

Villejuif, February 7, 2020

## GREAT SUCCESS OF THE MUNIC INITIAL PUBLIC OFFERING ON Euronext Growth® Paris

- **Capital increase of €18.4m<sup>1</sup>**
- **The offering could potentially be increased to a maximum amount of €21.2m<sup>2</sup> upon full exercise of the Over-allotment (greenshoe) Option by the transfer of shares by existing Company shareholders (the “Transferred Shares”)**
- **Offering subscribed 1.4x**
- **Share price set at €7.95 per share**
- **Market capitalization: €60.6m**
- **Start of trading on Euronext Growth® Paris on 10 February 2020**

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MUNIC (the “Company” or “MUNIC”), a company specializing in on-board technology and artificial intelligence for car data processing, today announces the success of its Initial Public Offering ahead of the trading of its shares on Euronext Growth® Paris (ISIN: FR0013462231 – Ticker: ALMUN).

Total demand amounted to 2,744,665 shares, including 2,470,772 shares for the global placement (the “Global Placement”) and 273,893 shares for the open price offer (the “Open Price Offer” or “OPO”), i.e. an oversubscription rate of around 1.4x<sup>3</sup>. There was demand for the Global Placement from both French and international investors.

The MUNIC Board of Directors set the offering price at €7.95 per share.

In view of demand that outstripped the offering, the MUNIC Board of Directors also decided to exercise the Extension Clause in full.

The number of shares issues under this offering thus rose to 2,314,465 new shares (the “New Shares”) including:

- 1,282,939 New Shares subscribed in cash, and;
- 1,031,526 New Shares subscribed by offsetting receivables from i) the early repayment of a portion of a convertible bond loan issued in December 2019 (nominal amount, accrued interest and non-conversion premium of 25% included) and ii) a shareholder current account advance granted in September 2019.

The capital increase totaled a gross amount of €18.4m supplemented by the transfer of shares in the context of the Over-allotment (greenshoe) Option for an amount of €2.8m, taking the offering to €21.2m.

A total of 2,387,741 Shares were allocated under the Global Placement, corresponding to an amount of €19m. 273,893 Shares were allocated to individual investors under the Open Price Offer for an amount of €2.2m. A1 orders (from 1 share to 250 shares inclusive) will be served in full, as will the A2 orders (above 250 shares).

In the context of the Over-allotment Option, which may be exercised until 6 March 2020 (inclusive), the existing Company shareholders granted company Gilbert Dupont a loan commitment and a sale mandate covering a maximum of 347,169 existing Company shares, representing a maximum amount of €2.8m<sup>4</sup>.

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<sup>1</sup> Including €8.2m by offsetting receivables

<sup>2</sup> Including proceeds of €2.8m from the transfer of existing shares by existing Company shareholders

<sup>3</sup> Based on the initial offering: global placement and open price offer, excluding extension clause and over-allotment option

<sup>4</sup> The Company will not receive any proceeds from the transfer of the Transferred Shares

As a result of this offering, MUNIC's share capital is now made up of 7,620,653 shares, representing market capitalization of €60.6m on the basis of the IPO price. The free float represents 16.8% of the Company's capital. The exercise of the Over-allotment Option would have no impact on market capitalization insofar as it corresponds to the transfer of existing shares only.

**Aaron Solomon, Chairman - CEO and co-founder of MUNIC, said:** "We would like to thank the institutional and individual investors who have placed their trust in us by participating in our IPO. We also extend our thanks to our long-time shareholder Grandis-Lux for its renewed support at this time. This fundraising allows us to provide MUNIC with the financial means required for the implementation of its growth strategy with the target of generating revenues of €100m by 2023. MUNIC intends to leverage its technology to win new customers, cater for new applications and establish itself as a leading provider of car data solutions primarily in Europe and North America."

Settlement-delivery of the OPO and the Global Placement is scheduled for 7 February 2020 and shares will be admitted for trading on Euronext Growth® Paris from 10 February 2020 with automated listing under ISIN code: FR0013462231 and the symbol: ALMUN.

MUNIC shares may be fully incorporated into share-based savings plans (PEA) and PEA-PME accounts, which confer the same tax benefits as standard PEA personal equity plan.

The implementation of a liquidity contract is planned following the stabilization period. The market will be informed of its implementation in due course, in accordance with the applicable legal and regulatory requirements.

## MAIN IPO TERMS

### PRE AND POST IPO CAPITAL STRUCTURE

#### Pre IPO

Shareholders	Total number of shares and voting rights	% of capital and voting rights
Aaron SOLOMON	1,682,888	31.72%
Frédéric NGUYEN	508,500	9.58%
Yann PARANTHOEN	199,252	3.76%
<b>Sous-total Fondateurs</b>	<b>2,390,640</b>	<b>45.05%</b>
GRANDIS LUX	2,647,788	49.90%
<b>Sous-total actionnaire financier</b>	<b>2,647,788</b>	<b>49.90%</b>
Mair FERERES	192,980	3.64%
Christophe VAN CAUWENBERGHE	74,780	1.41%
<b>Sous-total autres personnes physiques</b>	<b>267,760</b>	<b>5.05%</b>
<b>TOTAL</b>	<b>5,306,188</b>	<b>100.00%</b>

#### Post IPO (before greenshoe)

Shareholders	Total number of shares and voting rights	% of capital and voting rights
Aaron SOLOMON	1,682,888	22.08%
Frédéric NGUYEN	508,500	6.67%
Yann PARANTHOEN	199,252	2.61%
<b>Sous-total Fondateurs</b>	<b>2,390,640</b>	<b>31.37%</b>
GRANDIS LUX	3,679,314	48.28%
<b>Sous-total actionnaire financier</b>	<b>3,679,314</b>	<b>48.28%</b>
Mair FERERES	192,980	2.53%
Christophe VAN CAUWENBERGHE	74,780	0.98%
<b>Sous-total autres personnes physiques</b>	<b>267,760</b>	<b>3.51%</b>
Public	1,282,939	16.84%
<b>TOTAL</b>	<b>7,620,653</b>	<b>100.00%</b>

**Post IPO**  
(after greenshoe)

Shareholders	Total number of shares and voting rights	% of capital and voting rights
Aaron SOLOMON	1,653,138	21.69%
Frédéric NGUYEN	478,750	6.28%
Yann PARANTHOEN	169,502	2.22%
<b>Sous-total Fondateurs</b>	<b>2,301,390</b>	<b>30.20%</b>
GRANDIS LUX	3,480,895	45.68%
<b>Sous-total actionnaire financier</b>	<b>3,480,895</b>	<b>45.68%</b>
Mair FERERES	163,230	2.14%
Christophe VAN CAUWENBERGHE	45,030	0.59%
<b>Sous-total autres personnes physiques</b>	<b>208,260</b>	<b>2.73%</b>
Public	1,630,108	21.39%
<b>TOTAL</b>	<b>7,620,653</b>	<b>100.00%</b>

**SHARE CHARACTERISTICS**

Name: MUNIC – Market: Euronext Growth® Paris – “Public offering” compartment – ISIN: FR0013462231 – Ticker: ALMUN – ICB Classification: 9533 – Computer Services – LEI: 969500WCODOO2EV5W145 – eligible for PEA and PEA-PME personal equity plans

**IPO PRICE**

€7.95 per share

**IPO SIZE**

2,314,465 New Shares were issued under the offering, after exercise of the Extension Clause. Gross proceeds from the issue totaled €18.4m after exercise of the Extension Clause.

A number of existing Company shareholders granted Gilbert Dupont an Over-allotment Option potentially resulting in the transfer of a maximum of 347,169 existing shares broken down as follows:

Transferring shareholders	Number of shares transferred
GRANDIS-LUX	198,419
Aaron Solomon	29,750
Frédéric Nguyen	29,750
Yann Paranthoen	29,750
Christophe Van Cauwenberghe	29,750
Mair Fereres	29,750
<b>Maximum number of shares to be transferred (Over-allotment Option only)</b>	<b>347,169</b>

The Company will not receive the gross proceeds of around €2.8m resulting from the transfer of existing shares if the Over-allotment Option is exercised in full by the existing Company shareholders.

## IPO BREAKDOWN

- Global Placement: A total of 2,387,741 shares were allocated under the Global Placement, including:
  - 1,356,215 shares allocated to institutional investors (around €10.8m and 51% of the total number of shares allocated); and
  - 1,031,526 shares allocated to majority shareholder Grandis-Lux which, pursuant to its commitments, subscribed to the offering through the offsetting of receivables resulting from early repayment of convertible bonds issued in December 2019 (accrued interest and non-conversion premium included) and a current account advance granted in September 2019 (around €8.2m and 38.7% of the shares allocated to the Global Placement).
- Open Price Offer (OPO): 273,893 shares allocated to individual investors (around €2.2m and 10.3% of the total number of shares allocated).

A1 orders (up to and including 250 shares) will be served in full, as will the A2 orders (above 250 shares).

## USE OF FUNDS

The balance of the proceeds not subscribed by offsetting receivables, i.e. €10.2m, will be used to implement Group strategy through the following objectives:

- **Funding production of Smart Dongles for the EKKO offering (approx. 80% of proceeds)** to deploy the platform quickly in Europe. During the first year of the EKKO offering, the Company plans to fund and deploy 240,000 Smart Dongles, mainly via major dealership and service and repair networks such as Groupauto International, which has confirmed its intention to take part in the EKKO platform and fit as many vehicles as possible in its network, paying the Company €15 per year per dongle;
- **Further hiring (approx. 20% of proceeds)** in two areas: (i) project managers for strategic customers and partners onboarding on EKKO in liaison with key accounts salespeople, and (ii) high-level profiles to shore up development teams, including data decoding & processing and AI engineers to ensure that MUNIC maintains its technological lead in car data processing and leveraging.

Furthermore, MUNIC's listed company status should enhance visibility on its markets, a major advantage for commercial negotiations with strategic sector partners.

## LOCK-UP ARRANGEMENTS

Company **abstention commitment**: 180 days from settlement-delivery of the New Shares

**Lock-up period** subject to the usual exceptions:

- **Three founders and Grandis-Lux (94.95% of pre-IPO capital): 360 days** from settlement-delivery of the New Shares in respect of all shares held by the founders and Grandis-Lux as of settlement-delivery, except for the Transferred Shares upon full exercise of the over-allotment option;
- **Other two shareholders (5.05% of pre-IPO capital):**
  - **180 days** from settlement-delivery of the New Shares in respect of all shares held by these two shareholders as of settlement-delivery, except for the Transferred Shares upon full exercise of the over-allotment option, and
  - **360 days** from settlement-delivery of the New Shares in respect of 80% of the shares held by these two shareholders as of settlement-delivery, except for the Transferred Shares upon full exercise of the over-allotment option.
- **Funds managed by Odyssee Venture: 360 days** from settlement-delivery of the Offer in respect of all shares issued via conversion of convertible bonds (CB 2019) and held as of the first listing date of the Company's shares on Euronext Growth® Paris.

## PROVISIONAL TIMETABLE

<b>February 5, 2020</b>	Start of stabilization period
<b>February 7, 2020</b>	Settlement-delivery of shares under OPO and Global Placement
<b>February 10, 2020</b>	Admission and start of trading of Company shares on Euronext Growth® Paris.
<b>March 6, 2020</b>	Deadline for exercise of over-allotment option End of stabilization period

## PUBLICATION OF PROSPECTUS

Copies of the Prospectus approved by the French financial markets authority (AMF) may be obtained free of charge from the Company's head office at 100 avenue de Stalingrad, 94800 Villejuif, France, or downloaded from [www.munic-bourse.com](http://www.munic-bourse.com) or [www.amf-france.org](http://www.amf-france.org). Approval of the Prospectus does not imply a favorable opinion regarding the securities offered.

Investors are invited to pay close attention to the risk factors outlined in Chapter 3 "Risk factors" of the Registration Document and Chapter 3 "Market risk factors liable to have a material impact on the securities offered" of the securities note.

Read more on the MUNIC IPO at  
[www.munic-bourse.com](http://www.munic-bourse.com)

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## About MUNIC

Founded in 2002, MUNIC designs and develops technological solutions combining Smart Dongles able to capture and decode data generated by car systems & electronics and an edge computing AI platform (Munic.io) capable of analyzing and processing this data.

The fruit of 17 years' R&D, MUNIC's patented technology combines (i) cutting-edge electronics expertise (processors, memory, security, energy management, telecoms & radio, etc.), (ii) large scale car data decoding capacity and (iii) an edge computing AI platform (Munic.io) for data processing.

Based in Villejuif, France with offices in the USA and China, MUNIC has a headcount of 60 including 77% engineers. The Company posted 2019 revenues of €17.0m, mainly generated in the North America and Europe.

The Company has obtained the Bpifrance Innovative Company label.

Read more: [www.munic.io](http://www.munic.io)

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