

Clarification and outline of the 2020-2021 plan's guiding principles

- *Impact of the worldwide health crisis*
- *Building a stable shareholding base thanks to a new reference shareholder*
 - *The Group's situation in general*
- *Continued implementation of the policy to decrease operating expenses*
- *Calling an Extraordinary General Shareholders' Meeting behind closed doors*

Dardilly, 30 March 2020

As a reminder, the 2020-2021 plan was the subject of a press release dated 10 June 2019. It is based on three main goals to be reached by the end of the plan: consolidated revenue of €30M, a positive operation margin of 10% and 30% of revenue generated outside France.

Impact of the worldwide COVID-19 health crisis

Although it is too early to evaluate the actual impact of the crisis, there is no doubt that there will be serious repercussions throughout the world economy.

As for the Group's internal organization, even though Delta Drone is not currently affected by supply delays or disruptions, the consequences of several weeks of total shelter-in-place for employees and service providers, as well as the suspension of all travel, especially international travel, could upset the plan's implementation schedule. However, as of now, this will not change the end goals. Finally, the suspension of various projects, particularly in France, could affect our level of activity for the first quarter or even the first six months of the current financial year.

As for possible new opportunities, the health crisis has led to increasing – and highly publicized – use of drones by public authorities and law enforcement since drones allow them to “go” anywhere to ensure that the shelter-in-place rules are being followed and deliver cautionary messages.

In this respect, the ISS SPOTTER solution would be very well adapted as automated surveillance flights can be programmed for sites or geographic areas from an intelligent docking station where the drones can take off, land and recharge.

Building a stable shareholding base thanks to a new reference shareholder

Delta Drone has all the elements necessary to quickly become one of the major players in the field of civilian drones at an international level.

It is in this context and in view of the 2020-2021 plan's goals that, on 27 March 2020, the Group signed an agreement with the European investment company Ott Ventures that will allow Delta Drone to have a reference shareholder – and thus build a stable shareholding base – in addition to the shares already held by the company's management.

Pursuant to this agreement, Ott Ventures acquired from DDrone Invest, a subsidiary of Delta Drone, all the 120 780 *OCEANE* convertible bonds it held. All these *OCEANE* will be converted by Ott Ventures in the next few days into new Delta Drone shares, with immediate dividend rights, which shall be admitted for trade on Euronext Growth Paris on the same listing as the existing ordinary Delta Drone shares (ISIN code: FRO011522168, ticker symbol: ALDR).

Upon completion, Ott Ventures will hold approximately 26% of Delta Drone's capital.

The agreement also includes an industrial aspect, with the creation in the upcoming weeks of a joint subsidiary based in Prague (Czech Republic), the main purpose of which will be to market Delta Drone's professional solutions throughout Eastern Europe. This new entity will also benefit from the support of a European network (Netherlands, Germany, Poland, Greece and Russia).

Christian Viguié, Chairman and CEO of Delta Drone said the following about the agreement: "We are very happy to welcome Ott Ventures as a capital investor. This friendly addition of a reference shareholder represents the culmination of several years' effort and is the logical follow-up to a patient and ongoing strategy aiming to build a top-tier international group in the very innovative sector of professional drones for civilian use."

For his part, Jean-François Ott, Chairman and CEO of Ott Ventures, said: "Ott Ventures decided to invest in the civilian-drone market because we think there is potential for very strong and rapid growth. Ott Ventures wishes to contribute, thanks to its networks, to accelerating Delta' Drone's growth. We are indeed convinced that Delta Drone is particularly well-positioned to become a major player in the drone sector on a global scale."

The Delta Drone Group's general situation

After five years during which the Group progressively reorganized itself to build a solid foundation and create an international presence, the current situation is as follows:

- The Group's activities are now clearly organized in two divisions:
 - o **Professional solutions**, each with a strong and identifiable brand: ISS SPOTTER (autonomous security system), COUNTBOT (warehouse-inventory solution), ATMOS (aerial choreography system) and ROCKETMINE (solution for digitizing mines).
 - o **Related services**, which constitute a complete value chain that supports the implementation of the professional solutions (engineering and design, management of regulations, site audits, providing operators and pilots, customer service and maintenance, etc.).
- The creation of a new production site in Dardilly (69) and the industrial and commercial launch of three innovative solutions in the fields of security (ISS SPOTTER), warehouse inventory (COUNTBOT) and events (ATMOS) represent strong growth vectors in France but also – and especially – abroad.
- The ROCKETMINE solution's success in Africa allowed the entities grouped under Delta Drone South Africa to show a profit in 2019. The recently announced project (see press release dated 12 March 2020) with PARAZERO will make distribution possible in other geographic areas where mining is prominent, such as Australia.
- The recently announced transformation of the subsidiary DELTA DRONE MAROC into a profit center with a commercial activity strongly supported by our partner EM DIGITAL could accelerate the activity's development in a large part of Africa.
- The full effect of the 2018-2019 plan and the measures included in the 2020-2021 plan should allow the Group to continue significantly decreasing operating expenses.
- On 13 March 2020, the Group's cash position was at approximately €2M.

Continued implementation of the policy to decrease operating expenses

In continuation of the efforts made under the 2018-2019 plan, and in view of the opening of the new site in Dardilly (delayed by a few weeks due to the health crisis), the Group aims to have only two main sites in France (Dardilly and Nantes) by mid-2020, other than the independent sites for private-security activities in Grenoble, Valbonne and Cannes (as a reminder, other than the private-security activity, the Group managed 11 sites in France in early 2018).

The streamlining of activities also, as provided in the 2018-2019 plan, led to progress in discussions for the sale of HYDROGEOSPHERE. This sale could go through in the first half of 2020.

These reorganization efforts will ultimately automatically result in significant savings (rent, management costs, telecommunications & Internet-access fees, travel expenses, etc.). They have also led to the departure of certain employees and a simplified organizational chart.

Calling an Extraordinary General Shareholders' Meeting

Due to the extremely difficult current situation and the uncertainty as to how long the crisis will last, the Group would like to avail itself of every opportunity to strengthen its equity so that, if necessary, it can continue to support its development plan. For this reason, an Extraordinary General Shareholders' Meeting has been scheduled.

Notice of the meeting was published on 20 March 2020 in the *Bulletin des Annonces Légales Obligatoires -BALO* (French official bulletin of legal announcements). The date of this meeting has been set for 24 April 2020 at the company's head office

In view of the current health crisis, and in accordance with the provisions of ordinance n° 2020-321 of March 25, 2020 relating in particular to the adaptation of the rules for meeting and deliberation of general meetings, the company decided to keep the latter in camera. So, it is recommended that shareholders make use of the option to vote by mail or to grant power to the Chairman via the forms available on Delta Drone's website.

About Delta Drone: *The Delta Drone Group is a recognized international player in the field of civilian drones for professional use. It develops a range of professional solutions based on drone technology as well as all related services, thus providing a full value chain.*

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

Also listed on Euronext Growth: 33 443 695 BSA Y – ISIN code: FR0013400991

www.deltadrone.com

Investor-relations contact:



Jérôme Gacoin
+33 1 75 77 54 65
jgacoin@aelium.fr

Press contact:



Louise Caetano
+33 1 55 02 15 13
l.caetano@open2europe.com

Sarah Ousahla
+33 1 55 02 15 31
s.ousahla@open2europe.com