



AVAILABILITY OF THE PROSPECTUS PREPARED FOR THE PURPOSES OF THE CAPITAL INCREASE RESERVED TO TIKEHAU ACE CAPITAL AND EXEMPTION GRANTED BY THE *AUTORITÉ DES MARCHÉS FINANCIERS* FROM THE REQUIREMENT TO SUBMIT A MANDATORY BUYOUT OFFER

The FIGEAC AÉRO Group (ticker: FGA) (the “Company”), a leading partner for major aerospace manufacturers, announces that on 10th May 2022 France’s financial markets regulator (*Autorité des Marchés Financiers*, the “AMF”) approved under number 22-140 the EU Recovery prospectus (the “Prospectus”) made available to the public on the admission to trading on the regulated market of Euronext Paris (“Euronext Paris”) of a maximum number of 10,446,428 new shares to be issued at a unit price of €5.60 under the capital increase without preferential subscription rights for shareholders reserved to Tikehau Ace Capital (or any entity associated with it, including any entity managed by it) for a gross maximum amount, share premium included, of €58,499,996.80 (the “Reserved Capital Increase”).

The Company points out that the Reserved Capital Increase forms part of the Company’s financial restructuring announced to the market on 5th April 2022, which also comprises the rescheduling of the Company’s main bank loans up to 2028 and the readjustment of the terms and conditions applied to the bonds redeemable into cash and/or new and/or existing shares (the “ORNANE”), including the partial repurchase of 777,605 ORNANES announced by the Company on 9th May 2022 (together, the “Financial Restructuring”). The proceeds from the Reserved Capital Increase are to be put towards the partial repurchase of the 777,605 ORNANES and enable the Company to secure its status as a going concern, including by financing its cash requirements resulting from the higher aircraft production rates announced and the start-up of production on new contracts.

As announced in the press release issued on 9th May 2022, the readjustment of the terms and conditions applied to the ORNANES was approved by the general meeting of ORNANE holders held on 9th May 2022.

This Reserved Capital Increase remains subject to approval by the shareholders who will be convened to vote on the matter at a general meeting on first convening on 20th May 2022, it being specified that Jean-Claude Maillard and SC Maillard & Fils have already made a commitment to vote in favour of this capital increase.

The Company points out that all the transactions forming part of the Company’s Financial Restructuring, including the Reserved Capital Increase in a minimum amount of €53,499,997.60 (share premium included), are independent of each other and must be completed no later than 30th June 2022.

The Prospectus is available on both the AMF’s website (www.amf-france.org) and the Company’s website (www.figeac-aero.com). Copies of the Prospectus are available free of charge from the Company’s registered office at Zone Industrielle de l’Aiguille - 46100 Figeac, France.

Exemption granted from the requirement to submit a mandatory buyout offer in light of the transactions agreed with Tikehau Ace Capital on the Company's capital

The Company points out that the Reserved Capital Increase will also involve a shareholders' agreement reached between Tikehau Ace Capital, Jean-Claude Maillard and SC Maillard & Fils, constituting a concerted action (aimed at implementing a joint policy) between Tikehau Ace Capital, Jean-Claude Maillard and SC Maillard et Fils (the latter two remaining predominant within the new concert party thus constituted).

Should the Reserved Capital Increase be completed in the amount of €58,499,996.80, this concert party would represent 81.45% of the share capital and 88.49% of the voting rights in the Company on a non-diluted basis, and 67.11% of the share capital and 77.70% of the voting rights on a diluted basis.

Completion of the transactions agreed with Tikehau Ace Capital on the Company's capital was subject to the AMF determining that there was no reason to submit a mandatory buyout offer for FIGEAC AÉRO shares based on article 234-7, 1° of the AMF General Regulation, a determination confirmed by the *Autorité des Marchés Financiers* on this day (AMF opinion n° 222C1055).

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 31st March 2021.

FIGEAC AÉRO

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DISCLAIMER

This press release contains forward-looking statements about FIGEAC AÉRO and 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 made. 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.



Appendix: Prospectus summary

Section A – Introduction and disclaimers

Issuer's securities: ordinary shares (FGA, ISIN code FR0011665280).

Issuer's contact information: FIGEAC AERO, Zone Industrielle de l'Aiguille – 46100 Figeac, France (LEI: 96950052GK4O22170Y62).

Competent authority having approved the Prospectus on 10th May 2022: AMF, 17 place de la Bourse, 75002 Paris.

Disclaimer: this summary should be read as an introduction to the Prospectus. Any decision to invest in the Company's securities must be based on a review of the full Prospectus. The investor may lose some or all of the capital they invested. Where a claim relating to information contained in the Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.

Section B – Key information about the issuer

Core activities: the FIGEAC AÉRO Group is an industrial group and leading subcontractor for manufacturers, equipment makers and sub-assemblers in the aerospace industry. It has four different business lines: (i) production of light metal alloy and hard metal structural parts (including aerospace sheet metal), (ii) precision machining and surface treatment (mostly for the aerospace industry), (iii) workshop and on-site assembly of sub-assemblies for the aerospace industry, (iv) general engineering and heavy sheet metal manufacturing (outside the aerospace industry). As an aerospace subcontractor, the Group works with three types of contractors: manufacturers (like Airbus, Boeing, Embraer and Bombardier), equipment makers (like Safran, Collins Aerospace and Rolls Royce) and sub-assemblers (Groupe Latécoère, Spirit Aerosystems, Airbus Atlantic). Thanks to its know-how, business lines, global coverage and diversified client base (of manufacturers, equipment makers and sub-assemblers), the Group is involved in almost all the civil aerospace programmes currently under production.

Economic and financial impact of the COVID-19 pandemic: the Group's business activity has been severely affected by the global COVID-19 pandemic since March 2020. The crisis took a heavy toll on all sectors of the global economy, particularly the aerospace industry as contractors suddenly ceased or pushed back deliveries. Global air traffic plummeted during the period, prompting contractors across the board to slash their delivery schedules and focus on drawing down their stocks in the short term. In these unprecedented circumstances, the Group's revenue for financial year 2020/21 came to €204.6 million, which is 54.2% lower than in the previous year 2019/2020. Invoicing bottomed out during the summer of 2020. Revenue at 30th September 2021 was 46.6% lower than at 30th September 2019 corresponding to the pre-COVID-19 period. The Company took on board these unprecedented circumstances by immediately introducing an operational optimisation plan "Transformation 21" and focusing on two top priorities: (i) it rapidly rolled out a series of measures to reduce its structural fixed costs and optimise its production facilities, the aim being to mitigate the impact of sharply lower business volumes on the Group's profitability, and (ii) it secured long-term financial resources in order to ensure the Group's business continuity.

Section C – Key information about the securities

Nature, category and ISIN code: a maximum number of 10,446,428 new shares (the "New Shares"), for which a request has been made to admit them for trading on the regulated market of Euronext Paris as part of the capital increase without preferential subscription rights for shareholders reserved to Tikehau Ace Capital (or any entity associated with it, including any entity managed by it) referred to in the Prospectus (the "Reserved Capital Increase"), will be ordinary shares of the same category as the Company's existing ordinary shares (the "Existing Shares"). The New Shares will be admitted for trading on the regulated market of Euronext Paris under ISIN code FR0011665280.

Par value: €0.12.

Rights attached to the New Shares: the New Shares issued under the Reserved Capital Increase will be subject to the Company's articles of association, carry current dividend rights and entitle the holders to all the rights attached to the Existing Shares (including dividend rights, voting rights (double voting rights where applicable), preferential subscription rights, and the right to a share of any surplus in the event of liquidation).

Section D – Key information about the Offer

Structure of the share issue: a maximum number of 10,446,428 New Shares will be issued under the Reserved Capital Increase on the basis of the 3rd and 4th resolutions to be submitted for approval at the combined general meeting of the Company's shareholders convened for 20th May 2022, in accordance with article L. 225-138 of the French Commercial Code (the "Offer").

Subscription price of the New Shares: €5.60 per New Share (the "Offer Price"), of which a par value of €0.12 and a share premium of €5.48.

Amount of the share issue: the maximum total amount of the issue, share premium included, is €58,499,996.80 (of which a nominal amount of €1,253,571.36 and a share premium amount of €57,246,425.44) (the "Maximum Amount").

Use and estimated net amount of the proceeds: given the circumstances created by the COVID-19 crisis, the Company must adapt the repayment schedule for its bank loans and bonds redeemable into cash and/or new and/or existing shares (the “ORNANES”) to its operating cash flow generation. This is to ensure it can service its debt while maintaining its position as a leading supplier of metal parts for the aerospace industry. For this purpose, the Company reached a binding agreement with Tikehau Ace Capital in September 2021. Under this agreement, as amended in April 2022, Tikehau Ace Capital (or any entity associated with it, including any entity managed by it) will acquire a minority interest in Figeac Aéro’s capital by way of (i) a reserved capital increase and (ii) the purchase of shares from Jean-Claude Maillard, the majority shareholder. Under the terms of this agreement, Tikehau Ace Capital has undertaken to subscribe to a maximum number of 10,446,428 new shares corresponding to an increase in the Company’s capital reserved to it of a maximum amount of €58,499,996.80 (share premium included), i.e. a net amount of €56,954,996.80, subscribed at an issue price of €5.60 per new share. Meanwhile, Jean-Claude Maillard, the Company’s majority shareholder, has undertaken to sell it 803,572 FIGEAC AÉRO shares at this same price of €5.60.

The Company nevertheless has the option to limit the amount of the capital increase reserved to Tikehau Ace Capital (or any entity associated with it, including any entity managed by it) to a minimum of €53,499,997.60 (share premium included), i.e. a net amount of €51,954,996.80, in the event of an improvement in the Group’s cash position resulting from its strategy aimed at streamlining its production facilities. In this event, Tikehau Ace Capital would, via any entity associated with it (including any entity managed by it), subscribe to 9,553,571 new shares under the increase in the Company’s capital reserved to it. The sale of FIGEAC AÉRO shares by Jean-Claude Maillard to Tikehau Ace Capital would, in this case, involve 1,696,429 FIGEAC AÉRO shares. The issue price of the new shares and the sale price of the FIGEAC AÉRO shares would remain at €5.60 per share in this case.

Alongside this capital investment, Tikehau Ace Capital has also undertaken to subscribe to bonds to be issued by the Company in the amount of €10 million. These bonds will carry interest at an annual rate of 12% capitalised annually and have a maturity of 6 years and 6 months.

The Reserved Capital Increase will also involve a shareholders’ agreement reached between Tikehau Ace Capital, Jean-Claude Maillard and SC Maillard & Fils, constituting a concerted action (aimed at implementing a joint policy) between Tikehau Ace Capital, Jean-Claude Maillard and SC Maillard et Fils (the latter two remaining predominant within the new concert party thus constituted). Should the Reserved Capital Increase be completed in the amount of €58,499,996.80, this concert party would represent 81.45% of the share capital and 88.49% of the voting rights in the Company on a non-diluted basis, and 67.11% of the share capital and 77.70% of the voting rights on a diluted basis. The Reserved Capital Increase will also involve a change in the composition of the Company’s Board of Directors (in accordance with the recommendations issued in the Middlednext Code), thus enhancing the Board with additional and independent expertise and reflecting the Group’s new share ownership, i.e. with the appointment of 4 new directors to be approved by the Company’s shareholders during the general meeting convened for 20th May 2022. The Reserved Capital Increase is subject to approval by the Company’s shareholders who will be convened to vote on the matter at a general meeting on 20th May 2022, it being specified that Jean-Claude Maillard and SC Maillard & Fils have already made a commitment to vote in favour of this capital increase.

The Reserved Capital Increase forms part of the Company’s financial restructuring announced to the market on 5th April 2022, which also comprises the rescheduling of the Company’s main bank loans up to 2028 and the readjustment of the terms and conditions applied to the ORNANES, including the partial repurchase of 777,605 ORNANES announced by the Company on 9th May 2022 in the total nominal amount of €20 million (together, the “**Financial Restructuring**”). All these transactions, including the Reserved Capital Increase in a minimum amount of €53,499,997.60 (share premium included), are independent of each other and must be completed no later than 30th June 2022. The proceeds from the Reserved Capital Increase are to be put towards the partial repurchase of the 777,605 ORNANES and enable the Company to secure its status as a going concern, including by financing its cash requirements resulting from the higher aircraft production rates announced and the start-up of production on new contracts.

Settlement-delivery: settlement-delivery of the New Shares under the Reserved Capital Increase of a minimum amount of €53,499,997.60 (share premium included) must take place no later than 30th June 2022.

Lock-up agreement: Tikehau Ace Capital has undertaken to retain its FIGEAC AÉRO shares held directly and indirectly for a period of 18 months starting from the date of settlement-delivery of the New Shares, except in the case of a sale of said shares corresponding, on a cumulative basis, to no more than 1% of the Company’s share capital over 12 consecutive months. Jean-Claude Maillard, Chairman and Chief Executive Officer of the Company, and SC Maillard & Fils have made an identical undertaking with regard to Tikehau Ace Capital.

Dilution resulting from the Reserved Capital Increase:

Dilutive impact on the capital (in %)	Shareholder’s share (non-diluted basis)	Shareholder’s share (diluted basis**)
Before the issue of 10,446,428 New Shares*	1.00	1.00
After the issue of 10,446,428 New Shares*	0.75	0.62

* It is specified that, depending on the Company’s cash position, the Company may opt to issue only 9,553,571 New Shares under the Reserved Capital Increase.

** This is 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 repurchase of 777,605 ORNANEs for a total nominal amount of €20 million.

Statement of working capital: at the Prospectus date, the Company does not have enough net working capital to meet its obligations and cash requirements for the next twelve months. At 28th February 2022, the Company had available cash of €35.4 million, enabling it to meet its near-term payment deadlines. The Company, together with its advisers, has updated its cash flow projections on a 12-month rolling basis. These projections are based on various assumptions including revenue and the expenditure schedule for the initiatives adopted under the Transformation 2021 plans, which are uncertain by nature. Based on these projections, the Company's available cash would enable it to meet its cash payment deadlines up to the end of September 2022. However, this cash position would not enable it to redeem the ORNANEs that are due to mature in October 2022 in the amount of €88 million, as the shortfall at that date is estimated at approximately €71.2 million. If the Reserved Capital Increase and Financial Restructuring go ahead, thereby (i) postponing the maturity of the ORNANEs by 6 years (i.e. to 18th October 2028) and (ii) reducing the number of ORNANEs outstanding to 2,656,110 on completion of the partial repurchase of 777,605 ORNANEs for a total nominal amount of €20 million as announced on 9th May 2022, the Company estimates that it would have enough net working capital to meet its obligations and cash requirements for the subsequent twelve months starting from the Prospectus date.