

LAUNCH OF A CAPITAL INCREASE THROUGH A PRIVATE PLACEMENT TO SUPPORT THE COMPANY'S GROWTH

➤ **Capital increase in cash via an accelerated book building procedure for an amount of approximately €3.5 m**

MUNIC (Euronext Growth® Paris - FR0013462231 - ALMUN), specialist in embedded and artificial intelligence technologies for automotive data valorization, announces the launch of a capital increase of approximately €3.5 m with cancellation of preferential subscription rights under the framework of an offer as described in paragraph 1 of Article L.411-2 of the French Financial and Monetary Code through an accelerated book building procedure (the "**Offering**"). The number of shares, the amount raised and the ensuing dilution will be indicated in the press release announcing the result of the Offering.

A CAPITAL INCREASE TO SUPPORT THE COMPANY'S STRONG GROWTH

Following on from the sharp increase in business achieved in 2021, with full-year revenue up 156% to €19.3m, and given excellent visibility on 2022 sales as reflected by the record high order backlog of €17.8m, which is 4.7x higher than the year-earlier level, MUNIC would like to strengthen its shareholders' equity and financial resources through this capital raising.

The move is intended to provide the company additional means to finance its robust sales growth and support its R&D spending for the Munic.io technology linking Smart Dongles to the Edge Computing AI platform, in order to continue offering innovative services to customers and maintain Munic's technological lead in terms of access to vehicle data.

Current innovations concern high added-value services, prompting significant market interest, such as comprehensive remote vehicle diagnostics and wear estimates for electric vehicle batteries.

MUNIC underlines that this ambitious roadmap aims to help the company reach its target of **€100m in sales** by 2025, €25m of which driven by the EKKO platform, generating **a gross margin of more than 40%**.

MAIN TERMS OF THE OFFERING

The gross proceeds of the Offering should total a target amount of around €3.5 m.

The Offering is to take place with the waiving of preferential subscription rights, according to Article L. 225-136 of the French Commercial Code, as part of the offer described under paragraph 1 of Article L.411-2 of the French Financial and Monetary code, in compliance with the 19th resolution of the company's Combined General Assembly of November 8, 2019, the decisions made by the Board of Directors at its meeting on January 7, 2022 and the decisions made by the CEO today.

The number of new shares may not exceed the limit of 20% of the company's share capital and the issue price of the new shares will be at least equal to the weighted average of the MUNIC share price on the Euronext Growth market in Paris over the five trading days prior to the fixing of the issue price, eventually reduced by a maximum discount of 30%.

The Offering will involve an accelerated book building procedure following which the number and price of the new shares to issue will be determined. The accelerated book building procedure is to start immediately and should close tomorrow (February 11, 2022) before the Euronext Paris markets open, subject to any early closing or extension. MUNIC is to announce the result of the Offering in a press release as soon as possible after the order book is closed.

The settlement-delivery of the new shares issued under the Offering and their admission to trading is due to take place on February 15, 2022. The new shares will carry dividend rights and will be admitted to trading on the Euronext Growth market in Paris under ISIN code FR0013462231 (mnemonic code: ALMUN).

As part of the Offering, MUNIC has signed an abstention agreement for a period of 90 days from the settlement-delivery date. The founders (including Aaron Solomon, CEO of the company), owning together 30.16% of the capital (on a non-diluted basis) and Grandis Lux, key shareholder with 44.33% of the capital (on a non-diluted basis), as well as two other individual shareholders representing a combined 3.40% of the capital (on a non-diluted basis), have signed a lock-up agreement concerning all of the shares in the company owned for a period of 90 days as of the settlement-delivery date, subject to usual exceptions.

Gilbert Dupont is acting as Lead Coordinator and Bookrunner for the Offering.

In application of Article 1.4. of (EU) Regulation 2017/1129 of the European Parliament and Council of June 14, 2017, the company's share offer under the Offering will not give rise to a prospectus submitted for approval by the French financial markets authority (AMF).

Detailed information concerning the company, especially relative to its business, earnings, and corresponding risk factors, are set out in the Annual Report relative to the year ended December 31, 2020 and the Half-Year Report for H1 2021, which may be consulted, along with other regulatory information and all the company's press releases, under the Investors tab on the website (MUNIC-bourse.com).

PARTNERS OF THE OFFERING



Lead Coordinator and
Bookrunner



Legal Counsel



Communication agency

About MUNIC

Founded in 2002, MUNIC designs and develops technological solutions combining Smart Dongles, able to collect and decode thousands of data items generated by car sensors with an Edge Computing & artificial intelligence platform, Munic.io, capable of analyzing and processing this data.

The result of 20 years of R&D, MUNIC's patented technology combines (i) cutting-edge electronic expertise (design and industrialization of small-scale on-board equipment, high energy and radio performance, high reliability in an automotive environment, at very competitive costs), (ii) car data decoding capacity and (iii) an Edge Computing artificial intelligence (Munic.io) for data processing.

Based in Villejuif, France, with offices in the United States and China, MUNIC has 60 employees, 77% of whom are engineers. The company achieved revenues of €19.3 million in 2021, up +156%, mainly in the United States and Europe. The company is labeled an Innovative Company by Bpifrance.

MUNIC is listed on Euronext Growth® Paris market (ISIN code: FR0013462231).

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