

Villejuif, February 11, 2022 – 7:30 am

## MUNIC ANNOUNCES A SUCCESSFUL CAPITAL INCREASE THROUGH A PRIVATE PLACEMENT OF €3.5 m

**MUNIC (Euronext Growth® Paris - FR0013462231 - ALMUN)**, specialist in embedded and artificial intelligence technologies for automotive data recovery, today announces the success of the capital increase with cancellation of preferential subscription rights as part of an offer described in paragraph 1 of Article L.411-2 of the French Financial and Monetary Code, announced on February 9, 2022, through an accelerated book building procedure (the **Offering**).

Following an application from French and European investors, MUNIC has issued 1,102,625 new shares for a unit price of €3.20, issue premium included, i.e. a nominal value of €0.04 and an issue premium of €3.16, for a total gross amount of €3,528,400 representing 12.29% of MUNIC shares outstanding after the capital increase.

The net proceeds of this fund raising will serve to reinforce MUNIC's shareholders' equity and financial resources. This will provide the company additional means to finance its very robust growth (increase of +156% in 2021 revenue and a record order book of €17.8m for 2022), 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%**.

### In the words of MUNIC's CEO and founder Aaron Solomon:

*"This successful capital increase proves the confidence of shareholders and new investors in MUNIC's projects and ambitions and we thank them for this. Through this offering, MUNIC now has a stronger balance sheet matching its ambitious roadmap and its ongoing active development strategy to remain at the cutting edge of technological innovation, and continue to provide our customers with top-notch solutions to access vehicle data."*

### MAIN TERMS OF THE OFFERING

This Offering, in accordance with the provisions of 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, was undertaken through the issue of 1,102,625 new shares with the waiving of preferential subscription rights, in compliance with the 19<sup>th</sup> 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 on February 10, 2022.

The subscription price of €3.20 per new share, set pursuant to the conditions provided for in the aforementioned 19<sup>th</sup> resolution and the decisions made by the Board of Directors at its meeting on January 7, 2022, shows a discount of 8.4% compared to the MUNIC share's weighted average price over the five trading days prior to the setting of the issue price, i.e. €3.49 and 12.8% compared to the share's closing price on February 10, 2022, i.e. €3.67.

Subsequent to the Offering, MUNIC's share capital consists of 8.971.718 shares with a nominal value of €0.04 each.

Under the framework 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), with 30.16% of the capital (on a non-diluted basis) prior to the Offering, Grandis Lux, key shareholder with 44.33% of the capital (on a non-diluted basis) prior to the Offering, as well as two other individual shareholders representing a combined 3.40% of the capital (on a non-

diluted basis) prior to the Offering, 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 the usual exceptions.

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).

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 has not and will not give rise to a prospectus submitted for approval by the French financial markets authority, the AMF.

## IMPACT OF THE OFFERING ON MUNIC'S SHARE CAPITAL

Subsequent to the Offering, MUNIC's share capital will be allocated as follows (on a non-diluted basis):

Shareholders	Total number of shares	% of the capital	Total number of voting rights <sup>1</sup>	% of voting rights
Aaron SOLOMON	1,682,888	18.76%	3,365,776	22.29%
Frédéric NGUYEN	491,500	5.48%	983,000	6.51%
Yann PARANTHOEN	199,252	2.22%	398,504	2.64%
<b>Founders subtotal</b>	<b>2,373,640</b>	<b>26.46%</b>	<b>4,747,280</b>	<b>31.44%</b>
GRANDIS LUX	3,488,292	38.88%	6,976,584	46.20%
<b>Financial shareholder subtotal</b>	<b>3,488,292</b>	<b>38.88%</b>	<b>6,976,584</b>	<b>46.20%</b>
Mair FERERES	192,980	2.15%	385,960	2.56%
Christophe VAN CAUWENBERGHE	74,780	0.83%	149,560	0.99%
<b>Other natural or legal persons subtotal</b>	<b>267,760</b>	<b>2.98%</b>	<b>535,520</b>	<b>3.55%</b>
<b>Private placement purchasers (February 2022)</b>	<b>1,102,625</b>	<b>12.29%</b>	<b>1,102,625</b>	<b>7.30%</b>
<b>Public</b>	<b>1,739,401</b>	<b>19.39%</b>	<b>1,739,428</b>	<b>11.52%</b>
<b>TOTAL</b>	<b>9,442,911</b>	<b>100.00%</b>	<b>15,572,630</b>	<b>100.00%</b>

<sup>1</sup> The above table takes into account the existence of double voting rights as of February 10, 2022, i.e. two years after the admission of the company's shares on the Euronext Growth Paris market.

Based on the post-Offering share capital, the interest of a shareholder who held 1.00% of MUNIC's share capital prior to the capital increase and who did not subscribe to it now represents 0.88%.

Shareholder's interest	Non-diluted basis	Diluted basis <sup>2</sup>
Before the issue of 1,102,625 shares	1.00%	0.98%
After the issue of 1,102,625 shares	0.88%	0.86%

<sup>2</sup> taking into account the issue of 199,161 new shares likely to be created at this time

The impact on the equity capital per share is as follows:

Equity capital per share on June 30, 2021	Non-diluted basis	Diluted basis <sup>3</sup>
Before the issue of 1,102,625 shares	1.19 €	1.16 €
After the issue of 1,102,625 shares	1.44 €	1.41 €

<sup>3</sup> taking into account the issue of 199,161 new shares likely to be created at this time

Detailed information concerning the company, especially relative to its business, earnings, and the corresponding risk factors, are set out in the Annual Report for 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](http://MUNIC-bourse.com)).

## PARTNERS OF THE OFFERING



Lead Manager 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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In the Member States of the European Economic Area, this press release and any offers that may follow it are intended exclusively for "qualified investors" within the meaning of Article 2(e) of the Prospectus Regulation.

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