

Fidia S.p.A. Deliberations from the Board of Directors meeting held today, 13 November, regarding the company's performance.

Turin, 13 November 2020 – Fidia S.p.A. (“**Fidia**” or “**Company**”) - Group leader in numerical control technology and integrated systems for calculating, scanning and milling of complex forms, listed in the STAR segment of the Italian stock exchange - announces that the reduction in activity volume and decrease in the orders received which has taken place chiefly due to the Covid-19 pandemic and which has characterised the year 2020, in addition to the previously evident general tension over several markets in which the Group operates have forced us to take action to face the difficulties, in order to recover the losses that have led to over one-third of a reduction in share capital.

The Company's Board of Directors in a meeting taking place today, pursuant to Royal Decree art. 152, No. 267 of 16 March 1942 and subsequent amendments and additions (“Bankruptcy Law”), has, therefore, evaluated and approved the presentation of the appeal, before the Court of Ivrea, pursuant to art. 161, paragraph 6 Bankruptcy Law, reserving the right of presenting the proposal, the plan and further documentation pursuant to the second and third paragraphs of article 161 of Bankruptcy Law, by the date set by the Court, as to obtain the protection in accordance with art. 168 of Bankruptcy Law, therefore safeguarding the business continuity in a context ensuring compliance with the principle of *par condicio creditorum*.

Such deliberation, in fact, was made in consideration of the need to position the Fidia Spa crisis situation in an organised and protected context, through the preparing and submitting of a creditors' arrangement filing request to ensure greater protection of all interests involved, in favour, also, of the operational continuity of the Company in Italy and abroad and providing greater protection to the corporate assets, also as a guarantee to the corporate creditors.

The above restructuring operation is finalised to preserve the business continuity in the so-called “direct” form, not excluding, on the basis of current discussions with possible investors, the theory of business continuity in the so-called “indirect” form through added share capital or through the contribution of new resources by a third party, in the terms and conditions to be better identified during the voluntary early arrangement with creditors; and therefore in the best value of goodwill and of the retention of the workforce, as well as the best settlement with creditors pursuant to art. 186 bis Bankruptcy Law in compliance with the order of pre-emption and the principle of *par condicio creditorum*.

The Group has closed the period at 30 September 2020 with a net loss of approximately €3.9 million, due essentially to the reduction in activity volume, which was added to an already present general tension in several markets in which the Group operates and which slowed down investment demand. The following data for the Group is reported briefly below:

- **Order portfolio** in the amount of €12.3 million versus €25.5 million at 30 September 2019.
- **Orders acquired** in the amount of approximately €5.7 million (€24.1 million at 30 September 2019)
- **Production value** in the amount of €17.4 million at 30 September 2020 (€35.6 million at 30 September 2019)
- **Net revenues** in the amount of €17.1 million (€30.4 million at 30 September 2019)
- **EBITDA:** in the amount of -€1.7 million (€2.4 million at 30 September 2019)
- **Net result:** -€3.9 million (-€5.0 at 30 September 2019)
- **Net financial debt:** -€12.7 million at 30 September 2020 (-€12.6 million at 31 December 2019)



The net financial debt, in the amount of €12.7 million at 30 September 2020 (of which Euro 4.3 million short-term) and non-inclusive overdue trade payables, is stable compared to 31 December 2019, a result attributable mainly to slightly negative cash flows from operating, financial and investment activities, compensated by the standstill agreement reached with the bank in April 2020 due at the end of July 2020 and, subsequently, extended to the month of October 2020, due at the closing of 2020.

In order to compensate for the worsening of the debt position, particularly for trade payables, the Company, through their legal representatives, has started the appropriate initiatives for obtaining a loan for €4 million, in accordance with the so-called Liquidity decree.

Following the failure in granting new financing, considered essential to continue operations and considering the actual difficulty of approving an increase in share capital, the Board of Directors of the Company, on 13 November 2020, has decided to proceed with the insolvency proceedings filing request as previously described in the previous paragraphs.

Fidia Spa believes, in closing, that all of the measures adopted by them, also with the help of their own consultants, may allow to effectively overcome the current financial hardships, safeguard the business assets, as a guarantee to creditors, in favour, also, of the Company's operational continuity, in Italy and abroad.

The Company makes known, lastly, that because of the circumstances highlighted above, the Board of Directors, meeting today, has also deliberated the request for the voluntary exclusion of the Company's shares from the STAR segment and their transfer to the MTA segment organised and managed by the Italian stock exchange, Borsa Italiana S.p.A., but that during the period of voluntary exclusion will continue to comply with the principles of best practice and governance provided for by the Code of Conduct of companies listed.

The Financial Reporting Officer, Mr. Antonio Breggia Bicchiere, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Finance Act, that the accounting information contained in this press release corresponds to the documented results, books and accounting records.

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This press release may contain provisional elements regarding Fidial S.p.A. future events and results based on current expectations, estimates and forecasts regarding the sectors in which Fidial operates, on events and on current management opinions. These elements, by nature, contain a component of risk and uncertainty because they depend on the occurrence of future events and a multiplicity of factors, many of which external to the control of the Group, including global macro-economic conditions, changes in business conditions, further deterioration of markets, effects by competitors, political, economic and legislative developments in Italy.



Fidia S.p.A., headquartered in San Mauro Torinese (TO), Italy, is a world leader company in the design, production and distribution of high-performance integrated milling systems, primarily applied in the manufacturing of molds and dies for automotive industry and in aerospace field. With more than 40 years of experience and 278 employees, Fidial is known as one of the few companies able to provide solutions for the complete milling process, from the definition of the machining program to the finished product. Fidial produces, distributes and maintains worldwide numerical controls for milling systems, high speed milling systems, CAM software for the cutting of complex shapes.

Fidia S.p.A. (Reuters FDA.MI – Bloomberg FDA IM) is listed on the STAR segment (MTA) of the Italian Stock Exchange and has a capitalization of approx. € 13 million.

News and additional information about the company can be found on the corporate website at www.fidia.com

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