

Tonner Drones: Board and Management Changes Lead to Further Debt Reduction

Cannes, 16 September 2024 08:00, Tonner Drones (the “Company”) announces that Jean-François Ott will be stepping down as Chairman of the board of directors and Brad Taylor will be stepping down as director and CEO. In the context of their departures, the Company will also be able to further reduce overall debt by more than €800.000, and lower its operational costs.

Mr. Ott has decided to step down as Chairman of the board of directors with immediate effect but will remain as a director of the Company until the shareholders’ general meeting scheduled for 21 October 2024 (the “**General Meeting**”). In addition, Mr. Taylor has decided to step down as CEO with immediate effect, and also to step down as a director following the General Meeting. Current director, D.M. van den Ouden, will remain on the board of directors and take over as Chairman and CEO with immediate effect.

Among other agenda items that shareholders will find in the General Meeting convening notice to be published later this week, shareholders will vote on the appointment of two new directors, Mr. David Cloetingh and Mr. Olaf Graeff, to replace Mr. Ott and Mr. Taylor. The detailed biographies of Mr. Cloetingh and Mr. Graeff will be found in the General Meeting convening notice.

In the context of their departures, and to assist the Company in its debt and cost reduction efforts, Mr. Ott and Mr. Taylor, along with their related entities, have agreed to the following subject to shareholder approval at the General Meeting:

- Exchange approximately € 800,000 in vendor loan receivables that they hold against the Company for shares in one of the Company’s non-strategic minority holdings.
- Return 1,000,000 warrants at an exercise price of € 5.00 that were issued to them in June of 2023.
- Cancel 1,000,000 in warrants as well as € 3 million in potential earnouts and 2,000,000 in potential warrants associated with the earnouts to which they had a claim
- Restrict sales of their shares in the Company to the following:
 - 5% of the daily volume for the first two months after the General Meeting (1st and 2nd months).
 - 8% of the daily volume for the next two months thereafter (3rd and 4th months).
 - 10% of the daily volume for the next two months thereafter (5th and 6th months).
 - No further limits after six months.

“I would like to thank Mr. Ott and Mr. Taylor for their leadership and the work that they have done since June 2023 in managing and restructuring the Company”. said D.M. van den Ouden. *“Today’s proposed measures will further reduce the Company’s debt by €800.000 and also reduce its cost structure. We still have work to do, but I am confident that the Company is on a solid foundation to continue being to built up.”*

“Jean-François and I joined the Company when it was in a distressed and fragile condition,” said Brad Taylor, CEO. *“We are pleased to have been able to stabilise the Company such that it is well positioned for a bright future as we now shift more of our concentration towards our other businesses.”*

Mr. Ott and Mr. Taylor will remain available to Mr. van den Ouden and the new management in an ongoing advisory capacity as needed and Mr. Ott’s company, Ott Heritage, will continue to follow the Company with great interest as a key shareholder.

End of press-release.

About Tonner Drones: *Tonner Drones (formerly Delta Drone) develops technologies for logistics and defense and homeland security sectors. Tonner Drones holds valuable stakes in some promising French 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 / contact@tonnerdrones.com

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