
Finalization of the partnership with AQUILINE DRONES:

Signature of an investment protocol
Cross-shareholding
nearly 10% of their capital in upcoming capital increases

Villepinte (France), 10th of December 2020

DRONE VOLT, (ISIN: FR0013088606; Mnémo: ALDRV), embedded artificial intelligence expert and professional civil drones' manufacturer, announces today the signature of an investment agreement with the American company AQUILINE DRONES as part of the finalization of their partnership agreement announced in August 2020.

The two partners will exchange approximately 10% of their respective capital in order to consolidate their strategic and commercial alliance. AQUILINE DRONES will thus subscribe to 19,259,415 new shares of DRONE VOLT, representing 9.70% of the post-operational capital, for a price of 0.225 euro per share, slightly higher than the subscription price used for the capital increase with preferential subscription rights finalized on December 4, 2009. On the same day, DRONE VOLT will subscribe for 990,000 new shares of AQUILINE DRONES, giving it an equivalent share of AQUILINE DRONES' capital (9.90%). The payment of the two subscription prices will be paid by way of set-off of debts between the two partners.

This exchange of interests is part of the extension of the license agreement announced on October 13. The signing of the license agreement, which follows the signature of a letter of intent (LOI) announced on August 24th, allows AQUILINE DRONES to start production of the HERCULES 2, the ALTURA ZENITH and the PENSAR smart camera in Hartford Connecticut. These products are the result of several years of R&D and development at DRONE VOLT and its subsidiary AERIALTRONICS.

AQUILINE DRONES will be responsible for all investments (CAPEX) and operating costs (OPEX) and will bear the entire responsibility for production. In return for the know-how and exclusivity in the United States over the next 5 years, the American company will pay DRONE VOLT 10% of the proceeds from the sale of the machines manufactured and sold, with a minimum monthly payment of USD 100,000. The first payments have been received since October and will be increased by 10% each year until the end of 2025.

As such, DRONE VOLT anticipates a potential delay of a few months in the ramp-up of its partner's production due to the constraints related to the health crisis that prevent DRONE VOLT teams from going to the Hartford plant in the United States.

To deal with this situation, the group set up an e-learning studio a few weeks ago to train American personnel based in Connecticut from its headquarters in France.

The license agreement also provides that DRONE VOLT will be able to use up to 25% of AQUILINE DRONES' production capacity to meet the needs of its own customers worldwide, outside the United States. The objective is to have access to competitive production costs, but also to products labeled "made in USA". This advantage will give the two groups a production capacity previously unrivalled in both the United States and Europe, at a time when the U.S. Department of Justice (DoJ) has just issued

bans on the use of foreign drones that are not manufactured in the United States. This trend could be followed by other countries.

Main features of the capital increase

At its meeting of December 9, 2020, the Board of Directors decided to make use of the delegation granted to it under the terms of the 11th resolution of the Company's Ordinary and Extraordinary Shareholders' Meeting of June 26, 2020 and to issue a total of 19,259,415 new ordinary shares with a par value of €0.030 each.

The issue is being carried out without preferential subscription rights for existing shareholders of the Company, on the basis of article L. 225-138 of the French Commercial Code, in favor of Aquiline Drones, the sole beneficiary selected from among the category of persons corresponding to strategic partners that have entered or are expected to enter into one or more commercial partnership agreements with the Company.

The subscription period is open from December 9 to December 16, 2020 (inclusive) in order to allow Aquiline Drones, currently incorporated as a limited liability company governed by the laws of the State of Connecticut, to convert into a corporation governed by the laws of the State of Delaware, it being specified that the subscription period may be closed early.

The issue price of the new shares has been set at €0.225 per share, representing an issue premium of €0.195 per new share, for a total gross amount of €4,333,368.38. The subscription price will be paid up by AQUILINE DRONES in whole or in part by offsetting it against the claim held against the Company in respect of the subscription, on the same day, of AQUILINE DRONES shares by the Company.

Impact of the issue on the distribution of capital

After completion of the capital increase, the Company's share capital would be distributed as follows:

Shareholders	# of Shares	%	Voting Power	%
Aquiline Drones	19 259 415	9,70%	19 259 415	9,54%
DBI (Dimitri Batsis)	3 074 816	1,55%	3 074 816	1,52%
Jean-Marc Loiseau	600 000	0,30%	600 000	0,30%
Jérôme Marsac	553 000	0,28%	553 000	0,27%
SYNA CONSEIL (Sylvain Navarro)	123 235	0,06%	123 235	0,06%
Benoît de Bruyn	49 000	0,02%	49 000	0,02%
Marc Courcelle	25 000	0,01%	25 000	0,01%
Auto-détention	-	0,00%	-	0,00%
Public	174 838 720	88,07%	178 247 524	88,27%
Total	198 523 186	100%	201 931 990	100%

For information purposes and on a non-diluted basis, the interest of a shareholder holding 1% of the Company's share capital prior to the capital increase would be increased to approximately 0.90%.

As an indication and on a non-diluted basis, the share of the Company's shareholders' equity which was €0.07 per share prior to the capital increase would be increased to €0.09.

The operation did not give rise to a prospectus submitted to the Autorité des marchés financiers for approval.

Risk Factors

Public attention is drawn to the risk factors relating to the Company and its business, described in the 2019 Annual Financial Report and in the 2019 Universal Registration Document (available on the Company's website <https://www.dronevolt.com/en/investors/>). The occurrence of some or all of these

risks could have an adverse effect on the Company's business, financial condition, results of operations, development or prospects.

Advice from the company

DRONE VOLT was advised in this transaction by ATOUT CAPITAL (Financial Counsel and Listing Sponsor), WINSTON & STRAWN (Legal Counsel) and ACTUS finance & communication (Financial Communication).

DRONE VOLT's Press releases can be found here: <https://www.dronevolt.com/en/investors/>

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About DRONE VOLT

Created in 2011, DRONE VOLT is an aircraft manufacturer specializing in professional civil UAVs and artificial intelligence. DRONE VOLT is established in France, Benelux, Canada, Denmark, the United States, Switzerland and Indonesia. As a global partner, DRONE VOLT offers its customers "turnkey" business solutions including various services and training in UAV piloting.

The DRONE VOLT Group, a member of the GICAT, achieved a turnover of 7.1 million euros in 2019 (unaudited data).

DRONE VOLT is notably a supplier to administrations and industrial companies such as the French Army, the French Ministry of the Armed Forces, ENGIE, Total, Bouygues Energies & Services, the ADP Group, the Gendarmerie des Transports Aériennes (GTA) and international government agencies.

DRONE VOLT is qualified as an "innovative company" by Bpifrance.

DRONE VOLT is listed on the Euronext Growth market in Paris:

Share: Mnemo: ALDRV.PA - ISIN Code: FR0013088606 - Eligible: PEA, PEA-PME

For more information go to www.dronevolt.com and www.abid.co/EPA.ALDRV

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