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AudioValley announces the launch of a capital increase of approximately €8 million to accelerate its international expansion

AudioValley, an international specialist in B2B solutions in digital audio, (ISIN code: BE0974334667 / mnemonic: ALAVY), is launching a capital increase with qualified investors by issuing new ordinary shares with no preferential right for existing shareholders.

The capital increase will be formally decided by AudioValley's Board of Directors, acting in connection with its authorized capital powers as renewed and extended by a decision of the extraordinary general meeting of shareholders of 15 February 2021, on 12 April 2021.

The funds raised through this capital increase will make it possible to:

- support the international expansion of AudioValley, which recently signed several partnerships with leading players. Since the beginning of the year, an agreement with Bauer Media has made it possible, for example, to market Targetspot's inventory in Sweden, Denmark, Finland and Norway (*press release of 11 March 2021*). In 2020, Targetspot also entered into agreements with Sonos, Stingray, TuneIn and Radio France. Once all these contracts become 100% operational, their impact could represent an overall amount of more than €10 m of the Group's annual revenue.
- support the commercial launch of Jamendo Rights Management, the new business activity dedicated to the collective management of music rights, which will enable Jamendo to expand its scope in terms of managing and monetizing rights on behalf of the 45,000 artists on the platform. The liberalization of collective copyright management in Europe opens up huge growth opportunities for Jamendo, which acquired Independent Management Entity (IME) status in February 2019. The weight of this market in Europe is estimated at around 10 billion euros in revenue per year. The first revenue from the deployment of Jamendo Rights Management is expected in 2021.

The transaction (the “Transaction”) will be carried out exclusively with qualified investors (within the meaning of Article 2(e) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended).

The Transaction will be carried out through an accelerated bookbuilding process, after which the number and price of the new shares issued will be determined. The accelerated bookbuilding process starts immediately and is expected to close before the markets open on 09 April 2021, subject to any early closing or extension.

Through a press release, AudioValley will announce the outcome of the Transaction as soon as possible after the bookbuilding closes.

The shares will carry dividend rights and will be admitted to trading on the Euronext Growth market under code ISIN BE0974334667 – ALAVY.

TP ICAP EUROPE is acting as lead arranger and bookrunner for the Transaction. Allegra Finance, the listing sponsor, is the Company’s advisor for this Transaction. Detailed information concerning the Company, in particular relating to its business activity, results and corresponding risk factors, can be found in the Annual Financial Report for the year ended 31 December 2019, which can be consulted, along with other regulated information and all of the Company’s press releases, on its website (www.audiovalley.com).

FUTURE UPDATES

Release of annual financial report

Friday 30 April 2021, after market close

2020 half-year revenue

Tuesday 27 July 2021, after market close

About AudioValley

AudioValley, based in Brussels in the heart of Europe, has been a pioneer and leader in digital audio since 2007. Active throughout the value chain in its sector, and with a global network, AudioValley offers its customers & partners solutions to develop their business through digital audio, both locally and internationally.

The Group is home to iconic brands: Targetspot for the monetization of digital audio content, Jamendo for music sales and music rights management, Shoutcast for streaming technologies and podcast management, and Winamp, the iconic audio player.

The audio sector is undergoing an unprecedented digital revolution with ultra-connected consumers who want access to the best audio content wherever and whenever they want. To cater for these new consumer trends, AudioValley is developing technologies that allow people to instantly enjoy the benefits of digital audio and services that create links between brands and consumers, between publishers and their audience, between publishers and brands, and between artists and music lovers. AudioValley is present in 9 countries and employs around 100 employees worldwide. www.audiovalley.com

Notice

Financial securities may only be offered or sold in the United States following registration under the 1933 US Securities Act, as amended (“US Securities Act”), or in connection with an exemption from this registration requirement. The Company’s securities covered by this press release have not been and will not be registered under the US Securities Act, and the Company does not intend to offer to the public the financial securities covered by this press release in the United States.

This press release is for information purposes only. This press release does not constitute, and shall not be deemed to constitute, an offer to the public, an offer to subscribe or an invitation to the public with a view to a transaction through an offer to the public of financial securities.

The Transaction is not subject to the requirement to publish a prospectus previously approved by the Financial Services and Markets Authority, the Belgian competent authority within the meaning of Article 2, o) of Regulation 2017/1129 (as amended), designated in accordance with Article 31 of said Regulation (the “FSMA”), in accordance with the exemption laid down in Article 1(4)(a) of Regulation 2017/1129.

However, pursuant to Article 10, § 3, 1^o of the law of 11 July 2018 on offers of investment instruments to the public and the admission of investment instruments to trading on regulated markets, and Article 2 of the Royal Decree of 23 September 2018 on the publication of an information memorandum in the event of an offer to the public or admission to trading on an MTF and containing various financial provisions, the admission of the new shares issued in connection with the Transaction to trading on the Euronext Growth market shall require the publication of an information memorandum filed with the FSMA. This information memorandum shall be available on the websites of both AudioValley and the FSMA. This information memorandum shall not constitute a prospectus and shall not be verified or approved by the FSMA.

The distribution of this press release in certain countries may constitute a violation of the legal provisions in force.

This press release is not to be published, transmitted or distributed, directly or indirectly, in the United States, Canada, Australia or Japan. This document does not constitute an offer to sell AUDIOVALLEY shares in the United States.