

DRONE VOLT

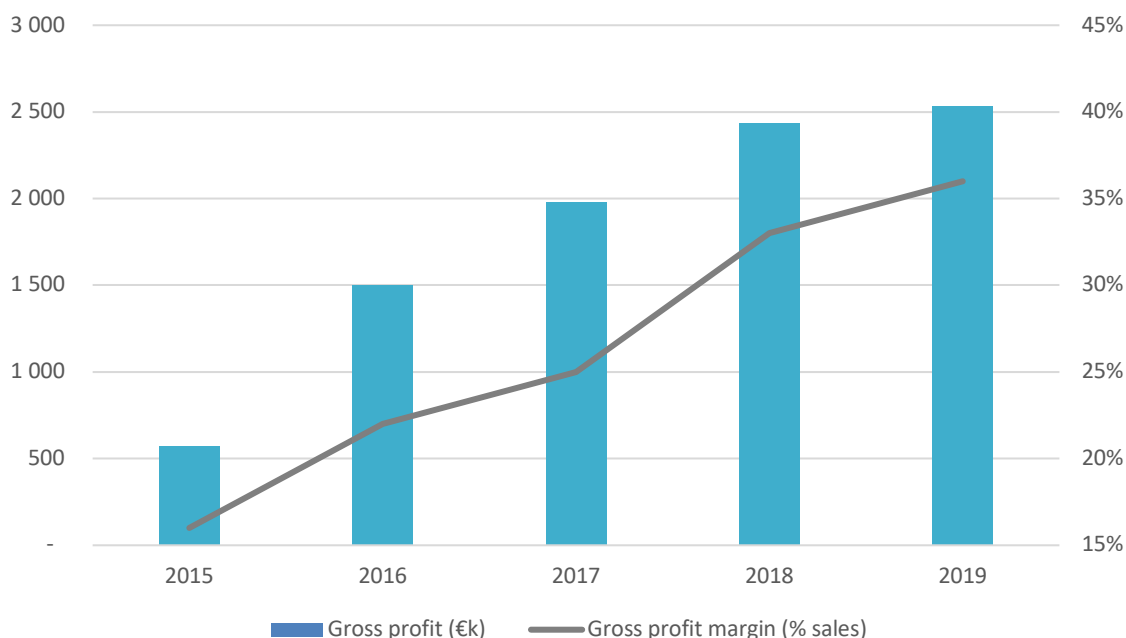
Further increase in gross profit in 2019 Multiplied by 4.4x in four years

- 83 drones¹ (+15%) and 26 PENSAR intelligent cameras (+53%) delivered by DRONE VOLT FACTORY in 2019
- Record consolidated gross profit (2.5 million euros, 36% of sales)
- Steady improvement in operating profitability
- Commercial pipeline still over 15 million euros

Villepinte, January 22, 2020

DRONE VOLT, an embedded artificial intelligence expert and manufacturer of professional civil drones, has announced its 2019 commercial results and business outlook.

Olivier Gualdoni, chairman / CEO of DRONE VOLT, indicated that *“thanks to the steady growth in sales of solutions coming from DRONE VOLT FACTORY and disciplined management of Third Party Brand sales, we registered a record gross profit of 2.5 million euros in 2019. In four years, gross profit generated by our Group has risen by 4x while the gross profit margin has risen from 16% to 36% of sales. This demonstrates the wisdom of our strategy at a time when our recent commercial successes and enormous pipeline are just beginning to be reflected in sales.”*



¹ As of end September 2019, DRONE VOLT FACTORY had billed 63 drones rather than the 86 erroneously indicated in the press release dated October 14, 2019.

Unaudited figures in €k – IFRS standards	2018	2019	% change
Sales			
<i>o/w DRONE VOLT FACTORY, SERVICES & ACADEMY</i>	2,404	2,796	+16%
<i>o/w Third Party Brands</i>	5,017	4,307	-14%
TOTAL	7,421	7,103	-4%
Gross profit			
<i>o/w DRONE VOLT FACTORY, SERVICES & ACADEMY</i>	1,307	1,534	+17%
<i>o/w Third Party Brands</i>	1 127	992	-12%
TOTAL	2,434	2,532	+4%
Gross profit margin			
<i>o/w DRONE VOLT FACTORY, SERVICES & ACADEMY</i>	55%	55%	-
<i>o/w Third Party Brands</i>	22%	23%	+1 point
TOTAL	33%	36%	+3 points

New record for DRONE VOLT FACTORY deliveries

With 83 HERCULES and ALTURA ZENITH drones (+15% compared to 2018) and 26 PENSAR intelligent cameras (+53%) manufactured, delivered and billed over the year, DRONE VOLT FACTORY registered a record level of business activity in 2019.

This level of business activity boosted sales generated by the high value added activities (DRONE VOLT FACTORY, SERVICES & ACADEMY) to 2.8 million euros, up +16% for the year despite a commercial focus on contracts totaling several hundred thousand euros whose commercial impact will above all be visible starting in 2020 (see Outlook below).

Third Party Brands generated 4.3 million euros in revenues in FY 2019, lifting consolidated sales to 7.1 million euros, virtually flat for the year (-4%).

Gross profit margin up three points

With a gross profit over 1.5 million euros (+17% compared to 2018), the profitability of high value activities reached 55% of sales, stable year on year.

Adding the contribution of Third Party Brands (close to 1.0 million euros), consolidated gross profit reached 2.5 million euros, up +4% for the year. The consolidated gross profit margin consequently showed a further increase of three points, reaching 36% of sales.

Optimization of costs and arranging of new financing

In parallel, DRONE VOLT continued to optimize its cost structure in H2 2019. This should enable the Group to show improved EBITDA compared to H1 2019 (-1.1 million euros) and pursue its move to breakeven.

In order to finance the implementation of its business plan, DRONE VOLT arranged new financing over the year, with the principal objective of limiting the use of its convertible bond with attached warrants program. DRONE VOLT in this manner proceeded with two issues of ORNANE bonds repayable in cash or new or existing shares for a cumulative total of 1.6 million euros, with the goal of repaying all or part of this debt in cash. DRONE VOLT also raised 1.7 million euros at the beginning of 2020 in the form of non-convertible bonds, thereby confirming its desire to limit the use of dilutive instruments to the maximum extent possible.

Outlook - commercial acceleration in 2020

Underpinned as ever by a commercial pipeline totaling over 15 million euros, DRONE VOLT is highly optimistic looking forward. The Group is notably seeing steady growth in the size of its contracts and has recorded major commercial successes (along the line of its contract with RTE) that should contribute to an acceleration in growth in 2020.

Next press release: 2019 annual results, March 18, 2020

All the DRONE VOLT press releases are available on www.dronevolt.com/Investors

To receive all the press releases free of charge, register on Actusnews

To receive the company newsletter, contact us at finance@dronevolt.com

About DRONE VOLT

Founded in 2011, DRONE VOLT, is an expert in onboard artificial intelligence and manufacturer of professional civilian drones with operations in France, Belgium, the Netherlands, Canada, Denmark, the United States, Switzerland and Indonesia. A global partner, DRONE VOLT offers its clients turnkey business solutions including different services and the training of drone pilots.

The DRONE VOLT Group, a member of GICAT (French land and air-land defense and security industry group), recorded sales of 7.1 million euros in 2019 (non-audited figures).

DRONE VOLT's customers notably include government administrations and industrial groups such as the French army, the French Ministry of Defense, Engie, Total, Bouygues ES, ADP, the Air Transport Gendarmerie (GTA) and international government agencies.

DRONE VOLT has been designated as an "Innovative Enterprise" by Bpifrance.

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

Action: Mnemonic: ALDRV.PA - ISIN code: FR0013088606 - Eligible: PEA, PEA-SME

BSA: Mnemonic: DRVBS - ISIN code: FR001286054

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

Contacts :

FINANCE media relations**ACTUS finance & communication**

Manon Clairet – T : +33 1 53 67 36 73

dronevolt@actus.fr

GENERAL PUBLIC AND PROFESSIONAL media relations**DRONE VOLT**

Céline Vergely – T : +33 6 08 42 75 84

celine@dronevolt.com

U.S. & International Investor Relations

Thomas Renaud

Arrowhead Business and Investment Decisions

48 Wall Street, 11th Floor | New York | NY 10005

Office: +1 212 619-6889 ext. 7010

dronevolt@arrowheadbid.com
