

Paris, 15 July 2019

DALET TO ACQUIRE OOYALA FLEX MEDIA PLATFORM

- ***Acquisition widens Dalet's market offering and accelerates its move to recurring revenue models***
- ***Acquisition is particularly made by a contribution in kind of the assets of several Ooyala Group companies***

Dalet SA (Euronext Paris: FR0011026749 - DLT), the specialist provider of software solutions for the creation, management and distribution of multimedia content to broadcasters and content professionals, has announced that it has signed a final agreement to acquire the Ooyala Flex Media Platform business (the '**Business**'), by means of a contribution in kind and sale (the '**Transaction**'). The sales and contributions of assets taking place today include the Ooyala Flex Media Platform and related contracts, as well as the majority of Ooyala personnel across sales, marketing, software development, professional services, and customer support (the '**Assets**'). The Ooyala Flex Media Platform, which is primarily sold as a subscription/SaaS offering, is a perfect solution for servicing OTT and digital media distribution workflows. The acquisition will enable Dalet to expand its solutions offering to a wider market, and to accelerate Dalet's strategic move to increase recurring revenue models, with a subscription/SaaS-based services offering.

1. RATIONALE FOR THE TRANSACTION

By acquiring the Ooyala Flex Media Platform, Dalet widens the markets it can address in terms of verticals and their respective tiers of complexity. A perfect complement to the existing Dalet Galaxy Five offering in its traditional markets, the Ooyala Flex Media Platform also opens opportunities to acquire new customers with a high demand for media management such as telcos, leagues and sports teams, who are looking to manage their media assets simply.

"The modern metadata management and orchestration capabilities of the Ooyala Flex Media Platform bring what these organizations need to lower TCO, improve agility and reduce time to market," states David Lasry, chief executive officer, Dalet. *"Furthermore, Dalet's proven products and services will enable Ooyala customers to augment and expand their Ooyala Flex Media Platform. We have a technology path forward supported by expanded, world-class professional services and customer success teams that can provide the know-how and expert guidance on scaling media operations to optimize the value of their Ooyala investment."*

Ooyala's customers include leading brands such as Audi, Fox Sports Australia, HBO Asia, Media Prima, National Rugby League, Turner Asia, TV2 Denmark, Zomin.TV, The Picture Production Company, Sky Sports, and Smoke and Mirrors.

Together, Dalet's and Ooyala's experienced teams dedicated to support, DevOps, and on-premise/cloud platform monitoring will better serve these premium customers.

"I am incredibly proud of what Ooyala has accomplished. Our talented research and engineering team has built a renowned technology platform that powers core media workflows for some of the world's most iconic brands," comments Jonathan Huberman, chief executive officer of Ooyala. *"Dalet's strong market position and deep expertise in designing and deploying media workflows is an outstanding fit for Ooyala customers and technical teams. I am confident under their guidance, they will continue to innovate and grow."*

2. TERMS OF THE TRANSACTION

Recipients of the Contributions/Sales:

- Dalet, a French *société anonyme* (limited liability company), whose registered office is at 16-18 rue Rivay, 92300 Levallois-Perret, registered with the Nanterre Trade and Companies Register under number 378 017 016 (the “**Company**”)
- Dalet Digital Media Systems USA Inc., a New York corporation, whose registered office is at 88 Pine Street, New-York, NY 10005, USA, registered with the Division of Corporations of the New York Secretary of State under number DOS ID 1822809 (“**Dalet US**”)
- Dalet Ooyala UK Ltd., an English company governed by English law, whose registered office is at Network House, Basing View, Basingstoke, RG21 4HG, Hampshire, UK, registered under number 03481432 (“**Dalet UK**”)

Contributors/transferees:

- Ooyala Ltd., a British limited company, whose registered office is at St. James House, 13 Kensington Square, London W8 5HD, UK, registered under number 07687148 (“**Ooyala UK**”)
- Ooyala Inc., a Delaware company, whose registered office is at 2711 Centerville Road, Suite 400, Wilmington 19808, Delaware (“**Ooyala US**”)
- Ooyala Australia Pty Ltd., an Australian company, whose registered office is at Level 9, 175 Liverpool Street, Sydney, NSW 2000, registered under number 161 794 654 (“**Ooyala Australia**”)
- Ooyala Singapore Private Ltd., a Singaporean company, whose registered office is at 112 Amoy Street #02-00, Singapore 069932, registered under number 201300242R (“**Ooyala Singapore**”)
- Nativ Holdings Ltd., a British limited company, whose registered office is at St. James House, 13 Kensington Square, London W8 5HD, UK, registered under number 06784868 (“**Nativ Holdings**”)
- Nativ Ltd., a British limited company, whose registered office is at St. James House, 13 Kensington Square, London W8 5HD, UK, registered under number 04301123 (“**Nativ**”)
- Nativ Systems Ltd., a British limited company, whose registered office is at St. James House, 13 Kensington Square, London W8 5HD, UK, registered under number 06071152 (“**Nativ Systems**”)

Assets contributed/sold:

- The intellectual property rights portfolio necessary for the smooth operation of the Business, including in particular the Ooyala Flex Media Platform software and the portfolio of Ooyala trademarks, sold to Dalet UK (the “**UK Sale**”).
- The US customer contracts relating to the Business sold to Dalet US (the “**US Sale**”).
- The customer contracts for the rest of the world relating to the Business sold to the Company (the “**French Contribution**”).

Value of the Assets contributed/sold:

By mutual agreement between all the parties:



- the UK Sale has been valued at €537,169.03 (US\$607,001);
- the US Sale has been valued at €1,522,974.56 (US\$1,720,961); and
- the French Contribution has been valued at €2,228,642.26 (US\$2,586,166).

Payment for the Assets contributed/sold:

- The UK Sale is being paid for fully in cash by Dalet UK;
- The US Sale is being paid for (i) in cash as to US\$1,307,127 and (ii) in Company shares held by Dalet US as to US\$413,834, i.e. 30,000 shares in the Company; and
- The French Contribution will be paid for by new shares of the Company (see below). In practice, the Contributors have agreed to grant a seller's loan to the Company.

In addition, the parties have agreed to pay to Ooyala US by 20 February 2020 an additional sum of up to US\$500,000 subject to the commercial performance in the year 2019 of certain contracts contributed and sold as part of the Transaction.

Amount of capital increase in the Company:

The draft contribution agreement provides that the number of new ordinary shares issued by the Company in payment for the French Contribution will be 187,478 (the “**New Shares**”). The New Shares, having a nominal value of 2 euros each, have been valued on the basis of the average share price of the Company for the last 20 days¹, i.e. a share price of €12.2075.

The amount of the resulting capital increase in the Company would be €374,956 of nominal value, coupled with a contribution premium in the sum of €1,913,686.26, i.e. a total capital increase of €2,288,642.26 in favour of Ooyala US (the “**Capital Increase**”). The New Shares would represent approximately 5.2% of the capital of the Company as of today.

New Shares would be listed on the regulated Euronext Paris market. They would be identical in all respects to the existing ordinary shares and carry the same rights and obligations.

Legal régime of the French Contribution:

The French Contribution is being carried out under the ordinary legal regime of contributions in kind, as defined by the provisions of Article L. 225-147 of the Commercial Code.

The Capital Increase must be approved by a general meeting of the shareholders of the Company to be held in September 2019.

In accordance with Article L. 225-147 of the French Commercial Code and AMF Position/Recommendation No. 2011-11, the President of the Nanterre Commercial Court will be requested to appoint two contributions auditors to assess the value of the French Contributions and the fairness of the payment for the French Contributions. The auditors' reports will be filed with the clerk office of the Nanterre Commercial Court and made available to shareholders at the registered office of the Company and on the Company's website at least 21 days before the general meeting called to vote on the Capital Increase.

As the Transaction constitutes a contribution of assets resulting in an issue of financial securities representing not more than 20% of the financial securities in the same class already listed on a regulated market, it is not the subject of a prospectus requiring AMF approval.

¹ the period from 14 June to 11 July 2019.

This press release is published pursuant to Article 1, paragraph 5, sub-paragraph 1 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, and to Article 17, sub-paragraph 1 of the AMF Instruction on the information to be published when financial securities are offered to the public or listed on a regulated market (AMF DOC-2016-04).

This press release constitutes neither an offer to sell or to subscribe, nor an invitation to purchase or subscribe for financial securities. This press release may only be published outside France in compliance with locally applicable laws and regulations.

Advisors:

Browne Jacobson (London) and King and Spalding LLP (Paris) provided legal representation to Dalet for the Transaction. Ooyala was represented by Latham & Watkins.

RSM acted as accounting and tax advisors to Dalet. SOJE Capital LLC sourced and advised Dalet on the Transaction.

Next publication

Q2-2019 revenues on 24 July 2019 after the close of trading

About Dalet Digital Media Systems

Dalet solutions enable broadcasters and media professionals to create, manage and distribute content to both traditional and new media channels, including interactive TV, the Web and mobile networks. Dalet combines into a single system a robust and proven Asset Management platform with advanced metadata capabilities; a configurable workflow engine, and a comprehensive set of purpose-built creative and production tools. This integrated and open environment enables end-to-end management of the entire News and Sport and Program content chain, and allows users to significantly improve efficiency, and to maximize the use and value of their assets. Dalet's solutions are delivered through a dedicated Professional and Integration Services Department to ensure the highest possible standards.

Dalet systems are used around the world by many thousands of individual users at hundreds of TV and Radio content producers, including public broadcasters (ABS-CBN, BBC, CBC, DR, France TV, RAI, RFI, Russia Today, VOA), commercial networks and operators (Canal+, FOX, Euronews, MBC Dubai, MediaCorp, Mediaset, NBC Universal, Time Warner Cable, Warner Bros., SiriusXM) and government organizations (UK Parliament, NATO, United Nations, Veterans Affairs, NASA).

Dalet is traded on the NYSE-EURONEXT stock exchange (Eurolist C): ISIN: FR0011026749, Bloomberg DLT:FP, Reuters: DALE.PA. For more information on Dalet, visit www.dalet.com



About Ooyala Flex Media Platform

Ooyala's flexible and configurable content supply chain platform resolves the multi-platform delivery needs of today's content creators and distributors.

The Ooyala Flex Media Platform has become the media factory of choice for innovative content owners worldwide. It orchestrates thousands of video workflows, manages assets and metadata across multiple systems, and analyzes bottlenecks within the entire content supply chain. The Ooyala Flex Media Platform utilizes open APIs to integrate with existing systems to provide a single source of truth for media, entertainment and sports companies.

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