

DRONE VOLT

Revenues of €1.7 million and solid gross margin in 1st quarter 2022

Villepinte, April 20, 2022

- Slight decline in activity in 1st quarter 2022, offset by initial contributions from SKYTOOLS,
- Solid gross margin of 36%, driven by high value-added activities,
- Favorable outlook for the rest of the year with new orders under negotiation,
- Continued transfer of DRONE VOLT's know-how to its American partner AQUILINE DRONES,
- Finalization of the development of the Linedrone with Hydro-Quebec and innovations under development with VIKING DRONE.

DRONE VOLT, an expert in embedded artificial intelligence and manufacturer of professional civilian drones, announces its unaudited revenue for the 1st quarter of fiscal year 2022.

<i>Unaudited data in thousand euros – IFRS standards</i>	T1 2021	T1 2022¹	Variation
Turnover			
<i>including DRONE VOLT FACTORY, SERVICES & ACADEMY</i>	790	789	0%
<i>of which Third Party Brands</i>	1 014	956	-6%
TOTAL	1 803	1 745	-3%
Gross margin			
<i>including DRONE VOLT FACTORY, SERVICES & ACADEMY</i>	504	507	+1%
<i>of which Third Party Brands</i>	192	120	-38%
TOTAL	696	627	-10%
Gross margin rate	39%	36%	- 3 points
<i>including DRONE VOLT FACTORY, SERVICES & ACADEMY</i>	64%	64%	0 points
<i>of which Third Party Brands</i>	19%	13%	- 6 points

¹ Figures including the contribution of the Dutch company SKYTOOLS since January 18, 2022.

DISCLAIMER - THIS PRESS RELEASE IS TRANSLATED FROM FRENCH. IT IS SUBJECT TO INACCURACIES AND IS THEREFORE NON-BINDING

"Despite the slight downturn in our business in the first quarter, we have managed to maintain a solid level of operating profitability thanks to our high value-added activities and we expect to see a return to a good commercial dynamic for the rest of the year," said Marc Courcelle, CEO of DRONE VOLT. "Furthermore, we are pleased to note that our recent investments are already beginning to bear their fruits. DRONE VOLT has benefited from the first financial contributions of its new subsidiary SKYTOOLS and is now working on integrating VIKING DRONE's technological expertise in order to further improve the Group's know-how and enrich its offer.

Slight decline in activity offset by initial contributions from SKYTOOLS

Over the 1st quarter 2022, the turnover of high value-added activities (DRONE VOLT FACTORY, SERVICES & ACADEMY) comes to 789 thousand euros, stable over one year. During this period, DRONE VOLT was able to deliver 6 HERCULES 20 SPRAY drones to its Central European customer, as part of the contract signed in December 2021. In total, the Group delivered 14 UAVs during this Q1.

In addition, these high value-added activities include the first financial contributions of the Dutch company SKYTOOLS, acquired by the Group at the beginning of the year, for an amount of 110 thousand euros.

In addition, the portion of revenues generated through the licensing agreement with AQUILINE DRONES in October 2020 amounts to approximately 300 thousand euros over the entire 1st quarter 2022.

In addition, the Third-Party Brands activity recorded revenues of 956 thousand euros for the 1^{er} quarter, down -6% compared to the same period of the previous fiscal year. It also includes the contributions of SKYTOOLS (58 thousand euros).

Thus, after taking into account a total contribution of 168 thousand euros from SKYTOOLS, the consolidated revenue of DRONE VOLT is 1.7 million euros in 1st quarter 2022, a limited decline of -3% over one year.

Solid gross margin thanks to high value-added activities

The gross margin of high value-added activities amounted to 507 thousand euros in Q1 2022, up slightly by 1% year-on-year. The gross margin rate for these activities was 64%, very close to its record level, thanks to strong activity in services and training.

However, the gross margin of the Third-Party Brands activity amounted to 120 thousand euros in the first quarter of 2022, down 38% year-on-year and representing a gross margin rate of 13%, compared with 19% a year earlier.

Thus, the decline in the gross margin of Third-Party Brand activities has led to a -10% drop in DRONE VOLT's consolidated gross margin, which stands at 627 thousand euros, including 79 thousand euros from SKYTOOLS in Q1 2022. As a result, the consolidated gross margin rate was 36% in Q1 2022 (compared to 39% a year earlier), a level that remains solid thanks to the contribution of high value-added activities.

Favorable business outlook and continued strengthening of know-how

For the rest of the year 2022, DRONE VOLT anticipates a sustained commercial activity, with negotiations underway for significant new orders.

In addition, DRONE VOLT and AQUILINE DRONES continue to work together in the United States with the objective of accelerating the process of transferring know-how and improving the Group's technological offering. DRONE VOLT also supports its American partner in the search for financing to support its very strong growth ambitions and specifies that AQUILINE DRONES should very soon mandate an American investment bank to accompany it in the framework of its project to be listed on the Nasdaq. In addition, DRONE VOLT announces that it has requested and obtained the appointment of a director to the Board of Directors of AQUILINE DRONES.

In addition, the activity for the rest of the year will also be driven by the continued execution of the drone distribution contract to the Central European customer signed in December 2021. As a reminder, this

DISCLAIMER - THIS PRESS RELEASE IS TRANSLATED FROM FRENCH. IT IS SUBJECT TO INACCURACIES AND IS THEREFORE NON-BINDING

contract provides for the distribution of 275 HERCULES 20 SPRAY drones over 3 years. To date, 8 have already been delivered, aligned with the planned schedule.

Progressive integration of SKYTOOLS and enrichment of the Group's offer thanks to VIKING DRONE's innovations

During this first quarter, DRONE VOLT worked on the integration of SKYTOOLS with the implementation of commercial synergies between the new subsidiary and the other entities of the Group. Thus, the contributions of SKYTOOLS in the consolidated sales of the Group should gradually increase over the coming quarters.

As announced in March 2022, the Group has acquired the assets of VIKING DRONE, a Danish company specialized in connected drones for developers and integrators. In this context, the Group intends to draw on the technological expertise of the Danish company, whose teams are currently working closely with DRONE VOLT's teams, in order to enrich the Group's offer, starting with the production of a future "HERCULES 4 connected" drone, which will be presented in the coming weeks.

In addition, the industrialization of the first Linedrone², a drone developed in partnership with Hydro-Quebec, the largest electricity producer in Canada, would be finalized in July 2022. Thus, the first deliveries of the Linedrone would be made in the second half of the year.

Finally, the Group specifies that it continues to study acquisition opportunities to strengthen its technologies and activities.

Next press release: H1 2022 Turnover, Wednesday July 13, 2022

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

To receive all press releases for free, subscribe to [Actusnews](#)

To receive our newsletter, please write us an email to: finance@dronevolt.com

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 8.6 million euros in 2021.

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

Contacts:

FINANCE Media Relations

ACTUS finance & communication

Manon Clairet – T: +33 1 53 67 36 73

dronevolt@actus.fr

U.S. & International Investor Relations

Thomas Renaud

Arrowhead Business and Investment Decisions

42 Broadway, 17th Floor | New York | NY 10004

Office: +1 212 619-6889 ext. 7010

dronevolt@arrowheadbid.com

GENERAL PUBLIC AND PROFESSIONAL DRONE VOLT media relations

Céline Vergely – T: +33 6 08 42 75 84

celine@dronevolt.com

Investor Relations

DRONE VOLT

Sylvain Navarro - T: +33 7 88 87 50 88

finance@dronevolt.com

² Drone designed for complex inspection of high voltage power lines. It allows to detect energy losses in an electrical network in order to precisely determine the maintenance needs.

DISCLAIMER - THIS PRESS RELEASE IS TRANSLATED FROM FRENCH. IT IS SUBJECT TO INACCURACIES AND IS THEREFORE NON-BINDING