



Press release

Invibes Advertising announces a successful capital increase through private placement of €5m

- Private placement carried out at €9.50 with Generis Capital Partners, NextStage AM and other private investors (the “Investors”) for €5m;
- Limitation, if not potential outright cancellation, of dilution via a buyback option mechanism granted to Invibes Advertising by the Investors at a price ranging from €12.47 to €15.0, determined according to the holding period;
- A potential bonus on the last price, up to a maximum of 54.5%.

London, 20 April 2021 – Invibes Advertising, an advanced technology company specialising in digital in-feed advertising, has today announced the success of a capital increase carried out through private placement, without pre-emptive rights, in the amount of €5m, reserved for the qualified investors (the “Investors”) referred to in Article L.411-2 1° of the French Monetary and Financial Code.

As a result of the Transaction, 526,324 new ordinary shares (the “New Shares”) were issued, i.e. 15.3% of the Company’s post-Transaction share capital, at a price per share of €9.50 (including additional paid-in capital), representing a discount of 6,02% on the average volume-weighted price of the Invibes Advertising share on the Euronext Growth Paris market over the last 5 trading sessions before the price was set.

Nicolas POLLET, CEO and Co-Founder of Invibes Advertising stated: *“I would like to thank the Investors for placing their trust in us by taking part in this capital increase. These funds will be used to accelerate our development plan in the digital advertising market, which has remained buoyant since the start of the year. Our business model has proved highly resilient during the trying COVID-19 crisis. We are now focused on ramping up our geographic expansion, reassured in the choices we have made with the support of clients regularly releasing pan-European campaigns. We are also forging ahead with our investments in our technological platform, particularly on data to further improve RoI for our clients and expand our independence from GAFAM.”*

Use of funds raised

Invibes Advertising plans to use the funds raised from the capital increase as additional financial resources to ramp up its development in three strategic areas:

- **€1.5m to fund its organic international expansion** in a bid to extend its geographic coverage to Nordic countries, Northeastern Europe, Russia, etc. By expanding its geographic footprint, Invibes Advertising will be able to strengthen its pan-European organisation to meet the expectations of brands and major international advertisers, seeking a company capable of offering them digital advertising solutions managed all across Europe.
- **€1.5 m to fund R&D (Artificial Intelligence, Big Data) and develop the new Invibes ID Network**, based on the same principle as Unified ID Solutions, an open-source project launched by The TradeDesk in 2020¹. The aim of the network is to offer an alternative to third-party cookies, set to be discontinued by end-2022, to allow advertisers to continue releasing targeted ads, rely on e-mails that website visitors agree to send, and analyse the browsing habits of users on multiple sites. With this new project, Invibes Advertising will be able to compete with GAFAM in terms of technological command, capacity for federating a dense international network, and firepower when it comes to identifying and targeting internet users.

¹ <https://www.thetradedesk.com/us/about-us/industry-initiatives/unified-id-solution-2-0>



- **€2.0m earmarked for external growth opportunities.** Invibes Advertising plans to focus in particular on targets holding key technological building blocks in the fields of Artificial Intelligence and Big Data, in order to generate potential synergies with these areas of expertise and expand its databases to further improve the effectiveness and interactivity of its campaigns.

Features of the private placement

The capital increase was carried out, without pre-emptive rights, for the qualified investors (under an offering within the meaning of Article L.411-2 1° of the French Monetary and Financial Code) of New Shares (the "Offering"), in accordance with the decisions taken by the Company's Board of Directors.

A total of 526,324 New Shares, with a nominal value of €9.50, representing 15.3% of the Company's post-Offering share capital, was issued to existing shareholders and new Investors:

- Funds managed by Generis Capital Partners, with 47,369 new ordinary shares issued for a subscription amounting to €0.45m;
- Funds managed by NextStage AM, with 315,787 new ordinary shares issued for a subscription amounting to €3.00m;
- Other private investors, receiving 163,168 new ordinary shares, amounting to €1.55m.

The issue price of the New Shares was set at €9.50 per share, representing a discount of 6.02% on the average volume-weighted price of the Invibes Advertising share on the Euronext Growth Paris market over the last five trading sessions before the price was set.

The settlement-delivery of the New Shares and their admittance to trading on the Euronext Growth Paris market are scheduled for early May 2021. The New Shares will be subject to all provisions set out in the by-laws and will be considered equivalent to existing shares upon completion of the capital increase. They will be eligible for dividends and will be admitted to trading on the Euronext Growth Paris market on the same quote line as the Company's already listed shares under the same ISIN code, BE0974299316 – ALINV.

Limited dilution mechanism/New Share buyback option granted to Invibes Advertising

This €5m capital increase is potentially non-dilutive for the shareholders of Invibes Advertising because the Company has the option, in accordance with the conditions set out below, to repurchase all of the New Shares issued to the Investors. If exercised in full, the option would allow the Company to purchase the 526,234 New Shares for the purpose of subsequently cancelling them and eliminating the initial dilution.

Consequently, Invibes Advertising has undertaken not to exercise its buyback option for a period of 24 months after the settlement-delivery date of the private placement (i.e. until 20 April 2023 inclusive), subject to certain exceptions.

All Investors having taken part in the private placement have undertaken to hold their shares for a period ending 24 months after the settlement-delivery date of the private placement (i.e. until 20 April 2023 inclusive), subject to certain exceptions.

As from the 25th month and until the 32nd month following the settlement-delivery date of the private placement, Invibes Advertising will have the option, at its discretion, of repurchasing up to 100% of the New Shares issued for the private placement, at a price determined on the basis of an IRR of 14%, from the Investors, who shall accept. As from the 33rd month and until the 44th month following the settlement-delivery date, this buyback option will be limited to 55% of the Shares, under the same buyback conditions.

From the 1st month following the settlement-delivery date of the private placement, Invibes Advertising will be entitled to transfer this buyback option to any person or entity of its choosing.



Distribution of share capital

The Company's post-Transaction share capital is comprised of 3,435,406 shares. For information purposes, the equity interest belonging to a shareholder owing 1% of the Company's share capital prior to the Offering is reduced to 0.85%. Subsequent to the capital increase, the founders own 26.8% of the Company's share capital.

Invibes Advertising was advised for the purposes of this capital increase by Atout Capital.

In accordance with the provisions of Article 211-3 of the AMF General Regulation, the Company's Offering of New Shares through this private placement did not give rise to a prospectus subject to AMF approval. Detailed information about Invibes Advertising particularly as regards its business, results and related risk factors, is provided in the annual financial report for the fiscal year ended 31 December 2020. This document is available together with other regulated information and all of the Company's press releases, on its website (<https://www.invibes.com/fr>).

Next release: Q1 2021 revenue on 28 April 2021, after market.

About Invibes Advertising

Invibes Advertising is an advanced technology company that specializes in digital advertising. Its innovative solutions are supported by an in-feed format that's integrated into media content.

Invibes is inspired by social network advertising and develops its own technology to help brands better communicate with consumers. Its technology is optimized for distributing in a closed network of media sites, including: Bertelsmann, Hearst, Unify, Groupe Marie Claire, Axel Springer, and many others. Clients include major brands such as Mercedes, Samsung, Levis, and IBM.

Founded in 2011, Invibes Advertising is a listed company on the Euronext Paris stock exchange (Ticker: ALINV – ISIN: BE0974299316). Visit www.invibes.com for more information.

For our latest press releases, go to:

<https://www.invibes.com/uk/uk/investors.html>

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