

The extraordinary general meeting held on 13 December 2018 approved all the proposed resolutions as well as the development strategy

Dardilly, 14 December 2018

An extraordinary general meeting was held on 13 December at the registered office in Dardilly (69). The number of shares present or represented made it possible to obtain the legal quorum (25%) to vote on the resolutions proposed and submitted to the shareholders for approval.

Resolution no. 1 concerned the capital decrease via clearing prior losses from the face value of the shares and **resolution no. 2** concerned the corresponding changes to the bylaws.

These first two resolutions were rather “technical” in nature due to the change in the stock price, which has been lower than the face value (€0.25) for several weeks. These resolutions will make it possible to lower it to €0.10 without affecting the number of shares in circulation. Insofar as this capital decrease will be carried out by eliminating prior losses, the accounting effect on the balance sheet will be a corresponding decrease in reserves (retained earnings).

Resolutions nos. 1 and 2 were adopted unanimously.

Resolution no. 3 concerned setting the cap for capital increases in cash, whether immediate or deferred (excluding the transaction pursuant to the 4th resolution).

This third resolution, also “technical,” was a prerequisite for then considering the following resolutions (6, 7 and 8) concerning the delegation of authority requested by the Board of Directors, with the cap being set at 80 000 000 shares. As it stands, it is important to note that this amount is a cap and, as such, will therefore not necessarily be reached.

Resolution no. 3 was adopted unanimously.

Resolutions nos. 4 and 5 concerned the delegation of authority granted to the Board of Directors for the issue of shares and/or securities giving access to new shares, maintaining the preferential subscription rights of shareholders (DPS).

These resolutions are in line with that announced in a previous press release concerning the upcoming end to the third and last OCABSA agreement. They make it possible to set up, in favor of all the shareholders, means for the allocation of free stock warrants (BSA). Via this mechanism, all shareholders will be offered the possibility of increasing their share in the company’s capital and therefore participating in its ongoing development.

Resolutions nos. 4 and 5 were adopted unanimously.

Resolution no. 6 concerned the delegation of authority granted to the Board of Directors for the issue of shares and/or securities giving access to new shares, with cancellation of the preferential subscription rights of shareholders.

Since 2014 (date of the change in both management structure and development strategy), building a solid base for the company has required heavy investments and led to large deficits that had to be financed via external funds. With this in mind, the group had no choice other than to resort to the OCABSA mechanism. In this context, Yorkville Global Advisors, the US investment fund, played its role perfectly, with rigor, consistence and professionalism.

This first phase is now coming to an end, thanks also to the successful implementation of the 2018-2019 plan, the three priorities of which are: positive growth of revenue, decrease in operating expenses and sufficient funding.

Going forward, most of the new needs for funding will be in connection with growth investments instead of reducing deficits. They will be about new prospects, in line with the shareholders' interests in seeing their company prosper and achieve its goals.

Indeed, these new needs will be necessary and it is indispensable that the Board of Directors be able to approach potential professional investors without delay to participate in the further development of the company by using financial instruments that are less dilutive than those used in the past.

Resolution no. 6 was adopted unanimously.

Resolution no. 7 concerned the delegation of authority granted to the Board of Directors for the issuing of new shares, reserved for members of a company/group savings plan, with cancellation of the preferential subscription rights of shareholders (DPS).

This resolution is a "precautionary" measure in that there currently is no company/group savings plan in existence at Delta Drone or its subsidiaries.

Resolution no. 7 was adopted by a majority of 97.6% of the votes.

Resolution no. 8 concerned authorizing the Board of Directors to allocate free shares to the company's eligible employees and/or officers.

The employee and officer shareholder information is currently as follows: the Chairman and CEO owns 1.98% of the capital, the members of the Executive Management Committee own 1.13% and various employees own 0.20%, i.e., representing a total of 3.31% of the share capital. In view of the shared effort made and new prospects, which will require everyone's commitment, it seemed legitimate to offer employees and managers a way of making them partners in the company's success.

Resolution no. 8 was adopted unanimously.

Resolution no. 9 concerned the powers necessary to carry out formalities.

Resolution no. 9 was adopted unanimously.

During the meeting, the Chairman focused the discussion on two subjects in particular, due to their major strategic interest and place in the overall plan:

The Delta Drone ecosystem favored by the DDrone Invest investment firm (a wholly-owned subsidiary).

DDrone Invest, an investment firm created by Delta Drone in the United States in 2016, has progressively invested in three main companies, two of which in their start-up phase, representing, first, great growth potential and, second, opportunities for industrial and commercial synergies with the group's activities.

- **Elistair** (approximately 13% of its capital), a company specialized in tethered-drone systems for professional use. After four years in business, the company has been a real success throughout the world, with clients mostly located in the United States and in Europe, mainly in the security sector. In terms of the synergies created, Delta Drone's ISS division works very closely with Elistair and has made the Orion system developed by Elistair an integral part of its system for security during iconic and high-visibility events, such as the Ferté-Alais air show, the Bol d'Or motorcycle race, the Ryder Cup (golf tournament) and the Peace Forum. In order to further its development, Elistair recently sought funding from institutional investors, and DDrone Invest participated in such funding.
- **Donecle** (approximately 17% of its capital), a company specialized in aviation inspections using autonomous drones. With air traffic likely greatly increasing in the coming years, every plane, whether civilian or military, must be visually inspected before each flight, and maintenance costs represent 15% of commercial airlines' operating costs. Donecle's solution saves a considerable amount of time and therefore significantly lowers costs. Donecle has entered into several commercial agreements or partnerships with major players in the field such as Air France KLM, Lufthansa, Delta Air Lines and Airbus in the commercial sector, and Dassault Aviation in the military sector.
- **Keas** (approximately 8.2% of its capital), an electronics company specialized, in particular, in jamming systems for telecommunications. On a commercial level, in early 2018 Keas won a major contract worth over €87M in partnership with Tagi/Telio for the French National Prison Administration (*DAP*). As for industrial synergies, Keas may soon allow Delta Drone to have an on-board "anti-drone" jamming system.

Short term, the portfolio of shareholdings may be strengthened as at least two investments are practically finalized.

Finally, transferring all of DDrone Invest's shareholdings to a company governed by French law is currently under consideration.

Creation of the Training Campus in partnership with the Mare Nostrum group

The employability of professional drone pilots is a major challenge for the future success of companies in the field. In order to provide a concrete solution to this problem, Delta Drone and the Mare Nostrum group entered into a partnership over a year ago and created Aer'Ness. Thanks to this organization, Delta Drone now has over 30 drone pilots to carry out its assignments. These pilots were trained by the Aer'Ness Formation subsidiary and are hired via temporary-employment contracts managed by the Aer'Ness Intérim subsidiary.

Following this early success, the partners decided to structure and internationalize this by creating a training Campus organized as training programs by sector, with the curriculum made up of many course credits resulting in a comprehensive training program and a professional diploma or certification. The employability of those trained is ensured at least via the temporary employment opportunities provided, based on the development of employment potential in the targeted sectors.

By using the latest technologies, the Campus will be able to be partially digital, allowing it to have a presence in several countries, particularly in Africa, where the need for training is especially high. It should be noted in this respect that the “drone” part will only be one of the training options, such that future graduates can also be traditionally employed in the chosen activity sectors.

About Delta Drone: *The Delta Drone Group is a renowned international player in the field of civilian drones for professional use. It offers a complete service, from data acquisition to data processing through a specifically developed information system, including a supply of professional pilots.*

Delta Drone is listed on Euronext Growth Paris. ISIN code: FR0011522168

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