aéro Partenaires, a Tikehau Ace Capital affiliate, amounted to a total of €53,499,997.60, share premium included, by way of 9,553,571 new shares issued at a unit price of €5.60, and it went ahead along with the sale of 803,572 existing shares in the Company by Jean-Claude Maillard to Ace Aéro Partenaires.

So, following on from the press release issued on June 16th, 2022, settlement-delivery of the shares included in the capital increase reserved to Ace Aéro Partenaires, a Tikehau Ace Capital affiliate, of a total amount of €53,499,997.60, share premium included, by way of 9,553,571 new shares issued and subscribed in cash through a cash payment made by Ace Aéro Partenaires, and the sale of 803,572 existing shares in the Company by Jean-Claude Maillard to Ace Aéro Partenaires, took place concurrently this day.

It is also specified that in the event of the Disposal of the Mexican Assets effectively taking place by September 30th, 2022 at the latest, Jean-Claude Maillard will sell an additional 892,857 shares to Ace Aéro Partenaires at a unit price of €5.60, bringing the total number of shares sold by Jean-Claude Maillard to Ace Aéro Partenaires to 1,696,429.

In the event of the Disposal of the Mexican Assets not effectively taking place by September 30th, 2022 at the latest, the Company will within 10 business days of this deadline issue an additional 892,857 new shares for Ace Aéro Partenaires at a unit subscription price (share premium included) of €5.60, corresponding to a supplementary capital increase of a total amount (share premium included) of €4,999,999.20.

The capital increase reserved to Ace Aéro Partenaires has been completed along with a shareholders' agreement reached between Ace Aéro Partenaires, Jean-Claude Maillard and the company SC Maillard & Fils (in the Company's presence). This shareholders' agreement constitutes a concerted seeking to apply a common policy adopted by Ace Aéro Partenaires, Jean-Claude Maillard and the company SC Maillard et Fils (the latter two remaining predominant within this newly established concert). The Company points out that completion of the transactions agreed with Tikehau Ace Capital, or with any entity affiliated with Tikehau Ace Capital, involving the Company's share capital was subject to the *Autorité des Marchés Financiers* (the "AMF") decision that there is no reason to file a mandatory tender offer for the Company's shares based on article 234-7, 1° of the AMF General Regulation, a decision that was confirmed by the AMF on May 10th, 2022 (see AMF notice n° 222C1055 and the press release issued on May 10th, 2022).

Subsequent to the capital increase reserved to Ace Aéro Partenaires and the sale of 803,572 existing shares in the Company by Jean-Claude Maillard to Ace Aéro Partenaires, the Company's new ownership structure is provided in [Annex 1](#).

Furthermore, as announced in the press releases issued by the Company on September 9th, 2021 and April 5th, 2022, and alongside its investment in the Company's shares, Ace Aéro Partenaires has also subscribed to bonds issued by the Company for a principal amount of €10 million in accordance with the terms of the bond issuance contract signed this day. These bonds carry interest at an annual rate of 12% capitalised annually and have a maturity of 6 years and 6 months.

The capital increase reserved to Ace Aéro Partenaires has been completed along with changes made to the composition of the Board of Directors (in line with Middlednext recommendations), enabling it to add new and independent expertise and to reflect the Group's new ownership structure.

In accordance with the resolutions adopted by the Company's General Meeting of Shareholders held on May 2^{0th}, 2022, the Board of Directors now consists of 8 members effective as of this day:

- Jean-Claude Maillard;
- Rémi Maillard;
- Simon Maillard;
- Eliane Rouchon;
- Mariline Malaterre, independent director;
- Éric Raynaud, independent director;
- Franck Crépin, appointed upon the proposal of Tikehau Ace Capital; and
- Anne Tauby, appointed upon the proposal of Tikehau Ace Capital.

Last of all, Ace Aéro Partenaires' entry into the Company's ownership structure has led to the creation of a Strategy Committee and an Appointments and Compensation Committee, as well as changes to the composition of the Audit Committee, which are now made up of the following members:

- The Strategy Committee consists of Franck Crépin, Jean-Claude Maillard and Eric Raynaud. It is chaired by Eric Raynaud;
- The Appointments and Compensation Committee consists of Franck Crépin, Eliane Rouchon and Eric Raynaud. It is chaired by Eric Raynaud;
- The Audit Committee previously consisting of Marie-Line Malaterre and Simon Maillard is now made up of Franck Crépin, Eliane Rouchon, Simon Maillard and Marie-Line Malaterre. It is chaired by Marie-Line Malaterre.

The Rules of Procedure of the Board of Directors will be amended accordingly.

Rescheduling of the Company's main bank loans out to 2028 and availability of a €66 million "PGE Aéro"

As announced in the press release issued on April 5th, 2022, talks between the Company and its creditor banks resulted in an agreement on a new schedule for repaying the Company's bank loans and on the arrangement of new funding and new currency hedges, in both cases factoring in the gradual and foreseeable upturn in Company's business activity.

The main features of these agreements and new funding arrangements are as follows:

- 1) Refinancing of bank loans:
 - a. The maturity of all the bank loans expiring earliest has been postponed until September 2028. The amortisation schedule for these loans has been modified to factor in this new maturity profile and the specific type of funding concerned. The interest rate on these loans, with the exception of the PGEs (state-guaranteed loans), has been increased by 62.5bp.
 - b. The bank loans due to mature latest, such as mortgages, maintain their initial maturity. Their amortisation schedule remains unchanged.
- 2) New funding and currency hedges:
 - a. A €66 million "PGE Aéro" facility has been made opened. These PGEs (state-guaranteed loans) have a maturity of 6 years and their amortisation schedule has been established for a period of 4 years following a 2-year repayment-free moratorium. The interest rates on these loans are in line with current regulations.

- b. Asset-based financing has been granted in the amount of around €30 million, broken down into (i) a facility backed by inventory, amounting to around €24 million and (ii) a facility backed by industrial equipment, amounting to around €6 million. This funding is repayable over 8 years and carries an annual interest rate floor of E3M + 6.75%.
- c. Currency hedging transactions: in order to hedge against the current currency risk on the US dollar, which is the main currency used by FIGEAC AÉRO for its sales, currency hedging transactions could be arranged for a cumulative amount of €227 million out to March 2025, broken down by year between transactions expiring in 2022, 2023, 2024 and 2025.

In light of this, and in accordance with the terms of the Conciliation Procedure, the “PGE Aéro” loans in particular were agreed and signed on June 17th, 2022 and have been made available to the Company starting from today.

Partial redemption of ORNANEs and adjustment of their terms

Following the General Meeting of ORNANE bondholders, and as announced in the press release issued on May 9th, 2022, with all the conditions precedent having been lifted, settlement-delivery for bondholders having participated in the offer to redeem 777,605 ORNANEs for a total nominal value of €20,000,000.60 at a total redemption cost of €18,600,311.60 has gone ahead this day (the “**Partial Redemption**”).

The ORNANEs redeemed were cancelled immediately. As a result, there are now 2,656,110 outstanding ORNANEs of a total nominal value of €68,315,149.20.

With all the transactions forming part of the Financial Restructuring having been completed and all the resolutions submitted to the General Meeting of Bondholders on May 9th, 2022 and to the General Meeting of Shareholders on May 20th, 2022 having been approved, the terms applied to the ORNANEs have been amended as follows, taking effect as of today:

- Their maturity has been extended by an additional 6 years (i.e. to October 18th, 2028);
- Their coupon has been increased by 62.5bp. Their new coupon will thus be 1.75% payable twice annually, it being specified that a reversible mechanism for adjusting the coupon has been included taking effect as from October 18th, 2024 depending on whether or not the leverage ratio exceeds 4.5x (with tests to be carried out every half-year), which could push the coupon up to 2.25%;
- The conversion ratio for the 2022 ORNANEs has been increased to 3.4 shares per ORNANE;
- A reset clause applicable on October 18th, 2024 could potentially increase the conversion ratio to a maximum of 20% if the volume-weighted average price of the share during the 3 months preceding October 18th, 2024 works out below the reference price calculated based on the volume-weighted average price of the share during the month preceding February 18th, 2022 (inclusive) (i.e. €6.60);
- An early redemption period can be called at the Company’s discretion if the share price is above 130% of the conversion price (soft call), starting from October 18th, 2025;
- The extended maturity will be factored into the conversion ratio adjustment clause in the event of a change of control;
- Asset-backed finance will be limited;
- Listing of FIGEAC AÉRO’s shares could possibly be transferred to Euronext Growth Paris;

(together, the “Adjustments to the terms applied to ORNANES”).

The nominal value and redemption price of the ORNANES will remain unchanged at €25.72 per 2022 ORNANE.

Given the new conversion ratio, the implicit conversion price (nominal value of €25.72 divided by the conversion ratio of 1:3.4) will work out at €7.56 per share, corresponding to a 14.55% premium above the volume-weighted average price during the month preceding February 18th, 2022 (inclusive) (i.e. €6.60, this share price being considered the reference price for the purpose of the reset clause mentioned above).

Given this new conversion ratio of 1:3.4, the conversion of the remaining outstanding ORNANES (following completion of the Partial Redemption) will result in the issuance of 9,030,774 new shares, corresponding to 17.91% of the Company’s share capital following completion of the Partial Redemption and following the capital increase reserved to Ace Aéro Partenaires in the total amount of €53.5 million.

Thanks to these agreements and new bank loans, and to the increase in equity resulting from Ace Aéro Partenaires’ entry into the Company’s share capital and the Partial Redemption of its ORNANES (see above), the Group now has the financial resources it needs to redeploy its operations and it will be able to meet its amended financial obligations for the short and medium term.

ABOUT FIGEAC AÉRO

The FIGEAC AÉRO Group, a leading partner for major aerospace manufacturers, specialises in producing light alloy and hard metal structural parts, engine parts, landing gear and sub-assemblies. FIGEAC AÉRO is a global group operating in France, the USA, Morocco, Mexico, Romania and Tunisia. The Group generated annual revenue of €204.6 million in the year to March 31st, 2021.

FIGEAC AÉRO

Jean-Claude Maillard - Chairman and Chief Executive Officer
Tel.: +33 (0)5 65 34 52 52

Camille Traineau
Corporate Development Director
Institutional Relations / IR
Tel.: +33 (0)5 81 24 61 90 / camille.traineau@figeac-aero.com

ACTUS Finance & Communication

Corinne Puissant - Analyst/Investor Relations
Tel.: +33 (0)1 53 67 36 77 / cpuissant@actus.fr

Manon Clairret - Press Relations
Tel.: +33 (0)1 53 67 36 73 / mclairret@actus.fr

DISCLAIMER

This press release contains forward-looking statements about FIGEAC AÉRO, in particular forward-looking statements relating to FIGEAC AÉRO’s ability to implement its operational optimisation plan and the impact of this plan on FIGEAC AÉRO’s ability to limit the impact of the significant decline in activity related to the Covid-19 crisis on the Group’s profitability. The use of certain words, such as “believe”, “potential”, “hope”, “should”, “objective” and other similar terms or expressions, is intended to identify these forward-looking statements. Although the Company believes that its projections are based on current reasonable assumptions and expectations of its management, these forward-looking statements may be affected by a number of known or unknown hazards and uncertainties, which could result in results materially different from those described, induced or anticipated, expressly or implicitly, in such forward-looking statements. These hazards and uncertainties include, in particular, aircraft production rates emanating from manufacturers. In addition, while the Company’s results, performance, financial condition and liquidity and the development of the industry in which it operates are consistent with such forward-looking statements, they are not predictive of future results or developments. These forward-looking statements speak only as of the date this document is published. Subject to applicable regulations, the Company makes no commitment to update or revise the information contained in this press release, whether as a result of new information, future events or otherwise. Forward-looking information and statements are not guarantees of future performance and are subject to various risks and uncertainties, many of which are difficult to predict and are generally beyond the control of FIGEAC AÉRO.



PRESS RELEASE

PRESS RELEASE

Annex 1 - Shareholding structure subsequent to the capital increase reserved to Ace Aéro Partenaires and the sale of existing shares in the Company by Jean-Claude Maillard to Ace Aéro Partenaires

Shareholders	Non-diluted basis								Diluted basis*			
	Before Tikehau Ace Capital's entry into the share capital				After Tikehau Ace Capital's entry into the share capital				After Tikehau Ace Capital's entry into the share capital and the conversion of all the ORNANEs as modified under the terms of the Financial Restructuring			
	Share capital	Share capital (%)	Voting rights	Voting rights (%)	Share capital	Share capital (%)	Voting rights	Voting rights (%)	Share capital	Share capital (%)	Voting rights	Voting rights (%)
SC MAILLARD ET FILS	12,496,000	39.25%	24,992,000	45.14%	12,496,000	30.19%	24,992,000	38.98%	12,496,000	24.78%	24,992,000	34.17%
J.C. MAILLARD	11,498,492	36.11%	22,895,154	41.35%	10,694,920	25.84%	21,288,010	33.20%	10,694,920	21.21%	21,288,010	29.10%
Maillard family sub-total	23,994,492	75.36%	47,887,154	86.49%	23,190,920	56.03%	46,280,010	72.18%	23,190,920	45.99%	46,280,010	63.27%
Tikehau Ace Capital					10,357,143	25.02%	10,357,143	16.15%	10,357,143	20.54%	10,357,143	14.16%
Concert between the Maillard family and Tikehau Ace Capital					33,548,063	81.05%	56,637,153	88.33%	33,548,063	66.53%	56,637,153	77.43%
Employees	70,712	0.22%	141,229	0.26%	70,712	0.17%	141,229	0.22%	70,712	0.14%	141,229	0.19%
Other registered shares	154,890	0.49%	284,402	0.51%	154,890	0.37%	284,402	0.44%	154,890	0.31%	284,402	0.39%
Treasury shares	562,608	1.77%	0	0.00%	562,608	1.36%	0	0.00%	562,608	1.12%	0	0.00%
Free float	7,056,771	22.16%	7,056,771	12.74%	7,056,771	17.05%	7,056,771	11.01%	7,056,771	13.99%	7,056,771	9.77%
Conversion of ORNANEs									9,030,774	17.91%	9,030,774	12.50%
Total	31,839,473	100.00%	55,369,556	100.00%	41,393,044	100.00%	64,119,555	100.00%	50,423,818	100.00%	73,150,329	100.00%

* In the event of the conversion into new shares of the remainder of the 2,656,110 ORNANEs as modified under the Financial Restructuring, after factoring in the partial redemption of 777,605 ORNANEs for a total nominal amount of €20 million.