



PRESS RELEASE  
Paris, August 7, 2017

## Opening of the fourth window of transferability for the warrants

- *The fourth window of transferability for the warrants will run from August 8, 2017 to October 6, 2017 (inclusive).*
- *The reference unit value of the Class 1 Warrants is of €0.09 and that of the Class 2 Warrants is of €0.09.*
- *Only the managers designated by the Company may purchase Class 1 and/or Class 2 Warrants during the window of transferability*

Parrot (the "**Company**" or "**Parrot**") reminds that in the context of its share capital increase of an aggregate amount of €298,779,726, the prospectus of which was approved by the French Financial Markets Authority (*Autorité des marchés financiers*) under visa number 15-590 on November 19, 2015, the Company issued in particular 17,575,278 Class 1 Warrants and 17,575,278 Class 2 Warrants (the "**Share Capital Increase**").

As of the date hereof, the holding of the Class 1 and Class 2 Warrants is the following (on the basis of the available information for the Company):

	Number of Class 1 Warrants	% of Class 1 Warrants	Number of Class 2 Warrants	% of Class 2 Warrants	Total number of Class 1 and Class 2 Warrants	% of the total number of Class 1 and Class 2 Warrants
Horizon <sup>(1)</sup>	13,637,943	77.60%	13,637,943	77.60%	27,275,886	77.60%
Bpifrance <sup>(2)</sup>	798,964	4.55%	798,964	4.55%	1,597,928	4.55%
Eligible Managers	55,000	0.31%	5,000	0.03%	60,000	0.17%
Public	3,083,371	17.54%	3,133,371	17.83%	6,216,742	17.69%
<b>TOTAL</b>	<b>17,575,278</b>	<b>100%</b>	<b>17,575,278</b>	<b>100%</b>	<b>35,150,556</b>	<b>100%</b>

(1) Horizon<sup>(1)</sup>, a company controlled by Mr. Henri Seydoux (Chairman and CEO of Parrot), holds approximately 35.1% of the capital of Parrot.

(2) Bpifrance holds approximately 5.1% of the capital of Parrot.

(3) Managers having purchased Class 1 and/or Class 2 Warrants during the previous windows of transferability.

The Warrants are non-transferable and therefore non-tradable until December 15, 2020 (inclusive), subject to certain exceptions set out in the prospectus relating to the Share Capital Increase, including a window of transferability established twice a year after the publication by the Company of its press release relating to its annual results or, as the case may be, its half-year results, and during which any holder of Warrants is given the right, subject to certain conditions, to transfer, during a period of 60 calendar days (the "**Window of Transferability**"), all or part of its Class 1 and/or Class 2 Warrants to employees or executive officers of the Company and/or its current or future subsidiaries designated (prior to the opening of each window) by the Board of Directors (the "**Eligible Managers**").

### **Timetable of the Window of Transferability to the Eligible Managers**

The Company published a press release on July 28, 2017 relating to its first half results for the 2017 financial year, and the Board of Directors designated on July 27, 2017 certain members of the Company's Executive Committee and

executive officers of the French and foreign subsidiaries held at more than 50% by Parrot, i.e. 10 persons, as Eligible Managers for the fourth Window of Transferability, with the right for each of them to purchase up to 50,000 Warrants (1 and/or 2) for the duration of this window.

The Window of Transferability to the Eligible Managers will be open from August 8, 2017 for a period of 60 calendar days, according to the timetable below:

<i>July 27, 2017:</i>	Meeting of the Board of Directors in order to approve the financial statements of the 2017 first half and designate the Eligible Managers
<i>July 28, 2017:</i>	Publication by the Company of the press release regarding its 2017 first half results
<i>August 7, 2017:</i>	Delivery by Accuracy, as independent expert, of its report on the Reference Value of the Class 1 Warrants and the Reference Value of the Class 2 Warrants.
<i>August 7, 2017:</i>	Publication by the Company of a press release announcing the opening of the Window of Transferability and its practical terms, as well as the Reference Value of the Class 1 Warrants (i.e. €0.09) and the Reference Value of the Class 2 Warrants (i.e. €0.09)
<i>From August 8 to October 6, 2017 (inclusive):</i>	Period during which the transfer orders (by holders of Warrants) and purchase orders (by Eligible Managers) of Class 1 and/or Class 2 Warrants may be sent pursuant to the proceeding described below
<i>No later than October 16, 2017:</i>	Publication by the Company of a press release announcing the results of the Window of Transferability and expected date of the settlement and delivery of the Warrants

***Terms of the Window of Transferability to the Eligible Managers***

The Window of Transferability will run from August 8, 2017 to October 6, 2017 (inclusive).

During the Window of Transferability:

- any holder of Warrants may issue a transfer order for all or part of his/her/its Class 1 and/or Class 2 Warrants, in accordance with the following terms:
  - Any holder of Warrants held in pure registered form shall send his/her/its transfer order by registered letter with acknowledgment of receipt to CACEIS Corporate Trust Service OST Registres, 14 rue Rouget de Lisle – 92862 Issy-Les-Moulineaux Cedex 9, appointed for that purpose.
  - Any holder of Warrants held in administered registered form, shall liaise with his/her/its financial intermediary which will send this transfer order by registered letter with acknowledgment of receipt to CACEIS Corporate Trust Opérations Centralisées, 14 rue Rouget de Lisle – 92862 Issy-Les-Moulineaux Cedex 9, appointed for that purpose.
  - Any holder of Warrants held in pure registered form will receive a copy of the transfer order sent by post by CACEIS Corporate Trust. Any holder of Warrants held in administered registered form shall liaise with his/her/its financial intermediary in order to receive and complete his/her/its transfer order;
- any Eligible Manager wishing to purchase Class 1 and/or Class 2 Warrants shall send his/her purchase order by registered letter with acknowledgment of receipt to CACEIS Corporate Trust Opérations Centralisées, 14 rue Rouget de Lisle – 92862 Issy-Les-Moulineaux Cedex 9, appointed for that purpose. The Company will send the form of Warrants purchase order to each Eligible Manager;
- no transfer or purchase order of Class 1 and/or Class 2 Warrants will be taken into account if the date of sending of the registered letter with acknowledgment of receipt containing said order falls after October 6, 2017;

- in order to be valid, any transfer or purchase orders of Class 1 Warrants shall be established at a price per Class 1 Warrant that is equal to €0.09 (the "**Reference Value of the Class 1 Warrants**"); similarly, in order to be valid, any transfer or purchase orders of Class 2 Warrants shall be established at a price per Class 2 Warrant that is equal to €0.09 (the "**Reference Value of the Class 2 Warrants**"). It is specified that the company Accuracy, as independent expert, has delivered a report to the Company in order to confirm the fairness of the Reference Value of the Class 1 Warrants and the Reference Value of the Class 2 Warrants; said report is available on Parrot's website (<https://www.parrot.com/fr/espace-finance>);
- in order to be valid, any transfer or purchase orders of Class 1 and/or Class 2 Warrants shall be irrevocable and unconditional; and
- for the record, it is reminded that (i) the Company will not purchase any Warrants, (ii) the decision by any Eligible Manager to purchase or not to purchase Class 1 and/or Class 2 Warrants remains at his or her own discretion, and (iii) any transfer or purchase orders of Class 1 and/or Class 2 Warrants sent pursuant to the conditions set out above shall be irrevocable upon their receipt by CACEIS.

Following the end of the Window of Transferability:

- the allocation of the purchase and transfer orders of the Class 1 and Class 2 Warrants will be performed within seven calendar days following the end of the Window of Transferability, in accordance with the rules set out below:
  - If the transfer orders of Class 1 Warrants provide for a total number of Class 1 Warrants that is higher than the total number of Class 1 Warrants specified in all the purchase orders of Class 1 Warrants<sup>1</sup>, any transfer order of Class 1 Warrants will be served in proportion to the number of Class 1 Warrants to be transferred under this order, compared to the total number of Class 1 Warrants to be transferred under all of the transfer orders of Class 1 Warrants and up to the total number of Class 1 Warrants to be purchased under all of the purchase orders of Class 1 Warrants, based on the following formula:

$$A = \frac{B}{C} \times D$$

Where:

- o "A" refers to the number of Class 1 Warrants effectively transferred by the relevant holder,
  - o "B" refers to the number of Class 1 Warrants specified in the transfer order of the relevant holder,
  - o "C" refers to the total number of Class 1 Warrants specified in all of the transfer orders, and
  - o "D" refers to the total number of Class 1 Warrants specified in all of the purchase orders.
- Conversely, if the purchase orders of Class 1 Warrants provide for a total number of Class 1 Warrants that is higher than the total number of Class 1 Warrants specified in all of the transfer orders of Class 1 Warrants, any purchase order of Class 1 Warrants will be served in proportion to the number of Class 1 Warrants to be purchased under this order, compared to the total number of Class 1 Warrants to be purchased under all of the purchase orders of Class 1 Warrants and up to the total number of Class 1 Warrants to be transferred under all of the transfer orders of Class 1 Warrants; **it being specified that any purchase order of Class 1 Warrants which is not served, whether in whole or in part, will be served by a transfer by the company Horizon of the relevant Class 1 Warrants, within the limit of a maximum undertaking to transfer Class 1 Warrants of 20% of the number of Class 1 Warrants held by Horizon following the liquidity**

<sup>1</sup> In accordance with the decision of the Board of Directors dated July 27, 2017, the total maximum number of Class 1 and Class 2 Warrants specified in the purchase orders of the Eligible Managers may not exceed 500,000 Class 1 and/or Class 2 Warrants under this Window of Transferability.

**period for the Warrants, ended on January 4, 2016 (namely a maximum number of 2,727,588 Class 1 Warrants).**

- In the event of reduction of the transfer or purchase orders of Warrants 1 in accordance with the abovementioned conditions, the number of Class 1 Warrants effectively transferred by any holder of Warrants or effectively purchased by any Eligible Manager will be rounded to the unit below for any number including one first decimal below 5 and to the unit above for any number including one first decimal equal or higher than 5.
  - The same allocation rules will apply for the Class 2 Warrants, **with it being specified that any purchase order of Class 2 Warrants which is not served, whether in whole or in part, will be served by a transfer by the company Horizon of the relevant Class 2 Warrants, within the limit of a maximum undertaking to transfer the Class 2 Warrants of 20% of the number of Class 2 Warrants held by Horizon following the liquidity period for the Warrants, ended on January 4, 2016 (namely a maximum number of 2,727,588 Class 2 Warrants).**
- within 10 calendar days from the end of the Window of Transferability, i.e., no later than October 16, 2017:
- the Company will publish on its website: (i) the total number of Class 1 and/or Class 2 Warrants effectively transferred during this Window of Transferability and as from the first window of transferability, (ii) the date of settlement and delivery of the Class 1 and Class 2 Warrants, which will be performed by CACEIS Corporate Trust, appointed for this purpose by the Company, and which is expected to occur on the date of this publication, and (iii) the scheduled date of the next window of transferability; and
  - the number of Class 1 and/or Class 2 Warrants effectively transferred by each holder of Warrants and purchased by each Eligible Manager will be the subject of an individual information.
- Class 1 and/or Class 2 Warrants purchased during the Window of Transferability may be held in pure or administered registered form, at the purchaser's option; as a consequence the rights of these persons will be represented by an account-entry in a securities account opened in their name in the books of:
- CACEIS Corporate Trust, 14 rue Rouget de Lisle – 92862 Issy-Les-Moulineaux Cedex 9, appointed by the Company, for the Class 1 and/or Class 2 Warrants held in pure registered form; or
  - the authorized intermediary of their choice and of CACEIS Corporate Trust, 14 rue Rouget de Lisle – 92862 Issy-Les-Moulineaux Cedex 9, appointed by the Company, for the Class 1 and/or Class 2 Warrants held in administered registered form.
- Class 1 and/or Class 2 Warrants transferred during the Window of Transferability will be deregistered from the securities accounts opened in the name of the transferors in the books of:
- CACEIS Corporate Trust, 14 rue Rouget de Lisle – 92862 Issy-Les-Moulineaux Cedex 9, appointed by the Company, for the Class 1 and/or Class 2 Warrants held in pure registered form; or
  - the authorized intermediary of their choice and of CACEIS Corporate Trust, 14 rue Rouget de Lisle – 92862 Issy-Les-Moulineaux Cedex 9, appointed by the Company, for the Class 1 and/or Class 2 Warrants held in administered registered form.

***Reminder of the terms and conditions of the Warrants***

Investors (including holders of Warrants) are invited to carefully examine the prospectus relating to the Share Capital Increase. In particular, it is reminded that:

- as from December 16, 2020 and until December 15, 2022 (inclusive): (1) the Warrants holders will be entitled to obtain new shares of the Company by exercising such Warrants; 24 Class 1 Warrants carry the right to subscribe for 2 new shares, at a price of €32.66 per share, and 28 Class 2 Warrants carry the right to subscribe for 3 new shares, at a price of €42.34 per share; Warrants not exercised during this period will become void and will lose all value; and (2) the Class 1 Warrants and the Class 2 Warrants will be listed separately from the Company's existing shares, namely on a separate trading line under the ISIN code

FR0013054269 for the Class 1 Warrants and on another trading line under the ISIN code FR0013054335 for the Class 2 Warrants; and

- the Company's shares resulting from the exercise of the Warrants (that represent a potential maximum dilution of 11.1% of the share capital after the Share Capital Increase) will be ordinary shares of the same class as the existing shares of the Company. They will carry the same rights, including, with effect from their issue, to all distributions decided by the Company as from that date. These shares will be subject to periodical requests for admission to trading on the regulated market of Euronext in Paris on the same trading line as the existing shares of the Company and under the same ISIN code FR0004038263.

### **Information available to public**

The prospectus relating to the Share Capital Increase of the company Parrot, approved by the French Financial Markets Authority (*Autorité des marchés financiers*) (the "**AMF**") under visa number 15-590 on November 19, 2015 (the "**Prospectus**"), consists of (i) Parrot's reference document filed with the AMF on April 30, 2015 under number D.15-0468 (the "**2014 Reference Document**"), (ii) its update filed with the AMF on November 13, 2015 under number D.15-0468-A01 (the "**Update**"), (iii) a securities note (the "**Securities Note**") and, (iv) a summary of the Prospectus (included in the Securities Note).

The company Parrot has also filed its 2016 reference document with the AMF on May 11, 2017 under number D.17-0511 (the "**2016 Reference Document**").

Copies of the Prospectus and of the 2016 Reference Document are available free of charge at the registered office of Parrot, located at 174-178 quai de Jemmapes – 75010 Paris, on the website of the company Parrot (<http://www.parrot.com/usa/aboutparrot/investorrelations/>), as well as on the AMF's website ([www.amf-france.org](http://www.amf-france.org)).

Before making any investment decision, investors (including any holder of Warrants) are invited to carefully review the risk factors described in Section IV (*Risk Factors*) of the 2016 Reference Document and Section II (*Risk Factors*) of the Securities Note. The occurrence of any or all of these risks may have an adverse effect on the business, position or financial results of the Parrot group or on its ability to meet its objectives, as well as on the value or market price of the Company's shares or other securities (including the Warrants). In addition, other risks not yet identified, or not currently considered as material by the Parrot group, could have the same adverse effect.

### **ABOUT PARROT**

Founded in 1994 by Henri Seydoux, Parrot creates, develops and markets advanced technology wireless products for consumers and professionals. The company builds on a common technological expertise to innovate and develop in three primary markets:

- Civil drones: With recreational drones and solutions for professional use.
- Automotive: With the most extensive range of hands-free communication and infotainment systems for vehicles on the market.
- Connected objects: With a focus on audio and gardening.

Headquartered in Paris, Parrot currently employs more than 700 people worldwide and generates the majority of its sales overseas. Parrot has been listed on Euronext Paris since 2006. (FR0004038263 - PARRO).

For more information, please visit [www.parrot.com](http://www.parrot.com)

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*This press release and the information contained herein do not constitute either an offer to sell or purchase or the solicitation of an offer to sell or purchase Warrants shares of the Company.*

**European Economic Area**

*The offer described in the Prospectus was opened to the public in France exclusively.*

*With respect to Member States of the European Economic Area other than France (the "**Member State**") which have implemented the Prospectus Directive, no action has been undertaken or will be undertaken to make an offer to the public of Warrants requiring a publication of a prospectus in any Member State.*

*For the purposes of this paragraph, (i) the expression an "**offer to the public of Warrants**" in any Member State means the communication to persons, in any form and by any means, of sufficient information on the terms of the offer and Warrants to be offered so as to enable an investor to decide to purchase Warrants, as the same, as the case may be, may have been varied in that Member State, (ii) the expression "**Prospectus Directive**" means Directive 2003/71/EC of November 4, 2003, to the extent implemented in the Member State (as amended, including by the Amending Prospectus Directive, and includes any relevant implementing measure in each Member State) and (iii) the expression "**Amending Prospectus Directive**" means Directive 2010/73/EU of the European Parliament and the Council of November 24, 2010.*

*These selling restrictions concerning the Member States apply in addition to any other selling restrictions which may be applicable in the Member States who have implemented the Prospectus Directive.*

**United Kingdom**

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