

## DRONE VOLT

### Improved results in 2019 thanks to the cost reduction plan

Villepinte, March 18, 2020

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

Audited figures in €K – IFRS standards	2018	2019	% change
<b>Sales</b>	<b>7,421</b>	<b>7,108</b>	<b>-4%</b>
o/w DRONE VOLT FACTORY, SERVICES & ACADEMY	2,404	2,796	+16%
o/w Distribution	5,017	4,307	-14%
<b>Gross profit</b>	<b>2,434</b>	<b>2,441<sup>1</sup></b>	<b>+0%</b>
o/w DRONE VOLT FACTORY, SERVICES & ACADEMY	1,307	1,449	+11%
o/w Distribution	1,127	992	-12%
<i>Gross profit margin</i>	33%	34%	+1 point
Operating expenses (before depreciation / amortization and provisions)	(4,642)	(4,066)	(576)
<b>EBITDA</b>	<b>(2,160)</b>	<b>(1,625)</b>	<b>+535</b>
<b>Recurring operating profit</b>	<b>(3,099)</b>	<b>(3,331)</b>	<b>(232)</b>
Other operating income and charges	(34)	(136)	(102)
<b>Operating profit</b>	<b>(3,133)</b>	<b>(3,467)</b>	<b>(335)</b>
Net cost of financial debt	(133)	(158)	(25)
Other financial income and charges	(9)	(264)	(255)
Taxes	567	1,069	+502
<b>Net profit (loss)</b>	<b>(2,708)</b>	<b>(2,822)</b>	<b>(115)</b>
<b>Net profit (loss) after minority interests</b>	<b>(2,464)</b>	<b>(2,571)</b>	<b>(107)</b>

In the words of Olivier Gualdoni, chairman / CEO of DRONE VOLT, “the strict cost control measures are enabling us to initiate the process of improvement of our gross profit along with all our results. The uncertain macroeconomic environment that we are now experiencing has required us to take the emergency measures announced last March 5. In this context, we will not provide any forecasts, even if we remain highly confident regarding the potential of our professional drone offer (which responds to major challenges in several vitally important industries) and the depth of our commercial pipeline. We will inform the market as to all significant developments.”

#### Record deliveries by DRONE VOLT FACTORY and growth in gross profit

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 reached a new record level of business in 2019.

<sup>1</sup> Versus €2,532k and 36% of sales as announced on January 22, 2020 before adjustments linked to the audit of the 2019 financial statements

As a result of this strong level of business, sales generated by the high valued-added activities (DRONE VOLT FACTORY, SERVICES & ACADEMY) rose to €2.8 million, up +16%.

Third Party Brands generated €4.3 million in revenues in FY 2019, lifting consolidated sales to €7.1 million, virtually stable compared to a year earlier (-4%).

Consolidated gross profit reached €2.4 million, stable compared to a year earlier despite the negative impact of accounting adjustments concerning the value of inventories. The consolidated gross profit margin consequently showed a further improvement of 1 point, reaching 34% of sales.

#### Optimization of costs and improved results

In parallel, DRONE VOLT pursued the optimization of its cost structure in H2 2019. This program enabled us to reduce the full year EBITDA loss by €535,000 compared to FY 2018 to -€1.6 million.

audited figures in €K – IFRS standards	H1 2018	H2 2018	H1 2019	H2 2019
<b>EBITDA</b>	<b>(1,483)</b>	<b>(677)</b>	<b>(1,112)</b>	<b>(513)</b>
<i>Change vs. N-1</i>			-25%	-24%

The recurring operating loss consequently equaled -€3.3 million, stable compared to a year earlier due to a doubling in depreciation / amortization charges and provisions linked to the increase in investments (capitalized R&D and industrial investments at DRONE VOLT FACTORY). After taking into account a tax credit of €1.1 million, the net loss after minority interests equaled -€2.6 million, also stable compared to a year earlier.

#### Update concerning the financial situation

DRONE VOLT's equity funds as of December 31, 2019 totaled €8.9 million compared to €7.9 million on December 31 2018, reflecting the renewed confidence of investors in support of its business development and technological investments.

Available cash equaled €0.9 million (+€0.2 million compared to a year earlier), to which should be added €0.8 million in proceeds from the bond issue completed at the end of 2019. The Group's financial debt was made up of €0.8 million in medium-term loans from Bpifrance and €2.9 million in outstanding bonds, confirming the Group's ambition to limit the use of dilutive instruments to the maximum extent possible. Group debt also included €1.6 million in bonds slated to be converted into shares and €0.4 million in IFRS 16 debt (leases).

**Next press release: Q1 2020 sales, April 15, 2020**

All the DRONE VOLT press releases are available on [www.dronevolt.com/Investors](http://www.dronevolt.com/Investors)

To receive all the press releases free of charge, register on [Actusnews](http://Actusnews)

To receive the company newsletter, contact us at [finance@dronevolt.com](mailto: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](http://www.dronevolt.com) and [www.abid.co/EPA.ALDRV](http://www.abid.co/EPA.ALDRV)

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