

Press release

21 July 2017

AGREEMENT TO TAKE OVER THERMOCOMPACT

Edify has today concluded an agreement to acquire the entire share capital of Thermo Technologies, the holding company that controls 84.5% of the share capital and 91.3% of the voting rights in Thermocompact¹. The group's current shareholder-executives will re-invest alongside Edify².

Founded in 1913, Thermocompact Group is today one of the foremost global specialists in high technology wires and coating (wires for electro discharge machining, surface coating with precious metals, etc.). It mainly serves manufacturers in the aeronautics, automotive, connector, military, space and telecommunications sectors, and relies on four production sites, of which three are in France (Annecy, Pont-de-Chéruy and Tournes) and one is in Vietnam, as well as a sales subsidiary in the USA and one representative office in China.

The Group has 400 customers across 35 countries, and employs 280 people. It generated sales of €69.4 million in 2016.

Edify intends to support the company in its development strategy, as reflected at the start of the year by the acquisition of TSDM, the French specialist in the vacuum heat treatment of industrial tools and components.

The takeover of Thermo Technologies should be effective in September provided that the condition precedent³ is met in accordance with the planned schedule. This would be followed by a takeover bid, and by a squeeze-out if conditions are met, to be completed by Thermo Technologies in relation to shares held by minority shareholders in Thermocompact.

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1 Listing of the Company in Compartment C of Euronext Paris.

2 Gilles Mollard, Bernard Mollard and Jean-Claude Cornier will reinvest in Thermo Technologies, directly or indirectly, with a stake of around 10%, within the two months following the transaction, at a price determined on the same basis of valuation.

3 Agreement of the relevant competition authorities.

The transaction price values the Thermocompact share at €46.80 dividend included⁴ and €45.20 following detachment of said dividend.

The price of €45.20 per Thermocompact share following the detachment and payment of the dividend will be offered as the price for the takeover bid, subject to the fairness opinion of the independent expert and the compliance notice of the French Financial Markets Authority, the *Autorité des Marchés Financiers*.

The proposed bid would allow Thermocompact shareholders to sell their shares under financial conditions equivalent to those granted to the owners of Thermo Technologies.

Thermo Technologies shareholders who also have a 4.1% direct shareholding in the capital of Thermocompact, have already undertaken to tender their shares to said bid.

The transaction will be financed by using the cash and credit facilities available to Edify.

Corporate profile

Edify is an industrial holding company listed on the Euro-MTF market of the Luxembourg stock exchange.

*Its portfolio is comprised of majority and minority shareholdings in French, Spanish and Swiss industrial medium size businesses and SMEs, namely **Zurflüh-Feller** (accessories and systems for roller shutters and industrial closing mechanisms), **Sirem** (motorised solutions for spa baths, swimming pools and milk tanks), **Pellenc** (portable power tools and machinery for winegrowing, olive growing and green spaces), **Les Usines Métallurgiques de Vallorbe** (filing tools for the jewellery, watchmaking, forestry, car and aeronautical industries), **Ligier Group** (microcars for unlicensed drivers), **Lacroix Emballages** (packaging for solid dairy products), **La Buvette** (livestock watering and farming systems), **Gaviota-Simbac** (components and motors for awnings and roller shutters), and **de Buyer** (items and utensils for cookery and patisserie).*

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⁴ Amount set at €1.60 by the Annual General Meeting of 15 June 2017, with payment to take place before 30 September 2017.