

DRONE VOLT

improves results in 2023 and confirms ambitions for 2024

Villepinte, March 20, 2024

- Record annual sales of nearly 24 million euros.
- Gross margin improvement in the year's second half thanks to the promising launch of the DRONE VOLT EXPERT service offering.
- Net income improved by more than 20 million Euros thanks to tight control of current and non-current expenses.
- More than 20 million Euros of equity at the end of 2023 and a growing cash position at the beginning of 2024 thanks to the successful post-closing fundraising.
- Ambition for solid gross margin growth in 2024, driven by the excellent sales momentum of value-added offerings and a strong 1st quarter.

DRONE VOLT, a manufacturer of professional civilian drones and expert in embedded solutions, presents its results for 2023, approved by the Board of Directors on March 18, 2024, and confirms its ambitions for 2024.

Audited data in euros - IFRS	2022	2023	Variation
Sales figures¹	13 736	23 993	+10 257
Gross margin	2 903	3 673	+770
Operating expenses (excluding depreciation depreciation and provisions)	(5 717)	(6 125)	(408)
Gross operating surplus	(2 814)	(2 452)	+362
Depreciation, amortization, and provisions and other operating income and expenses	(2 432)	(2 547)	+115
Current operating income	(5 246)	(5 000)	+246
Other operating income and expenses	(16 793)	(287)	+16 506
Operating income	(22 039)	(5 287)	+16 752
Cost of debt	(129)	(175)	(46)
Other financial income and expense	21	(36)	(57)
Income tax expense	(4 174)	(544)	+3 630
Net income	(26 321)	(6042)	+20 279
Net income, Group share	(25 483)	(5 330)	+20 153

"Our results confirm that DRONE VOLT has significantly grown in 2023 and that all our teams' efforts are now bearing fruit. We've achieved record sales, making us even more credible in our dealings with prime contractors, and we've developed powerful streams of revenue for profitable growth, whether it's our new LINEDRONE and DRONE VOLT KOBRA drones or our new DRONE VOLT EXPERT business. In 2024, we will be able to capitalize on all these strategic assets to build on the positive momentum and enter a virtuous circle of growth and recurring gross margin," said Marc Courcelle, Chief Executive Officer of DRONE VOLT.

Record sales and improved gross margin in the 2nd half of 2023

¹ Against sales of 23,865k euros and gross margin of 3,394k euros announced on January 15, 2023

DRONE VOLT recorded a 75% increase in sales in 2023, reaching a new all-time sales record of almost 25 million euros.

The substantial increase in DRONE VOLT's revenue over the past year is closely tied to the enhanced delivery of a record-breaking order, announced in the first quarter of 2023, valued at over 20 million euros. By the end of December 2023, equipment valued at 16 million euros had been delivered, invoiced, and collected.

Simultaneously, the consolidated gross margin for the year reached nearly 3.7 million euros, marking a 27% increase. Specifically, the gross margin accounted for 23% of sales for the second half of the year, improving by 7 percentage points compared to the same period in 2022.

The Group's new DRONE VOLT EXPERT service offering is experiencing very strong growth. Created in July 2023 following the acquisition of Gironde-based Aeraccess Services (formerly Air Marine) assets, this division focuses on "Drone as a Service" in drone surveillance, inspection, data acquisition, and processing. Just a few months after its launch, the revenue (500,000 euros in the year's first half) and gross margin generated by this activity almost cover the division's operating costs.

Excellent control over operating costs

This healthy growth has gone hand in hand with tight cost control, enabling us to initiate a virtuous circle of earnings. External expenses remained stable despite strong growth, while personnel expenses (+30%) naturally increased as part of the launch of the new DRONE VOLT EXPERT service offering, which will employ 15 people by the end of 2023.

As a result, EBITDA improved by 0.4 million euros to -2.5 million euros, and recurring operating income improved by 0.2 million euros to -5.0 million euros.

Net income up by more than 20 million euros

While the Group had to record significant long-term expenses in 2022, mainly related to the difficulties of its North American partner, DRONE VOLT did not record any significant long-term expenses in 2023.

As a result, operating income in 2023 improved by 16.8 million euros (-5.3 million euros vs. -22.0 million) and the Group's share of net profit improved by -25.5 million to -5.3 million in 12 months.

More than 20 million euros in equity by the end of 2023

As previously announced, DRONE VOLT looks forward to 2024 with confidence and the ambition to significantly increase its gross margin by building on the 3 pillars of its business:

- Services, a source of growth, recurring business, and profitability, driven by DRONE VOLT EXPERT's strong growth in France and the prospect of signing its first contracts abroad. The Group is also developing a network of independent drone pilots on a subcontracting basis to provide the additional flexibility and responsiveness needed in this phase of very high demand.
- Producing In-house solutions, from the HERCULES 20 "spray," which has become one of the best-sellers in the range and is enjoying sustained demand, particularly in the United States, to the brand new LINEDRONE (high-voltage line inspection drone sold as a service) and the VOLT KOBRA (surveillance drone), which are expected to generate their first significant revenues in 2024.
- Distribution, benefiting from significant progress on the historic contract signed in February 2023 and excellent customer relationships, is poised to secure substantial new orders in the coming months.

Based on the sales progress made since the beginning of the year, DRONE VOLT expects to double its revenues (1,574k€ in Q1 2023) and gross margin (327k€ in Q1 2023) by the end of March 2024.

The increasing commercial success of its proprietary solutions (HERCULES, LINEDRONE, and DRONE VOLT KOBRA) demonstrates the maturity of its product lines. It will enable DRONE VOLT to reduce its R&D investments progressively.

Thanks to the expected growth in high-margin recurring business and the planned reduction in capital expenditure, DRONE VOLT will be able to enter a virtuous circle of structural improvement in operating results and a significant reduction in financing needs.

Next press release: Sales for the 1st quarter 2024, Wednesday, April 17, 2024.

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

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

To receive the company newsletter, please write to: finance@dronevolt.com

About DRONE VOLT

Founded in 2011, DRONE VOLT is an aircraft manufacturer specializing in professional civil drones and artificial intelligence. DRONE VOLT has offices in France, Benelux, Canada, Denmark, the United States, Switzerland, and Indonesia. As a global partner, DRONE VOLT offers customers "turnkey" business solutions, including various services and drone pilot training.

The DRONE VOLT group, a member of GICAT, achieved a turnover of 24 million euros in 2023, with an annual growth of 74%. DRONE VOLT supplies administrations and manufacturers such as the French Army, the Ministry of the Armed Forces, Engie, Total, Bouygues ES, ADP, the Gendarmerie des Transports Aériens (GTA), 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 - ISIN code: FR0013088606 - Qualifying: PEA, PEA-PME

Warrant: Mnemo: BNBS - ISIN Code: FR0014007951

More information at www.dronevolt.com

Contacts:

Investor Relations DRONE VOLT

Sylvain Navarro - T: +33 7 88 87 50 88
finance@dronevolt.com

Media relations FINANCE ACTUS finance & communication

Manon Clairet - T: +33 1 53 67 36 73
dronevolt@actus.fr

General public and trade media relations AYA communication

Antonin Violette - T: +33 6 47 48 63 25
aviolette@aya-communication.fr