

Tonner Drones Ready to Relaunch

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With the subscription period for the Tonner Drones (FR001400H2X4 - ALTD) rights issuance open, the company provides the following information regarding its financial operations and overall strategy as it prepares to relaunch.

The Tonner Drones rights issuance is now open through close of markets on 27 March (the “**Subscription Window**”). Additional information can be found in the two press releases of 12 March. The company welcomes the support of all shareholders in this financial operation.

This rights issuance is the culmination of several months of financial restructuring that has resulted in the following measures designed to solidify and stabilize the financial position of the company:

- An exit from the equity-line product with Yorkville.
- The negotiation and payment of all legacy payables.
- Raising working capital for the next 12 months.

Tonner Drones is pleased that it was able to successfully launch the rights issuance with the firm support of its main shareholder and guarantors. Their support ensures that the company reaches its financial target of €5 million.

To date, Tonner Drones has received positive feedback from shareholders regarding their participation in the rights issuance given that they have priority in participating during the Subscription Window and then sharing in the company’s relaunch.

With this significant financial restructuring complete, and the Subscription Window open, Tonner Drones can begin to shift its focus to the following strategic initiatives:

- The development, production and sales of Countbot, a promising robotic inventory management system dedicated to the vibrant logistics sector.
- Continued cost reductions in line with the company’s objectives of a monthly burn rate of only € 50,000 (as compared to € 200,000 under former management), so as to maximize the company’s ability to operate profitably.
- The continued sales of the legacy parts, accessories, and inventory left behind by former management, so as to generate cashflow which can be used to extend the cash runway and develop products.
- Increased dedication to the French private drone companies, Donecle and Elistair, in which the company holds minority positions. Both companies have a strong shareholder base and have experienced steady growth in recent years. Last year, Donecle raised capital at a € 10 million valuation and further growth is expected for both companies, particularly with Tonner Drones’ involvement.
- Increasing the company’s focus on implementing its strategy of adding the military and defense markets to its offerings. In addition to its strategic partnership with Techaviacom in Ukraine, Tonner Drones continues to actively meet with potential partners to help it develop, produce, and sell its military drone and associated patents.
- Becoming a drone industry aggregator, bringing under one umbrella the fragmented drone industry comprised of numerous smaller drone companies working on only a particular piece of an overall drone solution for the marketplace. Tonner Drones’ managerial expertise and financial backing will allow it to seamlessly integrate these isolated companies along all lines and create shareholder value.

With a current share price of over € 0.20, shareholders can buy shares at a 90% discount when they use their preferential subscription right (“*PSR*”) to subscribe to new shares. As a reminder, for every 1 share they own, current shareholders can buy 120 new shares at a price of € 0.025.

New investors can also buy PSR (FR001400ONI6) in the market to allow them to subscribe to the new shares. All investors can subscribe under ‘*titre libre*’ to buy shares at € 0.025 but those orders will only be executed in the event that not all PSR are used to subscribe to the rights issuance.

Please note that the PSR will have their last day of trading at the close of trading on 25 March. The Subscription Window, however, for those shareholders with PSR, will remain open until the close of trading on 27 March. Shareholders and investors are advised to speak their respective banks or other advisors regarding precise deadlines, as some financial institutions may have more restrictive deadlines.

In the press release of 12 March, a remaining debt of around € 6.25 million was communicated. This figure needs to be corrected because the participation of Ott Heritage was not taken into account when calculating it. Ott Heritage has committed to participating in the rights issuance for a minimum of € 1 million to maintain its 20% stake. As such, the remaining debt is only € 5.25 million. All debt has a long maturity.

As a final note, € 2.1 million of this outstanding € 5.25 million in debt is owed to legacy financing party Fiducie A, which is capped at 13.5% of the daily volume and has a monthly fixed conversion price to limit its influence on the stock market price.

All information can be found in the press release of March 12th https://tonnerdrones.com/wp-content/uploads/2024/03/CP_Lancement_AK_DPS_TonnerDrones_FR_Final.pdf.

There is also a FAQ available:

https://tonnerdrones.com/wp-content/uploads/2024/03/FAQ_DPS_SiteWeb_TonnerDrones.pdf

About Tonner Drones: Tonner Drones (formerly Delta Drone) develops UAVs and associated technologies for the defense and homeland security sectors. Tonner Drones holds valuable stakes in some of France's leading civilian and military drone manufacturers. Tonner Drones’ strategy is to leverage its shareholdings in these companies through active asset management, a private equity fund, and by teaming up with other private equity funds to become a significant industry consolidator. Additional revenues can be achieved through royalties from patents held by Tonner Drones to recognized manufacturers. Tonner Drones does not plan on owning a factory; however, it is determined to retain R&D for its products and systems in France.

Tonner Drones’ shares are listed on Euronext Growth Paris (ISIN code: FR001400H2X4).

More information at www.tonnerdrones.com

If you would like to find out more, or if you are interested in a partnership: contact@tonnerdrones.com



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