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Press release

TKH Group N.V. (TKH)

TKH aims to raise € 75 million by offering (depository receipts of) new ordinary shares to finance further strategic growth

To finance further strategic growth, TKH Group NV ("TKH") announces an accelerated bookbuild offering (the "Offering") aiming to raise € 75 million. The net proceeds from the issuance of (depository receipts of) new ordinary shares will be used to finance TKH's further strategic growth including the finance of the acquisition of Commend group ("Commend"), the squeeze-out of minority shareholders in Augusta Technologie AG ("Augusta"), capital expenditures and general corporate purposes.

Alexander van der Lof, CEO of technology company TKH: "The acquisition of Commend, the squeeze-out of minority shareholders in Augusta and the intended capital expenditure are important steps in the realisation of our strategic agenda. These steps strengthen our technology foundation and support the envisaged growth target in our defined vertical growth markets. To keep flexibility in the execution of our strategic agenda and to maintain our debt leverage objective below 2.0, TKH has opted to finance these steps with the issuance of (depository receipts of) shares aiming to raise € 75 million. The acquisition, squeeze out and capital expenditures will contribute to future growth of net profit attributable to shareholders and therefore compensates the dilution in earnings per share as a result of the issuance of new shares."

Acquisition of Commend

In today's press release, TKH announced that it will acquire 74% of the shares of Commend International GmbH (Austria), that holds the production and development activities. In addition, TKH has the option right and intention to acquire in 2015 the international sales organisation of Commend in the USA, UK, France, Spain and Italy, as well as 49% of Commend Australia. TKH will increase its existing shareholding in the subsidiaries Commend Benelux BV and Schneider Intercom GmbH to 100% by acquiring respectively an interest of 25% and 5%.

Commend is a technology and market leader in mission critical intercom systems worldwide. The security- and communication systems of Commend are applied broadly in- and outside buildings and in critical infrastructural projects. TKH and Commend have already been successfully cooperating for over fifteen years, whereby TKH represents Commend in the Benelux, Germany, Poland and South-East Asia. Commend will strengthen TKH's position in communication technology. With more than 300 employees, Commend realises an annual turnover of about € 45 million. The acquisition of Commend International is expected to be

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finalised in January 2015. The purchase price and the EBIT-multiple are in line with TKH's strategic acquisitions in the past. As of the closing date, the acquisition will contribute to the earnings per share of TKH.

Squeeze out minority shareholders of Augusta

On 17 November 2014, TKH has confirmed its decision to request the squeeze-out of the minority shareholders of Augusta and set the cash compensation to be offered at € 30.49 per Augusta share. This results in a total cash compensation of € 21.4 million for the minority shareholders of Augusta.

Capital expenditures

To realise further strategic growth, TKH will increase its capital expenditure in the next 12 months. This capital expenditure includes among others the additional production capacity with specific capabilities for subsea cables in order to boost the company's position in the oil and gas industry, one of the defined vertical growth markets, and wind turbine parks. As mentioned in the Q3 press release, the additional production capacity will be available in the fourth quarter of 2015 and requires a capital expenditure of over € 20 million.

The Offering

TKH is aiming to raise € 75 million by offering (depository receipts of) new ordinary shares, on a non pre-emptive basis, through an accelerated bookbuild offering to qualified and certain other eligible investors in the European Economic Area (EEA) and to qualified institutional buyers in the United States in reliance on an exemption from the registration requirements under the Securities Act.

TKH and the Joint Bookrunners may decide to increase the Offering up to a total number of 3,896,586 (depository receipts of) new ordinary shares, resulting in a maximum number of (depository receipts of) new ordinary shares placed in the Offering equal to 9.99% of TKH's currently issued ordinary share capital.

The Offering will be launched immediately following this announcement and the closing of the book is expected today at 17.30hrs CET, subject to acceleration. The issue price is expected to be announced today through a separate press release.

The acquisition of Commend and the Offering are supported by existing major shareholders of TKH.

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Payment and delivery of the (depository receipts of) new ordinary shares are scheduled for 24 November 2014, at which date the (depository receipts of) new ordinary shares are expected to be admitted to listing and trading on Euronext in Amsterdam. Pursuant to section 5:4 sub a of the Dutch Financial Supervision Act, no prospectus is required for the admission to trading and trading of these (depository receipts of) new ordinary shares on Euronext Amsterdam. The (depository receipts of) new ordinary shares will rank *pari passu* in all respects with the outstanding (depository receipts of) ordinary shares.

On the condition that the issuance of (depository receipts of) new ordinary shares is completed (the "Offering"), TKH Group has agreed with the Joint Bookrunners, subject to exceptions customary in Offerings of this nature, not to issue or offer any (depository receipts of) new shares or related securities within 90 days of the closing of the Offering.

Rabobank acts as Sole Global Coordinator in the Offering. Rabobank and ABN AMRO act as Joint Bookrunners in the Offering.

Trading update Q3 and outlook

On 6 November 2014, TKH released its trading update for the third quarter of 2014. TKH announced that, based on the results booked in the first nine months of 2014 and the outlook for the coming months, and barring unforeseen circumstances, the company expects net profit before amortisation and one-off income and expenses attributable to shareholders for the full year 2014 of between € 80 million and € 85 million.

Haaksbergen, 20 November 2014

Executive Board

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Profile of TKH

Technology company TKH Group NV is an internationally active group of companies specialising in the creation and delivery of innovative Telecom, Building and Industrial Solutions.

The company's core technologies – vision & security, communications, connectivity and manufacturing systems – are interlinked to form complete systems and solutions in the solutions segments and associated vertical markets. The Company's goal is to use this

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interlinked approach to realise far-reaching synergies between the Company's various business units.

Telecom Solutions develops, produces and supplies systems ranging from outdoor infrastructure for telecom and CATV networks through to indoor home networking applications. TKH Telecom Solutions operates in three distinct sub-segments: optical fibre networks, copper networks and indoor telecom systems.

Building Solutions develops, produces and supplies solutions in the field of vision & security, communications and connectivity technology that range from applications in buildings and the built environment through to integrated systems that, linked to software, provide efficiency solutions for sectors such as the construction, healthcare, parking, ship building, oil and gas, traffic and security sectors. Building Solutions operates in three distinct sub-segments: building technologies, vision & security systems and connectivity systems.

Industrial Solutions develops, produces and supplies solutions ranging from specialty cable, "plug and play" cable systems through to integrated systems for the production of car and truck tyres. The core technologies in this segment are vision technology, connectivity and system integration. Industrial Solutions operates in two distinct sub-segments: connectivity systems and manufacturing systems.

The Company's continuous focus on research and development gives the Company a portfolio of products and services that guarantee technologically-advanced solutions. The Company and its various operating companies are active worldwide. Growth is concentrated in North West and Central and Eastern Europe and Asia. In 2013, the Company booked turnover of € 1.2 billion with a workforce of 4,802 employees.

The (depository receipts of) ordinary shares of TKH are traded on the official market of Euronext in Amsterdam and included in the Amsterdam Mid Cap Index (AMX).

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The Company has not authorized any offer to the public of securities in any Member State of the European Economic Area. With respect to any Member State of the European Economic Area and which has implemented the Prospectus Directive other than the Netherlands (each a "Relevant Member State"), no action has been undertaken or will be undertaken to make an offer to the public of securities requiring publication of a prospectus in any Relevant Member State. As a result, the securities may only be offered in Relevant Member States (i) to any legal entity which is a qualified investor as defined in the Prospectus Directive; or (ii) in any other circumstances falling within Article 3(2) of the Prospectus Directive. For the purpose of this paragraph, the expression "offer of securities to the public" means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable the investor to decide to exercise, purchase or subscribe for the securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State.

In the Netherlands the Securities are not and may not be offered other than to persons or entities who or which are qualified investors (gekwalificeerde beleggers) as defined in Section 1:1 of the Dutch Financial Supervision Act (Wet op het financieel toezicht).

Any investment decision in connection with the offering of the securities must be made on the basis of all publicly available information relating to TKH Group N.V. and the new securities. Such information has not been independently verified by Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank) and ABN AMRO Bank N.V. The information contained in this announcement is for background purposes only and does not purport to be



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full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness.

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