

Press Release

Regulated information

28 April 2017, 6:30 PM

Zenitel announces details of 1-for-10 Reverse Stock Split

The general shareholders' meeting of Zenitel NV (the "**Company**") (EURONEXT Brussels: ZENT), a leading player in instant and secure audio and data communication, decided today to implement a share consolidation with respect to all outstanding shares of the Company by means of a 1-for-10 reverse stock split (the "**Reverse Stock Split**").

Pursuant to the Reverse Stock Split, all outstanding shares of the Company will be consolidated at the ratio of one (1) new share (ISIN BE0974311434) for ten (10) existing shares (ISIN BE0003806230).

The last trading day for the existing shares of the Company will be 5 May 2017 and the Reverse Stock Split will become effective as of 10 May 2017.

The Reverse Stock Split was approved at the extraordinary general shareholders' meeting of the Company on 28 April 2017. The Company believes that the Reverse Stock Split is appropriate given the current stock price and the number of outstanding shares. With the reverse stock split the Company intends to rationalize the number of shares.

Simultaneous and automatic implementation of the Reverse Stock Split

The Reverse Stock Split will be carried out simultaneously for all outstanding shares of the Company, so that after the completion of the Reverse Stock Split each new share shall represent the same fraction of the Company's share capital. All new shares after the completion of the Reverse Stock Split shall have the same rights and benefits and shall rank *pari passu* in all respects, including as to entitlements to dividends.

The Reverse Stock Split will not affect the form of the outstanding shares (dematerialized or registered) and the outstanding registered and dematerialized shares will be processed separately. The Reverse Stock Split will be implemented automatically, without the need for shareholders to take any steps whatsoever.

Consolidation and sale of fractions of new shares resulting from the RSS

The Reverse Stock Split may cause fractions of shares if a shareholder does not hold a number of existing shares which corresponds to a multiple of ten (10). In this case, the number of new shares held by that shareholder will be rounded to the lower whole number.

Any fractions of shares that appear, will be consolidated by Bank Degroof Petercam, mandated by the Company for this transaction. Bank Degroof Petercam will be responsible for repurchasing the new shares resulting from the consolidation of fractions by the Company, between 10 May 2017 and 24 May 2017, or any later date if necessary.

The Company decided to redeem the new shares resulting from the consolidation of fractions at a price equal to the volume-weighted average price of the shares of the Company during the 30-day period preceding the Reverse Stock Split.

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It has been authorised to do so by the extraordinary general shareholders' meeting of 28 April 2014, which mandated the Company to acquire by sale or exchange the maximum number of shares, as set forth in Article 620 §1 of the Company Code, against a consideration which cannot be more than twenty percent (20%) lower and cannot be more than twenty percent (20%) higher than the average stock exchange rate of the relevant shares on Euronext during the five trading days preceding the acquisition or exchange or divestment. This authorization has been inserted in Article 10bis of the Company's articles of association.

The Company's last share buy-back program terminated per 15 April 2017, so that it does not interfere with the envisaged buy-back operation within the framework of the Reverse Stock Split.

A shareholder who does not hold a number of existing shares corresponding to a multiple of ten (10), may opt to:

- Sell or purchase existing shares in order to obtain, by close of trading on 5 May 2017, a number of existing shares that is a multiple of ten (10). Shareholders wishing to sell or purchase existing shares should obtain from their financial agent information with respect to the deadlines for execution and any transaction costs applicable to such sale or purchase transactions.
- Do nothing and be allocated a cash compensation, as outlined below.

The net proceeds of the sale of the new shares resulting from the consolidation of fractions will be distributed in cash on a pro rata basis to the shareholders that did not have a number of existing shares corresponding to a multiple of ten (10), this within one month from the closing date of the aforementioned sale, provided that the net proceeds shall not be less than one euro cent (EUR 0.01) per existing share. If net proceeds are less or cannot be distributed on a pro rata basis as aforementioned, these shall accrue to the Company. The Company is unable to anticipate the sales price of the sale of the consolidated shares and therefore cannot estimate the proceeds of such sale.

More information

Additional information with respect to the RSS is available in the form of FAQs that can be accessed on the website of the Company via the following link:

www.zenitel.com

Admission to the trading of the new shares does not require the publication of a prospectus, under Article 18, §2, b) of the Belgian Act of 16 June 2006 on the public offering of securities and the admission of securities to be traded on a regulated market. As a consequence, no prospectus has been submitted to the FSMA or published.

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Zenitel has firmly established itself at the intersection of two domains - communication on the one hand, security and safety on the other. As a leading player in instant audio and data communication, Zenitel is the preferred choice in situations that involve the protection of human lives, or the management of critical activities. Zenitel is committed to the success and future objectives of its Secure Communication Systems (SCS) activity that develops and distributes fully integrated communication platforms including Intercom, Public Address and two-way Radio Systems.

Zenitel has a strong presence in both the onshore and offshore secure communications market through its global brand, Vingtor-Stentofon. The brand is recognized globally for offering advanced offshore and onshore communication systems. Vingtor-Stentofon provides integrated security communications for environments where life, property and assets are at stake. Systems interface with other security devices including CCTV, access control and alarm for a comprehensive security solution. Vingtor-Stentofon's primary system offering is within Public Address, Intercom and Radio. The key markets include Building Security & Public Safety, Transportation, Industrial, Oil & Gas and Maritime.

Zenitel is a listed company (Euronext). The statutory headquarter of Zenitel is in Zellik (Brussels) and the operational headquarters is based in Norway.

(*) Representing a BVBA

For more information: www.zenitel.com

The enclosed information constitutes regulated information as defined in the Royal Decree of 14 November 2007 regarding the duties of issuers of financial instruments, which have been admitted for trading on a regulated market.