



Press release – May, 31, 2023

Les Agences de Papa announces its consolidated results for 2022 and the securing of its 12-month working capital requirement

- **2022 results: increase in turnover, significant reduction in costs and losses**
- **12-month working capital requirement secured through equity and convertible bond financing**
- **Annual General Meeting to be held on 30 June 2023**

Consolidated results for the year ending 31 December 2022

LES AGENCES DE PAPA SA, listed on Euronext access + (MLPAP), announces that for the financial year ended 31 December 2022 it generated sales of €3,142,253 and consolidated sales for the Group of €625,150 (including management fees), with a loss of €9,466,400.

Consolidated sales increased between the year ended 31 December 2021 (€301k) and the year ended 31 December 2022 (€625k).

At the same time, the Group has significantly reduced its external expenses, with total purchases and external charges falling from €8,147k at 31 December 2021 to €4,949k at 31 December 2022. Losses have also fallen sharply (by more than €3.5m, or almost 30%).

	2022	2021
Consolidated sales	625 K€	301 K€
Net profit	- 9 466K€	-13 057K€

These consolidated financial statements were approved by the Board of Directors on 31 May 2023 and certified by the Company's statutory auditors (the full annual financial report can be viewed on the Company's website).

Setting up financing

LES AGENCES DE PAPA (the "Company") announces that it has arranged financing to cover its working capital requirements for the next 12 months.

This financing consists of a €4m convertible bond issue with financial partner Capital Système Investissements, an €8.4m capital increase (mainly by offsetting receivables against current account receivables held by historical shareholders) and an issue of stock warrants enabling an additional €6.7m to be raised if exercised in full.

The issues were recorded by the company's Board of Directors on 31 May 2023, acting on the authority delegated by the 8th resolution of the General Meeting of Shareholders of 9 September 2022.

Frédéric Ibanez commented: *"This fundraising was carried out with the founders and historic investors, in particular Capital Système Investissements, with the aim of holding the shares for the long term. The positive impact of this operation on the company's equity and cash flow means that we can now look forward to Varsity's very promising future with a great deal of serenity"*.



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Issue of convertible bonds

Versity has raised €4 million through a convertible bond issue fully subscribed by Capital Système Investissements.

These bonds, redeemable on 30 May 2025, bear interest at an annual rate of 12% and, if fully converted, will entitle their holders to subscribe to shares in the company at a unit price of €0.25, representing a 50% discount to the last quoted price. Conversion of all these bonds would therefore result in a capital increase of a nominal value of €1,072,000.

Gilles-Emmanuel Trutat, Chairman of Capital Système Investissement, commented: *"As a long-standing investor, I am delighted with this new funding, which will enable the company to secure financing for its projects in the metaverse."*

Capital increase

The €8.4m capital increase, the purpose of which is to strengthen the Company's shareholders' equity, is being carried out mainly by offsetting receivables against capital by incorporating current accounts, in particular those of the Company's two longstanding shareholders, GFI & Partners (€5m) and LES PAPAS INVEST (€2.1m), and by cash contributions.

The unit subscription price for this capital increase is €0.25, representing a 50% discount to the last quoted price.

Issue of stock warrants

The Company has also issued 26,620,000 stock warrants to investors in the category defined by the 8th resolution of the Annual General Meeting of 9 September 2022. Each warrant entitles the holder to subscribe, no later than 31/12/2024, to one share in the Company at a unit price of €0.25, representing a 50% discount to the last quoted price. Exercise of all these warrants would therefore result in a capital increase with a total value, including issue premium, of €6.7m.

The warrants have been allocated to the main shareholders who helped provide the company with the cash it needed in the first half of the year and who have agreed to convert their receivables into shares in the company.

Cap table dilution

The tables below show the dilutions resulting from the various transactions mentioned above:

- Impact of transactions on shareholders' interests

The impact of the transactions described above on shareholders' equity interests (calculated on the basis of the 62,363,744 shares making up the share capital and 66,739,256 shares on a fully diluted basis prior to the completion of the transactions) would be as follows:



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	Shareholder interest in % On a non-diluted basis	
	On a non-diluted basis	On a diluted basis
Before the transactions	1,00%	0,93%
After the capital increase of 33,348,184 new shares	0,65%	0,62%
After conversion of all the bonds, i.e. 16,000,000 new shares	0,56%	0,54%
After exercise of all the warrants, i.e. 26,620,000 new shares	0,45%	0,44%

- Impact of transactions on shareholders' equity

The impact of the transactions described above on the Group's share of shareholders' equity (calculated on the basis of the 62,363,744 shares comprising the share capital and 66,739,256 shares on a fully diluted basis prior to completion of the transactions) would be as follows:

	Shareholders' equity at 31 December 2022	
	Sur une base non-diluée	Sur une base diluée
Before the transactions	-0.23 €	-0.19 €
After the capital increase of 33,348,184 new shares	-0.06 €	-0.04 €
After conversion of all the bonds, i.e. 16,000,000 new shares	-0.02 €	0 €
After exercise of all the warrants, i.e. 26,620,000 new shares	0.04 €	0.05 €

Risk factors

Detailed information about LES AGENCES DE PAPA, including its business, results and risk factors, is presented in the management report for the year ended 31 December 2022. They are available, along with other regulated information and press releases, on the company's website <https://lesagencesdepapa.fr>

The occurrence of some or all of these risks could have an adverse effect on the Company's business, financial situation, results, development or prospects. The risk factors presented in the annual management report remain unchanged at the date of this press release.

[Notice of the Annual Ordinary and Extraordinary Meeting](#)



LES AGENCES DE PAPA
RÉVOLUTIONNENT L'IMMOBILIER

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The Company's shareholders are invited to attend the Annual Ordinary and Extraordinary General Meeting to be held on Friday 30 June 2023 at 2.00 pm at the Company's registered office, 25 avenue Jean Médecin - 06000 Nice.

At this General Meeting, shareholders will be asked to approve the parent company financial statements for the year ended 31 December 2022, to appropriate profits, to change the company's name and to delegate to the Board of Directors the authority to increase and reduce the company's share capital.

A notice convening shareholders to attend the Annual General Meeting on Friday 30 June 2023 will be published in the Bulletin des Annonces Légales et Obligatoires (BALO) on Wednesday 14 June 2023, setting out the agenda, the full text of the proposed resolutions and the main terms and conditions of attendance and voting. This notice and the Board of Directors' report on the draft resolutions will be available on the AGENCES DE PAPA website (<https://lesagencesdepapa.fr/>).

The preparatory documents for this General Meeting will be made available to the Company's shareholders in accordance with the procedures and within the deadlines set out in the applicable regulations.

About Les Agences de Papa:

Les Agences de Papa is an independent digital real estate network set up in October 2019 by 2 entrepreneurial dads from Nice, Nicolas Fratini and Frédéric Ibanez. The company offers a unique and differentiating offering, based on the concept of a 100% digital estate agency with a fixed commission. www.lesagencesdepapa.fr

About Versity:

VERSTY is the first metaverse dedicated to real estate and the housing life cycle, serving professionals, investors and private individuals. The VERSTY metaverse aims to become the benchmark ecosystem for real-time exchanges between all the players involved in a property transaction. <https://www.versity.io/>

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