

INTEK GROUP

Registered office: 20121 Milan (MI) - Foro Buonaparte 44
Share capital Euro 335,069,009.80, fully paid-up
Tax Code and Milan Companies Register no. 00931330583
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PRESS RELEASE

**VOLUNTARY PARTIAL PUBLIC EXCHANGE OFFER ON “INTEK GROUP S.P.A. 2015 – 2020” BONDS
PUBLIC OFFER FOR SUBSCRIPTION OF “INTEK GROUP S.P.A. 2020 – 2025” BONDS, WHICH WILL BE
DISTRIBUTED EXCLUSIVELY VIA THE MOT (ELECTRONIC BOND AND SECURITIES MARKET)**

VOLUNTARY TOTAL PUBLIC EXCHANGE OFFER ON INTEK GROUP S.P.A. SAVINGS SHARES

- **On 3 December 2019, the Board of Directors of Intek Group S.p.A. approved an operation to promote:**
 - **a voluntary partial public exchange offer on 2,354,253 Intek Group 2015 – 2020 Bonds outstanding, with consideration consisting of a maximum of 2,354,253 new Intek Group 2020 – 2025 Bonds for a total of Euro 50.9 million to be listed on the MOT;**
 - **a concurrent public offer for subscription of Intek Group 2020 – 2025 Bonds for a maximum total of around Euro 25.0 million;**
 - **in the event of issue of 2020 Bonds for a total nominal value of at least Euro 60.0 million, a voluntary total public exchange offer on the Intek Group Savings Shares, with consideration consisting of Intek Group 2020 – 2025 Bonds and, taking account of the nominal value of the new bonds, recognition of a premium of around 53.7% of the price of the Savings Shares, determined based on the quoted prices for the last three months.**
- **The maximum total amount of the Intek Group 2020 - 2025 Bonds servicing the Offers will be around Euro 101.0 million.**
- **The Intek Group 2020 - 2025 Bonds will have a duration of 5 years from the issue date, will accrue annual interest of at least 4.25% and will be listed on the MOT.**
- **The Offer for Subscription will regard Intek Group 2020 - 2025 Bonds, offered for subscription to the general public in Italy and to qualified investors, in an amount of Euro 25.0 million, which can be increased by the Issuer up to around Euro 75.9 million considering the level of participation in the Offer for Subscription of the Bonds. The Intek Group 2020 – 2025 Bonds subject of the Offer for Subscription will be distributed exclusively via the MOT.**
- **The 2015 Bonds not used to participate in the Exchange Offer on Bonds will be redeemed at the maturity date, i.e. 20 February 2020.**

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- *The overall purpose of the operation, along with the negotiation of a bank loan, is to ensure that the Company maintains a balanced level of liquidity, enabling it to finance new*

investment operations, extend the average duration of debt, potentially reducing its average cost, and to simplify the capital structure.

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MILAN, 3 DECEMBER 2019 – On today’s date, the Board of Directors of Intek Group S.p.A. (“**Intek**” or the “**Issuer**”) met and, with the support of the advisor Equita SIM SpA, approved an operation to promote:

- a voluntary partial public exchange offer on 2,354,253 Intek Group 2015 – 2020 Bonds outstanding (the “**2015 Bonds**”), with consideration consisting of a maximum of 2,354,253 new Intek Group 2020 – 2025 Bonds (the “**2020 Bonds**”), for a total of Euro 50.9 million to be listed on the MOT (the “**Exchange Offer on Bonds**”);
- a concurrent public offer for subscription of Intek Group 2020 – 2025 Bonds for a maximum total of around Euro 25.0 million (the “**Offer for Subscription**” and, jointly with the Exchange Offer on Bonds, also the “**Offers on Bonds**”);
- in the event of issue of 2020 Bonds for a total nominal value of at least Euro 60.0 million, a voluntary total public exchange offer on the Intek Group Savings Shares, with consideration consisting of 2020 Bonds and, taking account of the nominal value of the new bonds, recognition of a premium of over 53.7% of the average quoted stock market prices for the last three months (“**Exchange Offer on Savings Shares**” and, jointly with the Offers on Bonds, also the “**Offers**”).

The Issuer thus intends to carry out, in service of the Offers on Bonds, a bond issue to be listed on the MOT, consisting of a maximum of 3,511,753 bonds with a unit nominal value of Euro 21.60, of which: (i) a maximum of 2,354,253 2020 Bonds to be offered in exchange to holders of 2015 Bonds participating in the Exchange Offer on Bonds; (ii) from a minimum of 1,157,500 to a maximum of 3,511,753 2020 Bonds subject of the Offer for Subscription, considering the level of participation in the Exchange Offer on Bonds.

Moreover, in the event of issue of 2020 Bonds for a total nominal amount of at least Euro 60.0 million, a maximum of 1,165,070 2020 Bonds will be issued to offer in exchange to holders of Savings Shares participating in the Exchange Offer on Savings Shares.

The 2020 Bonds will have a duration of 5 years from the issue date and will accrue interest at a fixed annual nominal rate of at least 4.25%. The fixed annual nominal rate of the 2020 Bonds, to be determined based on market conditions, shall be communicated to the public by the start of the public offer period for the Exchange Offer on Bonds (which the Issuer intends to carry out at the same time as with the Offer for Subscription).

Starting from the end of the second year from the issue date, Intek will have the right to fully or partially redeem the 2020 Bonds. The redemption price of the 2020 Bonds (without prejudice to the payment of the interest accrued and not yet paid up to the date of early redemption) will equal: (i) from the end of the second year, 102% of the portion of nominal value subject to redemption; (ii) from the end of the third year, 101% of the portion of the nominal value subject to redemption; and (iii) from the end of the fourth year, 100% of the portion of nominal value subject to redemption.

The 2020 Bonds subject of the Offer for Subscription - which the Issuer intends to carry out at the same time as the Exchange Offer on Bonds - will be targeted to the general public and qualified investors, and will be distributed exclusively through the MOT.

1. Voluntary partial public exchange offer on bonds

The Exchange Offer on Bonds promoted by Intek regards 2,354,253 2015 Bonds outstanding, with a unit nominal value of Euro 21.60, listed on the MOT.

The Issuer will grant to each participant in the Exchange Offer on Bonds 1 2020 Bond, with a unit nominal value of Euro 21.60, in exchange for each 2015 Bond with a total nominal value of Euro 21.60, used to participate in the exchange and purchased (the “**Consideration for the 2015 Bonds**”), for a total maximum nominal value of around Euro 50.9 million, equal to a **discount of 0.3%** on the price of the 2015 Bonds determined based on the quoted prices for the last three months.

In relation to the 2015 Bonds used to participate in the Exchange Offer on Bonds, the interest accrued up to the settlement date of the Consideration for the 2015 Bonds will also be paid.

The 2020 Bonds offered in exchange will have a duration of 5 years from the issue date and will accrue interest at a fixed annual nominal rate of at least 4.25%, with deferred annual payment of interest. The fixed annual nominal rate of the 2020 Bonds, to be determined based on market conditions, shall be communicated to the public by the start of the public offer period for the Exchange Offer on Bonds (which the Issuer intends to carry out at the same time as with the Offer for Subscription).

At the exchange date, the 2020 Bonds will have been issued and listed on the MOT. The 2020 Bonds are not backed by collateral or personal guarantees. No rating has been or is expected to be assigned to the 2020 Bonds.

The 2015 Bonds used to participate in the Exchange Offer on Bonds and purchased by the Issuer will be eliminated pursuant to article 6 of “*Intek Group S.p.A. 2015 – 2020*” Bond Regulations.

The 2015 Bonds not used to participate in the Exchange Offer on Bonds will be redeemed at the maturity date, i.e. 20 February 2020.

The Exchange Offer on Bonds will be subject to conditions in line with market practice.

Equita SIM SpA will take on the role of intermediary assigned to coordinate the investments.

The Exchange Offer on Bonds will be promoted with an exemption from the application of laws and regulations on takeover bids or exchange tender offerings pursuant to article 101-*bis*, paragraph 3-*bis* of the Consolidated Law on Finance (TUF) and in compliance with article 35-*bis*, paragraph 4 of the Issuers’ Regulation.

2. Public offer for subscription of bonds

The Offer for Subscription will be targeted to the general public in Italy and to qualified investors, in a total amount of Euro 25,002,000.00, (equal to a maximum of 1,157,500 2020 Bonds), which can be increased by the Issuer up to Euro 75,853,864.80 (equal to a maximum of 3,511,753 2020 Bonds), considering the level of participation in the Exchange Offer on Bonds.

The 2020 Bonds offered for subscription will have a unit nominal value of Euro 21.60, a duration of 5 years from the issue date and will accrue interest at a fixed annual nominal rate of at least 4.25%, with deferred annual payment of interest. The fixed annual nominal rate of the 2020 Bonds, to be determined based on market conditions, shall be communicated to the public by the start of the public offer period for the Offer for Subscription.

At the settlement date, the 2020 Bonds will have been issued and listed on the MOT. The 2020 Bonds are not backed by collateral or personal guarantees. No rating has been or is expected to be assigned to the 2020 Bonds.

The Offer for Subscription will be subject to conditions in line with market practice.

Equita SIM SpA will carry out the role of operator appointed to display quotes for sale on the MOT pursuant to article 2.4.3, paragraph 7 of the Regulations for Markets Organised and Managed by Borsa Italiana S.p.A.

3. Voluntary total public exchange offer on Intek Group Savings Shares

The Exchange Offer on Savings Shares will regard all of the 50,109,818 Intek Group Savings Shares, minus the 11,801 own savings shares.

The Exchange Offer on Savings Shares will be promoted by Intek pursuant to article 102 of the TUF, if the amount of participation/subscription of the Offers on Bonds reaches a value of at least Euro 60.0 million (equal to around 80% of the amount of 2020 Bonds serving the Offers on Bonds). The specific Offer Document will be subject to approval by CONSOB.

The Ordinary Shareholders' Meeting of Intek will be called to resolve on the purchase and cancellation of the Savings Shares.

The Issuer will grant to each participant in the Exchange Offer on Savings Shares 1 2020 Bond, with a unit nominal value of Euro 21.60, in exchange for each 43 Savings Shares used to participate in the exchange and purchased (the "**Consideration for Savings Shares**"), for a total maximum nominal value of around Euro 25.2 million, equal to a **premium of 53.7%** on the price of the Savings Shares, based on the quoted prices for the last three months and taking account of the nominal value of the new bonds.

The 2020 Bonds offered in exchange will have a duration of 5 years from the issue date and will accrue interest at a fixed annual nominal rate of at least 4.25%, with deferred annual payment of interest. The fixed annual nominal rate of the 2020 Bonds, to be determined based on market conditions, shall be communicated to the public by the start of the public offer period for the Exchange Offer on Bonds (which the Issuer intends to carry out at the same time as with the Offer for Subscription).

At the exchange date, the 2020 Bonds will have been issued and listed on the MOT. The 2020 Bonds are not backed by collateral or personal guarantees. No rating has been or is expected to be assigned to the 2020 Bonds.

The Exchange Offer on Savings Shares will be subject to conditions in line with market practice, as well as the resolution of the Ordinary Shareholders' Meeting.

Equita SIM SpA will take on the role of intermediary assigned to coordinate the investments.

4. Reasons for the operation

The overall purpose of the operation, along with the negotiation of a bank loan, is to ensure that the Company maintains a balanced level of liquidity, enabling it to finance new investment operations, extend the average duration of debt, potentially reducing its average cost, and to simplify the capital structure.

The amount of the new bond loan proposed, including any component dedicated to the Exchange Offer on Savings Shares, will be similar to the value of the bond loan currently outstanding (a maximum of around Euro 101.0 million, compared to around Euro 101.7 million currently) and will serve to extend the maturity for a period of 5 years (from 2020 to 2025). The minimum interest rate of 4.25% is lower than the one currently granted by the outstanding bonds (fixed rate of 5%).

5. Indicative timeline of the operations

Once the necessary authorisations are obtained the Exchange Offer and Offer for Subscription - which the Issuer intends to carry out concurrently - are expected to be carried out by February 2020, before the maturity date of the 2015 Bonds.

Where, after the conditions described above have been met, an Exchange Offer on Savings Share is promoted, once the necessary authorisations are obtained, it is expected to be carried out by April 2020.

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The press release is available on the website www.itkgroup.it, where it is possible to request information directly from the Company (phone: 02-806291; e-mail: info@itk.it) and on the authorised “eMarket Storage” system operated by Spafid Connect SpA at www.emarketstorage.com.