

*Press release*

## SHARE CAPITAL INCREASE WITH MAINTAINING OF THE PREFERENTIAL SUBSCRIPTION RIGHT FOR A MAXIMUM AMOUNT OF € 5,016,186

*Levallois-Perret, December 6<sup>th</sup> 2019, 08:45*

- Subscription from December 12<sup>th</sup> to December 20<sup>th</sup>, 2019
- Negotiation of the preferential subscription rights from December 10<sup>th</sup> to December 18<sup>th</sup>, 2019
- 11 preferential subscription rights giving right to subscribe to 10 new shares
- Offer giving rise to a prospectus which received the approval of the AMF on December 5<sup>th</sup>, 2019, under number 19-561
- Subscription price : €1.50 per share

AdUX, the digital advertising and user experience specialist (ISIN Code FR0012821890 - ADUX) (the « **Company** ») announces the launching of a share capital increase with preferential subscription rights for a maximum amount of €5,016,186.

The French Financial Market Authority (AMF) approved the Prospectus relating to this operation on December 5<sup>th</sup>, 2019, under number 19-561 (the « **Prospectus** »).

## Context and purpose of the operation

The purpose of the capital increase is to reduce the Company's operating debts and financial indebtedness, and to provide the Company with the necessary resources to continue its activity in order to overcome its characterized situation of financial difficulties (in the meaning of Article 234-9, 2° of the AMF General Regulation).

The aggregate losses incurred in recent years and the conviction of Quantum SAS, a subsidiary of the Company, to pay the sum of €1.07 million in the context of a commercial dispute have given rise to significant uncertainty likely to jeopardize the continuity of operations of Quantum SAS and the Group. Considering the approval of Quantum's safeguard plan by a judgment of the Commercial Court of Paris on December 4<sup>th</sup>, 2019, AdUX considers that the proceeds resulting from the completion of the capital increase, based on 75% completion, will be sufficient to meet its obligations and operating cash needs over the next 12 following months from the date of approval of the Prospectus by the AMF.

The company Azerion Holding B.V. (« **Azerion** »), holding 25.6% of the share capital has undertaken to subscribe up to 75% of the amount of the share capital increase (see here below), ensuring to secure the completion of the capital increase.

The net amount of the issuance (€4,816,186 in case of a 100% issuance of the new shares and €3,562,139.50 in case of 75% issuance of the new shares) shall be used as follows :

(in million euros)	Offer completed at 75%	Offer completed at 100 %
Reduction of the working capital requirements	2.5	3.2
Reduction of the financial indebtedness (Azerion loans)	0.6	1.2
Investment financing	0.4	0.4
<b>Total</b>	<b>3.5</b>	<b>4.8</b>

## **Main terms of the operation**

The share capital increase will be carried out with the shareholders' preferential subscription rights, in accordance with the authorizations granted pursuant to terms of the first resolution of the shareholders' meeting held on November 20<sup>th</sup>, 2019, by way of the issuance of 3,344,124 new shares with a nominal value of €1.50 each (the « **New Shares** ») at a price of €1.50 per new share, to be entirely paid up at the subscription by cash (including by offsetting receivables), representing a capital increase of a maximum amount of €5,016,186.

The subscription of the New Shares will be reserved in priority to:

- the existing shareholders who were registered with the Company at the end of the accounting day of December 9<sup>th</sup>, 2019 ; and
- the transferees of the preferential subscription rights.

The holders of preferential subscription rights shall be entitled to subscribe by way of subscription not subject to reduction (*à titre irréductible*) on the basis of 10 New Shares for 11 existing shares. 11 preferential subscription rights will allow to subscribe to 10 New Shares.

**Subscription period:** from December 12<sup>th</sup> to December 20<sup>th</sup>, 2019.

**Settlement and delivery:** scheduled on December 30<sup>th</sup>, 2019.

## **Theoretical value of the preferential subscription right**

Based on the Company's closing listing price on December 3<sup>rd</sup>, 2019, i.e. €1.105, the theoretical value of the preferential subscription right is nil.

## **Listing of the preferential subscription rights**

The preferential subscription rights shall be listed and traded on the regulated market of Euronext Paris from December 10<sup>th</sup>, 2019 until the closing of the negotiation period on December 18<sup>th</sup>, 2019 (included), under ISIN Code FR0013461498.

As a consequence, the existing shares shall be traded ex-rights as from December 10<sup>th</sup>, 2019.

## Subscription commitments

Azerion, holding approximately 25.6% of the share capital, has irrevocably committed to subscribe:

- by way of subscription not subject to reduction (*à titre irréductible*), for a global amount of €1,284,022.50 (i.e. a total of 856,015 New Shares) by exercising its entire 941,617 preferential subscription rights ;
- by way of subscription subject to reduction (*à titre réductible*), to 1,652,078 New Shares, representing a subscription for a total amount of €2,478,117, allowing to achieve 75 % of the issuance.

Azerion will pay up its subscription:

- for subscriptions not subject to reduction (*à titre irréductible*), up to €578,569.18 by way of setting off part of certain, liquid and due receivables, and €705,453.32 in cash ;
- for subscriptions subject to reduction (*à titre réductible*), up to €2,478,117 by cash.

It is specified that on November 19<sup>th</sup>, 2019, the AMF granted to Azerion an exemption to the obligation to file a mandatory public offer, considering the Company's characterized situation of financial difficulty, in the event that as a result of its subscription, Azerion would come to hold more than 30%, and, if applicable, more than 50% of the share capital and voting rights (i.e. in the event where no other shareholder would subscribe to the capital increase, Azerion might come to hold up to 55.70% of the share capital) (D&I 219C2365 dated November 19<sup>th</sup>, 2019).

It is further specified that Mr. Cyril Zimmermann is considering selling all or part of its preferential subscription rights on or off the market.

## Impact of the issuance on consolidated shareholders' equity per share

On an indicative basis, the impact of the issuance of the New Shares on the group's consolidated shareholders' equity per share (calculated on the basis of the Group's consolidated shareholders' equity – as reported in the consolidated financial statements of June 30<sup>th</sup>, 2019 – and on the basis of the outstanding number of shares as of the date of the Prospectus) would be as follows:

Share of shareholders' equity (in euros)		
	Non-diluted basis	Diluted basis*
Prior to the issuance of New Shares	-2.66 €	-2.51 €
After the issuance of 75 % of New Shares	-0.97 €	-2.18 €
After the issuance of 100% of New Shares	-0.68 €	-0.61 €

*\*not taking into account the adjustment of the rights of the holders of outstanding stock-options*

## Impact of the issuance on shareholders

On an indicative basis, the impact of the issuance of the New Shares on the percentage interest of a shareholder holding 1% of the Company's share capital prior to the issue of the New Shares (calculated on the basis of the outstanding number of shares as of the date of the Prospectus) but who would not subscribe to the issuance would be as follows:

Interest of the shareholder (in %)		
	Non-diluted basis	Diluted basis*
Prior to the capital increase	1.00%	0.99%
After completion of 75 % of the capital increase	0.59%	0.59%
After completion of 100% of the capital increase	0.52%	0.52%

*\*not taking into account the adjustment of the rights of the holders of outstanding stock options*

## Availability of the Prospectus to the public

Copies of the Prospectus are available free of charge at the Company's registered office located 101-109, rue Jean Jaurès – 92300 Levallois-Perret, as well as in electronic format on the website of the French Financial Market Authority ([www.amf-france.org](http://www.amf-france.org)) et on the website of the Company (<http://www.adux.com/documentation/>).

The summary of the Prospectus is annexed to this press release.

## Risks factors

The risks factors relating to the Company and its activity are described in Section 3 (Part I) of the Prospectus.

In addition to these risks factors, before taking their investment decision, the investors are invited to review the risks factors relating to the issued securities presented in the second part of the Prospectus (Securities Note).

## ABOUT ADUX

A pioneer of the sector, ADUX is a European specialist of digital advertising and user experience. With a presence in 8 European countries, it has attained a turnover of 26 million of euros in 2018. The company is listed in the Euronext Paris Compartment C and holds the "Innovative Company" label. This label offers, for a period of 3 years, the possibility for the FCPI to invest in the capital of ADUX, and for their subscribers to benefit from the corresponding tax benefits. ISIN Code: FR 0012821890 / LEI: 969500IIE66C3CFB1K57 / Mnemo: ADUX

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

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Neither this press release, nor any information it contains, may be distributed to the public in any jurisdiction where a registration or approval is required.

No steps have been taken (or will be taken) in any such jurisdiction (other than France) where such steps would be required.

The offer and sale of the New Shares or the preferential subscription rights of the Company may be subject to specific legal or regulatory restrictions in certain jurisdictions. Persons who come into possession of this document or any information referred to herein should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of applicable laws of any such jurisdictions. The Company assumes no responsibility for any violation of such restrictions by any person.

The information contained in this press release is for information purposes only and does not purport to be complete and no reliance may be placed by any person for any purpose on the information contained in this press release or its accuracy, fairness or completeness. Any purchase of securities should be made solely on the basis of the information contained in the Prospectus approved by the AMF published on the website of the Company's and that of the AMF.

Neither this press release nor the information it contains constitutes an offer of securities or a solicitation for purchase, subscription or sale of securities in any such country other than France.

This press release is an advertisement and not a prospectus within the meaning of Regulation (EU) No 2017/1129 of the European Parliament and of the Council of 14<sup>th</sup> June 2017 (the "Prospectus Regulation").

## ***European Economic Area***

With respect to the Member States of the European Economic Area (“EEA”) other than France (the “Member States”), no action has been undertaken or will be undertaken to make an offer to the public (as defined in the Prospectus Regulation) of the New Shares or the preferential subscription rights requiring a publication of a prospectus in any Member State. Consequently, the New Shares or preferential subscription rights may only be offered in Member States to (i) qualified investors, as defined in Article 2(e) of the Prospectus Regulation, (ii) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), or (iii) in circumstances entering within the scope of application of Article 1(4) of the Prospectus Regulation, provided that none of the offers of the New Shares or preferential subscription rights referred to in paragraphs (i) to (iii) above requires the publication of a prospectus as provided under Article 3(1) of the Prospectus Regulation or a supplement under Article 23 of such Regulation.

## ***United States of America***

Neither this document nor the information it contains are published and can be distributed in the United States of America.

This press release does not constitute an offer to sell the New Shares or preferential subscription rights or a solicitation of offers to purchase or subscribe for, securities in the United States. New Shares or preferential subscription rights may not be offered, subscribed or sold in the United States absent of registration as per the U.S. Securities Act of 1933, as amended (the “the U.S. Securities Act”) or an applicable exemption from registration requirements. The New Shares or preferential subscription rights of the Company have not and will not be registered under the U.S. Securities Act and the Company does not intend to conduct a public offering of the New Shares or preferential subscription rights in the United States.

## ***United Kingdom***

This document does not constitute an approved prospectus as defined in section 85 of the Financial Services and Markets Act 2000 (as amended) (the “**FSMA**”). It has not been prepared in accordance with the Prospectus Rules issued by the UK Financial Conduct Authority (the “**FCA**”) pursuant to section 73A of the FSMA and has not been approved by or filed with the FCA or any other authority which would be a competent authority for the purposes of the Prospectus Regulation. The new and existing shares of the Company may not be offered or sold to the public in the United Kingdom (within the meaning of sections 85 and 102B of the FSMA), save in the circumstances where it would be lawful to do so without an approved prospectus (within the meaning of section 85 of the FSMA) being made available to the public before the offer is made. This document is for distribution only to (i) persons who have professional experience in matters relating to investments falling within section 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 of the United Kingdom (the “Financial Promotion Order”) or are persons falling within sections 49(2)(a) - (d) of the Financial Promotion Order, or (iii) other persons otherwise permitted by law to receive such invitation or inducement to invest from the Company in accordance with the Financial Promotion Order (all such persons together being referred to as “Relevant Persons”). Any investment or investment activity to which this press release relates and any invitation, encouragement or inducement to subscribe for, acquire or invest in shares of the Company is reserved for Relevant Persons and may only be made by Relevant Persons.

## ***Australia, Japan and Canada***

The New Shares or preferential subscription rights may not be offered, subscribed or sold in Australia and Japan, and subject to certain exceptions, in Canada.

The distribution of this press release in some jurisdictions may constitute a breach of legal or regulatory provisions. Persons who come into possession of this press release should inform themselves about possible local restrictions and and comply with them.

## PROSPECTUS SUMMARY

Prospectus approved by the AMF on December 5<sup>th</sup>, 2019 under number 19-561

### Section 1. INTRODUCTION AND WARNINGS

#### 1.1. Name and international securities identification number (ISIN) of the securities:

Shares – ISIN Code FR0012821890

#### 1.2. Identity and contact details of the issuer

AdUX, 101-109 rue Jean Jaurès – 92300 Levallois-Perret. - LEI : 969500IIE66C3CFB1K57

#### 1.3. Identity and contact details of the competent authority approving the prospectus:

French Financial Market Authority, 17 Place de la Bourse, 75002 Paris

#### 1.4. Date of approval of the Prospectus

December 5<sup>th</sup>, 2019

#### 1.5. Warnings

The summary should be read as an introduction to the Prospectus.

Any decision to invest in the securities should be based on a consideration of the Prospectus as a whole by the investor.

The investor could lose all or part of the invested capital.

Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the prospectus before the legal proceedings are initiated.

Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the content of the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.

### Section 2. KEY INFORMATION ON THE ISSUER

#### 2.1. WHO IS THE ISSUER OF THE SECURITIES?

##### 2.1.1 Domicile, legal form, law under which it operates and country of incorporation

Domicile: 101-109 rue Jean Jaurès – 92300 Levallois-Perret

Legal form: French « *Société anonyme* »

Law under which it operates: French law

Country of incorporation: France

##### 2.1.2 Principal activities

AdUX is a European specialist of digital advertising and user experience, now present in 8 European countries. Its principal activities are grouped around 3 sectors:

- Quantum: agency specialized in native advertising ;
- AdMoove: specialist in geolocalized advertising (Drive-to-Store);
- AdPulse: assistance to the customer in respect of the production and distribution of online marketing campaigns on social networks (social marketing).

Through its offers, AdUX has positioned itself on the latest trends in online advertising: discreet advertising integrated with editorial content, advertising on geo-targeted mobile phones and advertising on social networks.

### 2.1.3 Major shareholders

At the date of the Prospectus, the share capital of the Company amounts to €5,517,805.50 divided into 3,678,537 shares of the same category, fully subscribed and paid up with a nominal value of €1.50 each.

The table below shows the allocation of the Company's share capital and voting rights on the date of approval of the Prospectus (on a non-diluted basis), based on the information available to the Company.

	Number of shares		Theoretical voting rights		Voting rights	
	Number	%	Number	%	Number	%
Azerion	941 617	25.60%	941 617	23.81%	941 617	24.02%
Directors (representing Azerion)	18	0.00%	18	0.00%	18	0.00%
<b>Total Azerion</b>	<b>941 635</b>	<b>25.60%</b>	<b>941 635</b>	<b>23.81%</b>	<b>941 635</b>	<b>24.02%</b>
Cyril Zimmermann (directly and indirectly)	241 513	6.57%	434 933	11.00%	434 933	11.10%
Eric Giordano	101 860	2.77%	122 320	3.09%	122 320	3.12%
Other employees	26 733	0.73%	27 266	0.69%	27 266	0.70%
<b>Total Directors and employees</b>	<b>370 106</b>	<b>10.06%</b>	<b>584 519</b>	<b>14.78%</b>	<b>584 519</b>	<b>14.91%</b>
Mickaël Ferreira (directly and indirectly)	110 000	2.99%	110 000	2.78%	110 000	2.81%
Floating	2 221 880	60.40%	2 283 752	57.75%	2 283 752	58.26%
Shares owned by the Company	34 916	0.95%	34 916	0.88%	0	0.00%
<b>Total</b>	<b>3 678 537</b>	<b>100.00%</b>	<b>3 954 822</b>	<b>100.00%</b>	<b>3 919 906</b>	<b>100.00%</b>

To the Company's knowledge, there are no other shareholders holding directly, indirectly or in concert 5% or more of the share capital or voting rights. At the date of the Prospectus, no shareholder controls, directly or indirectly, the Company within the meaning of Article L. 233-3 of the French Commercial Code.

### 2.1.4 Key managing directors

Cyril Zimmermann – Chairman of the Board of Directors – Managing Director

### 2.1.5 Identity of statutory auditors

Fiderec Audit, 160 bis, rue de Paris, 92100 Boulogne-Billancourt

PricewaterhouseCoopers Audit, 63 rue de Villiers, 92208 Neuilly-sur-Seine

## 2.2. WHAT IS THE KEY FINANCIAL INFORMATION REGARDING THE ISSUER?

### 2.2.1 Historical key financial information

*Data collected from the consolidated half-yearly information as of 30 June 2019 and the consolidated financial statements for the financial year ended 31 December 2018 prepared in accordance with IFRS standards:*

#### *Consolidated profit and loss account*

In thousands of euros	31/12/2018 (Consolidated financial statements)	30/06/2019 (Half-yearly financial information)
1. SALES	26 278	11 854
2. CURRENT OPERATING PROFIT	-6 145	-1 667
3. NET INCOME	-21 391	-1 952
4. YEAR-ON-YEAR REVENUE GROWTH	-9.40%	-13.34%
5. OPERATING PROFIT MARGIN	-23.38%	-14.06%
6. NET OPERATING MARGIN	-81.40%	-16.47%
7. EARNINGS PER SHARE (in euros)	-5.91	-0.56

#### *Consolidated balance sheet*

In thousands of euros	31/12/2018 (Consolidated financial statements)	30/06/2019 (Half-yearly financial information)
1. TOTAL ASSETS	35 550	34 057
2. SHAREHOLDERS' EQUITY (Group share)	-7 550	-9 789
3. NET FINANCIAL DEBT (long-term debt plus short-term debt minus cash)	4 997	4 108

#### *Consolidated statement of cash flows*

In thousands of euros	31/12/2018 (Consolidated financial statements)	30/06/2019 (Half-yearly financial information)
NET CASH FLOW RESULTING FROM OPERATING ACTIVITIES	-1 987	-1 857
NET CASH FLOW COMING FROM INVESTMENT ACTIVITIES	-312	754
NET CASH FLOW COMING FROM FINANCING ACTIVITIES	-283	268

### 2.2.2 Brief description of any qualifications in the audit report relating to the historical financial information

#### *Half-year financial information as of 30 June 2019*

Comment on significant uncertainty related to events or circumstances likely to jeopardize the continuity of operations.

Comment on Note 1.ii « Accounting principles and valuation methods – Application of new standards and interpretations » of the notes to the half-year consolidated financial statements, which set out the adoption as at 1 January 2019 of IFRS 16 "Leases".

#### *Consolidated financial statements for the financial year ended on 31 December 2018*

Comment on significant uncertainty related to events or circumstances likely to jeopardize the continuity of operations.

Comment on Note 7 to the consolidated financial statements concerning the correction of errors related to the recording of receivables assigned to third parties ("factoring contract") and to various consolidation entries that have become inappropriate.

## 2.3. WHAT ARE THE KEY RISKS THAT ARE SPECIFIC TO THE ISSUER ?

The material risk factors specific to the issuer and its activities are:

### ***Risk relating to the continuity of operations***

The aggregated losses incurred in recent years and the court decision ordering Quantum SAS, a subsidiary of the Company, to pay the sum of €1.07 million in the context of a commercial dispute give rise to significant uncertainty likely to jeopardize the continuity of operations of Quantum SAS and the Group. Considering the adoption of the safeguard plan of its subsidiary Quantum ordered by the Commercial Court of Paris on December 4th, 2019, AdUX considers that the proceeds resulting from the completion of the capital increase, based on a 75% completion, will be sufficient to meet its obligations and operating cash needs over the next 12 following months from the date of approval of the Prospectus by the AMF.

### ***Risks related to changes in the applicable laws and regulations***

As the Company's business is governed by a number of laws or regulations, any change in legal or regulatory provisions that would impose additional obligations on the Company could affect its activities. In particular, Admoove's activity, which represents €3.425 million as of June 30, 2019, could be called into question by new regulations relating to personal data.

### ***Financial risks***

The main financial risks faced by the issuer are as follows:

Cash-flow risk: risk of not being able to honour the Group's debts with the available cash.

Credit risk: risk of financial loss for the Group in the event that a customer or counterparty to a financial instrument fails to meet its contractual obligations, particularly in the context of factoring where the risks are not transferred to the factor.

### ***Operational risks related to the advertising sector***

Advertising market linked to the economic downturn: Customer advertising and communication expenses are very sensitive to fluctuations in general economic conditions.

Competition risk: The online advertising sector is highly competitive, which could result in the Group losing customers to its competitors.

### ***Specific operational risks relating to the Group***

Dependency on customers: Over the past twelve months, the Group has faced a significant decrease in revenue following the termination of a contract between its Swedish subsidiary Drive to Store and one of its customers.

Dependency on key employees: The Group's success depends significantly on the sustainability of its relationships with its key employees. All AdUX Group employees are bound by a non-competition clause.

## Section 3. KEY INFORMATION ON THE SECURITIES

### 3.1. WHAT ARE THE MAIN FEATURES OF THE SECURITIES?

#### 3.1.1 Type, class and ISIN Code of the securities

Ordinary shares of the same category as the Company's existing shares

ISIN Code: FR0012821890

Mnémo: AdUX

#### 3.1.2 Currency, denomination, par value, number and term of securities issued

3,344,124 shares of €1.50 of nominal value (the « **New Shares** »)

#### 3.1.3 Rights attached to the securities

According to current French law and the Company's Articles of Association, the main rights attached to the New Shares issued as part of the capital increase are as follows: (i) right to dividends, (ii) right to participate in shareholders' meetings, (iii) voting right, it being specified that a double voting right is conferred on shares for which it is proven that they have been registered for at least two (2) years in the name of the same shareholder, (iv) preferential subscription right for securities of the same category, (v) right to participate in any surplus in case

of liquidation.

#### 3.1.4 Relative seniority of the securities in the issuer's capital structure in the event of insolvency

According to current French law, the repayment of shares is subject to the repayment of the Company's debts.

#### 3.1.5 Restrictions on the free transferability of the securities

There is no statutory provision limiting the free negotiability of the shares of the Company.

It is however reminded that the retention period for the 39,000 free shares allocated to certain employees (Plan 30) will expire on December 12<sup>th</sup>, 2019.

#### 3.1.6 Dividend or pay-out policy

No dividends have been distributed during the last three financial years. It is not envisaged to initiate a dividend payment policy in the short-term.

### 3.2. WHERE WILL THE SECURITIES BE TRADED?

#### Application for admission - Designation of the market where the securities shall be traded

The New Shares will be subject to an application for admission to trading on Euronext Paris (compartment C), after the certificate of deposit has been issued.

Their admission is planned on the same trading line as the Company's existing shares (ISIN code FR0012821890). No other request for admission to trading on a regulated market has been made by the Company.

### 3.3. IS THERE A GUARANTEE ATTACHED TO THE SECURITIES?

#### 3.3.1 Nature and scope of the guarantee

The issue is not covered by a guarantee contract. The issue is however subject to a subscription commitment for 75% of the total amount of the issue from Azerion Holding B.V. (hereinafter "Azerion"), a shareholder holding 25.6% of the share capital of the Company.

### 3.4. WHAT ARE THE KEY RISKS THAT ARE SPECIFIC TO THE SECURITIES?

The main risks specific to securities concern (i) the risk of dilution of the shareholders who would not exercise their preferential subscription rights, (ii) the risk of the absence of a market for the preferential subscription rights (the subscription price being higher than the listing price, the preferential subscription rights has no market value), (iii) the risk of fluctuations in the market price of shares, (iv) the risk of significant fluctuations in the volatility and liquidity of the shares, (v) the risk of adverse impact in the event of a sale of shares and (vi) the risk related to the absence of a guarantee contract (considered lower than preceding ones due to the subscription commitment of Azerion Holding B.V. up to 75% of the total amount of the issue).

## Section 4. KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKET

### 4.1. UNDER WHICH CONDITIONS AND TIMETABLE CAN I INVEST IN THE SECURITIES ?

#### 4.1.1 General terms, conditions and expected timetable of the offer

**Number of New Shares issued:** 3,344,124 New Shares

**Gross amount of the issuance:** €5,016,186

**Subscription price per New Share:** €1.50 per New Share, to be entirely subscribed and paid up by cash or by setting off receivables.

#### **Rights attached to the New Shares**

The New Shares issued will have current dividend rights.

#### **Preferential subscription rights**

The subscription to the New Shares will be reserved in priority to (i) the existing shareholders who were registered with the Company at the end of the accounting day of December 9<sup>th</sup>, 2019 and (ii) to the transferees of the preferential subscription rights.

The holders of preferential subscription rights may subscribe:

- by way of subscription not subject to reduction (*à titre irréductible*) on the basis of 10 (ten) New Shares for 11 (eleven) existing shares. 11 (eleven) preferential subscription rights will allow to subscribe to 10 (ten) New Shares for a price of €1.50 per share; and
- by way of subscription subject to reduction (*à titre réductible*) for the number of shares they wish in addition to those resulting from the exercise of their rights not subject to reduction (*à titre irréductible*).

#### ***Theoretical value of the preferential subscription right***

Based on the Company's closing listing price on December 3rd, 2019, i.e. €1.105, the theoretical value of the preferential subscription right is nil.

The subscription price of the New Shares shows a premium of 16.0% compared to the theoretical ex-rights value of the share.

#### ***Detachment and listing of preferential subscription rights***

The preferential subscription rights will be detached on December 10<sup>th</sup>, 2019 and traded on Euronext Paris until the end of the trading period, i.e. until December 18<sup>th</sup>, 2019, under ISIN code FR0013461498. As a consequence, the existing shares will be traded ex-rights as from December 10<sup>th</sup>, 2019.

#### ***Procedure for exercising preferential subscription rights***

To exercise their preferential subscription rights, holders must apply to their authorised financial intermediary at any time between December 12<sup>th</sup>, 2019 and December 20<sup>th</sup>, 2019 inclusive and pay the corresponding subscription fee. Unexercised subscription rights will automatically lapse at the end of the subscription period, i.e. on December 20<sup>th</sup>, 2019 at the end of the trading session.

#### ***Preferential subscription rights attached to the shares owned by the Company***

The preferential subscription rights detached from the shares owned by the Company will be sold on the market before the end of the subscription period, in accordance with Article L. 225-210 of the French Commercial Code. It is specified for information purposes that the Company held 34,916 of its own shares (including 27,208 shares held under the Company's liquidity contract), as at November 30<sup>th</sup>, 2019.

#### ***Subscription commitments***

Azerion, holding approximately 25.6% of the share capital, has irrevocably committed to subscribe:

- by way of subscription not subject to reduction (*à titre irréductible*), for a global amount of €1,284,022.50 (i.e. a total of 856,015 New Shares) by exercising its entire 941,617 preferential subscription rights;
- by way of subscription subject to reduction (*à titre réductible*), to 1,652,078 New Shares, representing a subscription for a total amount of €2,478,117, allowing to achieve 75 % of the issuance.

Azerion will pay up its subscription:

- for subscriptions not subject to reduction (*à titre irréductible*), up to €578,569.18 by way of setting off part of the certain, liquid and due receivables, and €705,453.32 by cash;
- for subscriptions subject to reduction (*à titre réductible*), up to €2,478,117 in cash.

Mr. Cyril Zimmermann is considering selling all or part of its preferential subscription rights on or off the market.

At the date of this Prospectus, the Company is not aware of any other commitments or intentions of other shareholders or third parties with respect to their participation in this issuance.

#### ***Suspension of the right to exercise stock-options***

The right to exercise the stock-options granted by the Company for which the exercise period is in progress, has been suspended from October 24<sup>th</sup>, 2019 (00:00, Paris time) until January the 24<sup>th</sup>, 2019 (00:00, Paris time).

The rights of the holders of the Company's stock-options will be preserved in accordance with legal and regulatory provisions.

#### ***Country where the securities will be offered***

Exclusively in France

#### ***Restrictions applicable to the offer***

The distribution of the Prospectus, the sale of shares, preferential subscription rights and the subscription for New Shares may be subject to specific regulations in certain jurisdictions, including the United States of America.

#### ***Financial intermediaries***

Intermediary registered shares or bearer shares: subscriptions will be received until December 20<sup>th</sup>, 2019

(included) by the account-keeping financial intermediaries.

**Registered shareholders:** subscriptions will be received by CACEIS CORPORATE TRUST (14, rue Rouget de Lisle, 92862 Issy les Moulineaux cedex 9) until December 20<sup>th</sup>, 2019 (included).

The funds paid-up for subscriptions will be centralised with CACEIS CORPORATE TRUST, which will be responsible for drawing up the certificate of deposit of the funds attesting that the capital increase has been completed.

#### 4.1.2 Expected timetable

5 December 2019	Board of Directors deciding the capital increase
6 December 2019	Publication of a press release from the Company describing the main terms of the offer and availability of the Prospectus
6 December 2019	Publication by Euronext Paris of the issuance notice
10 December 2019	Detachment and start of the trading of preferential subscription rights on Euronext Paris
12 December 2019	Opening of the subscription period
18 December 2019	Closing of the negotiation period for preferential subscription rights
20 December 2019	Closing of the subscription period
23 December 2019	Date of centralisation of preferential subscription rights
24 December 2019	Board of Directors deciding, as the case may be, on the basis of the result of subscriptions, on the allocation of shares not subscribed by way of subscription not subject to reduction ( <i>à titre irréductible</i> ) in accordance with the provisions of Article L. 225-134 (ii) of the French Commercial Code
24 December 2019	Publication of a press release from the Company announcing the results of the subscriptions Publication by Euronext Paris of the notice of admission of the New Shares indicating the final amount of the capital increase resulting from the offer
30 December 2019	Issuance of the New Shares - Settlement and delivery Admission of the new shares to trading on Euronext Paris
24 January 2020	End of the suspension period for rights attached to stock-options

The public will be informed of any change in the above expected timetable by means of a press release issued by the Company and posted on its website ([www.adux.com](http://www.adux.com)) and a notice issued by Euronext Paris.

#### 4.1.3 Plan for distribution

As the issuance is carried out with preferential subscription rights (by way of subscription not subject to reduction and subject to reduction), the subscription of the New Shares to be issued is reserved to the initial holders of the preferential subscription rights as well as to the transferees of such preferential subscription rights.

#### 4.1.4 Amount and percentage of immediate dilution resulting from the offer

##### **Impact of the issuance on consolidated shareholders' equity per share**

As a matter of illustration, the impact of the issue of the New Shares on the Group's consolidated shareholders' equity per share (calculated on the basis of the Group's consolidated shareholders' equity – as reported in the consolidated financial statements of 30 June 2019 – and on the basis of the outstanding number of shares on such date) would be as follows:

Share of shareholders' equity		
	Non-diluted basis	Diluted basis **
Prior to the issuance of New Shares	-2,66 €	-2,51 €
After the issuance of New Shares*	-0,68 €	-0,61 €

\* issuance of 100% of New Shares

\*\* not taking into account the adjustment of the rights of all current holders of stock-options

##### **Impact of the issuance on shareholders**

As a matter of illustration, the impact of the issuance of the New Shares on the percentage interest of a shareholder holding 1% of the Company's share capital prior to the issue of New Shares but who would not subscribe to the issuance (calculated on the basis of the outstanding number of shares as of the date of the Prospectus) would be as follows:

Interest of the shareholders		
	Non-diluted basis	Diluted basis **
Prior to the issuance of New Shares	1,00%	0,99%
After the issuance of New Shares*	0,52%	0,52%

\* issuance of 100% of New Shares

\*\* not taking into account the adjustment of the rights of all current holders of stock-options

#### **Impact of the issue on the composition of the share capital and voting rights**

Allocation of capital after the issue of 100% of the New Shares and in the event that Azerion subscribes, by way of subscription not subject to reduction and subscription subject to reduction, to its subscription commitment (i.e. 75% of the New Shares):

	Number of shares		Theoretical voting rights		Voting rights	
	Number	%	Number	%	Number	%
Azerion	3 449 710	49,12%	3 449 710	47,26%	3 449 710	47.49%
Directors (representing Azerion)	18	0,00%	18	0,00%	18	0.00%
<b>Total Azerion</b>	<b>3 449 728</b>	<b>49,12%</b>	<b>3 449 728</b>	<b>47,26%</b>	<b>3 449 728</b>	<b>47.49%</b>
Cyril Zimmermann (directly and indirectly)	241 513	3,44%	434 933	5,96%	434 933	5.99%
Eric Giordano	101 860	1,45%	122 320	1,68%	122 320	1.68%
Other employees	26 733	0,38%	27 266	0,37%	27 266	0.38%
<b>Total Directors and employees</b>	<b>370 106</b>	<b>5,27%</b>	<b>584 519</b>	<b>8,01%</b>	<b>584 519</b>	<b>8.05%</b>
Mickaël Ferreira (directly and indirectly)	110 000	1,57%	110 000	1,51%	110 000	1.51%
Floating	3 057 911	43,54%	3 119 783	42,74%	3 119 783	42.95%
Shares owned by the Company	34 916	0,50%	34 916	0,48%	0	0.00%
<b>Total</b>	<b>7 022 661</b>	<b>100,00%</b>	<b>7 298 946</b>	<b>100,00%</b>	<b>7 264 030</b>	<b>100.00%</b>

#### **4.1.5 Estimated expenses charged**

Estimated expenses related to the capital increase: €200,000. No expenses will be charged to investors by the Company.

## **4.2. WHY IS THIS PROSPECTUS BEING PRODUCED?**

#### **4.2.1 Reason of the offer**

The purpose of the capital increase is to restore the Company's balance sheet, which has been affected by debts related to losses in recent years, and to provide it with the necessary resources to continue its activity.

#### **4.2.2 Use and estimated net amount of the proceeds**

The estimated net amount is €4,816,186 in the event of the issuance of 100% of the New Shares and €3,562,139.50 in the event of the issuance of 75% of the New Shares. The proceeds from the issue of the New Shares will be used as follows:

(in million euros)	Offer completed at 75 %	Offer completed at 100 %
Operating activities (management of working capital requirements)	2,6	3,2
Financing activities (reduction of financial debt – Azerion's loans)	0,6	1,2
Investment activities (development of Admoove and Quantum's platforms)	0,3	0,4
<b>Total</b>	<b>3,5</b>	<b>4,8</b>

#### **4.2.3 Most material conflicts of interest pertaining to the offer or the admission to trading**

The financial advisor (Neuflize OBC) and the Bookkeeper (CACEIS Corporate Trust) and/or some of their affiliates have provided and/or may provide in the future various banking, financial, investment, commercial and other services to the Company, its affiliates or shareholders or its corporate officers, in connection with which they have received or may receive remuneration.

To the Company's knowledge, there are no interests, including conflicts, that could materially affect the issuance of the New Shares and the Company in connection with this issuance.

It is specified that (i) Azerion, a shareholder holding 25.6% of the share capital, has a receivable over the Company that will be offset in connection with this issuance and (ii) the Board of Directors having decided this capital increase includes directors representing Azerion.