



Availability of the independent expert's report prepared for the purposes of the capital increase reserved to tikehau ace capital

The FIGEAC AÉRO Group (ticker: FGA) (the “Company”), a leading partner for major aerospace manufacturers, announces the availability of the report prepared on 6th May 2022 by the Finexsi consultancy in its capacity as an independent expert. Finexsi was tasked with issuing an opinion, in accordance with article 261-3 of the General Regulation of the Autorité des Marchés Financiers, on the fairness, from the shareholder's perspective, of the issue price of the new shares to be issued under the capital increase reserved to TIKEHAU ACE CAPITAL and of the financial conditions applicable to FIGEAC AÉRO's financial restructuring plan.

The full independent expert's report is available to shareholders on the Company's website (www.figeac-aero.com - Investor Area) and at the Company's head office ahead of the extraordinary and ordinary general meeting of shareholders convened for 20th May 2022.

The conclusions reached by the Finexsi consultancy are as follows:

“The FIGEAC AÉRO group experienced a significant decrease in its activity on account of the public health crisis, which hit the aerospace industry particularly hard. Despite the economic rebound currently underway in the industry, the Company will be unable to meet the repayment deadline of October 2022 set for its ORNANEs (bonds redeemable into cash and/or new and/or existing shares).

Given the need to financially restructure the Group, the Company was able to obtain an administration order in July 2021 and approached its financial partners to discuss a scenario for shoring up its equity, rescheduling its existing financing and obtaining new sources of liquidity; the CIRI (France's interministerial industrial restructuring committee) also intervened in the Restructuring.

These talks led to an agreement announced on 9th September 2021 whereby TIKEHAU ACE CAPITAL would purchase an interest in the Group by way of a reserved capital increase. The talks continued with other financial partners, including the Group's ORNANE holders, and new terms and conditions were announced on 5th April 2022 based on an agreement to adjust the Company's financial structure, the terms and conditions of which are presented in this report.

The financial restructuring plan established includes the following: (i) an increase in equity by way of a capital increase reserved to TIKEHAU ACE CAPITAL in the amount of between €53.5m (the most likely amount) and €58.5m at an issue price of €5.60 per share, and the subscription by the latter to a €10m issue of bonds with an annual interest rate of 12% and a maturity of 6.5 years, (ii) a rescheduling of the Group's bank loans with a new amortisation schedule for short-term and medium-term loans, postponing their term to September 2028, in exchange for a 62.5bp increase in the interest rate, (ii) the arrangement of new financing amounting to €98m, of which €66m in PGEs (state-guaranteed loans), and (iii) an adjustment to the terms applied to the ORNANEs, including a partial repurchase of €20m of ORNANEs at a 7% discount and with the maturity of the remaining ORNANEs postponed until 18th October 2028. The aim is to bring the Group's financial leverage back to a tolerable level with a financial structure that will enable the Company to cover its medium-term cash requirements and continue implementing its “Road to 25” business plan.

We assessed the fairness of the subscription price set for the capital increase reserved to TIKEHAU ACE CAPITAL by carrying out a multi-criteria assessment of FIGEAC AÉRO and by calculating the dilutive impact and return on investment for shareholders. This theoretical valuation factors in the impact of the financial restructuring and the arrangement of the necessary financing, but it also assumes that the forecasts established by Management materialise without any major issues, two factors that therefore determine the Group's status as a going concern.

The work on the Group's valuation described in this report and the review of the financial terms and conditions of the Restructuring require us to make the following remarks:

- The terms and conditions of a reserved capital increase of €53.5m (i.e. Hypothesis 1) point to a dilutive impact on the Group's capital of approximately 36.9% based on the current share ownership at 26th April 2022, and of 30% based on the theoretical hypothesis that the 2022 ORNANEs would be converted in October 2022 at the initial parity rate. This dilutive impact on capital is in exchange for a €53.5m increase in the Company's equity.*
- Under a reserved capital increase of €58.5m (i.e. Hypothesis 2), the dilutive impact would be approximately 38.0% based on the share ownership at 26th April 2022, and of 31.3% based on the theoretical assumption that the 2022 ORNANEs would be converted in October 2022 at the initial parity rate. This dilutive impact on capital is in exchange for a €58.5m increase in the Company's equity.*
- The capital increase reserved to TIKEHAU ACE CAPITAL will go ahead at a subscription price of €5.60 per share; this is consistent with market practice applied in similar transactions that were completed prior to the two Transaction announcements made and that were referred to in order to determine the subscription price. Furthermore, this subscription price is identical to the price at which TIKEHAU ACE CAPITAL is buying FIGEAC AÉRO shares from Jean-Claude MAILLARD.*
- A theoretical valuation of the FIGEAC AÉRO share post-Restructuring works out between €6.11 and €7.33, calculated primarily using a DCF model.*
- Based on the assumptions used, the simulations carried out on the Transaction do not point to any significant dilutive or accretive impact on value either for the shareholder or for the ORNANE holder.*
- A review of the related agreements did not reveal any financial provisions that might, in our opinion, compromise the fairness of the reserved capital increase.*

Consequently, and at the date of this report, we believe that the terms and conditions of the Restructuring are fair from a financial perspective for the Company's shareholders."

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.

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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.