

Parrot

PRESS RELEASE

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2023 THIRD-QUARTER BUSINESS

The Parrot group, European leader for professional microdrones, recorded €15.1m of consolidated revenues in the third quarter of 2023, down -31% from the third quarter of 2022, which represented a high basis for comparison. For the first nine months of 2023, consolidated revenues show a year-on-year contraction of -11%. This level of business is in line with the guidance published on October 4, 2023, following deferrals of significant microdrone equipment orders or deliveries to the first half of 2024.

REVENUES (€m and % of revenues)	Q3 2023 3 months		Q3 2022* 3 months		Change	9 months 2023	9 months 2022	Change
Professional microdrones	8.0	53%	13.9	63%	-42%	23.5	29.3	-20%
Photogrammetry	7.1	47%	8.1	37%	-11%	23.3	23.2	+1%
Parrot SA	0.2	-	0.3	-		0.4	0.6	-
Intragroup eliminations	-0.2	-	-0.3	-		-0.5	-0.6	-
TOTAL CONSOLIDATED REVENUES	15.1	100%	21.9	100%	-31%	46.7	52.4	-11%

* Q3 2022 revenues also included €0.5m generated by the legacy consumer products.

Professional microdrones business

The professional microdrones business generated €8.0m of revenues, representing 53% of Group revenues (-42% at constant exchange rates). Revenues for the third quarter of 2022 included significant deliveries for defense and security institutions, as well as €0.5m of legacy consumer product sales and €1.1m of non-recurring controller sales.

Looking beyond the slowdown linked to the general economic climate, the level of business does not reflect the robust commercial development of ANAFI USA, with order renewals received from major clients and particularly defense forces in France, Finland, Belgium and Luxembourg, as well as a significant contribution by various American federal agencies. This is illustrated by the limited contraction of -9% for ANAFI USA sales this quarter. The sustained level of tenders is being supported by the launch of new drone programs in certain countries, with significant ambitions for growth from the first half of 2024.

Photogrammetry business

The photogrammetry business generated €7.1m of revenues, representing 47% of Group revenues (-9% at constant exchange rates). Over the period, in a context in which many sectors are slowing down their investments, sales of the seven most recent business solutions and related accessories were not yet sufficient to offset the gradual downturn in sales of legacy solutions.

Sales are expected to improve in the fourth quarter. In addition, the effective savings measures rolled out are expected to enable operations to break even from the last quarter of 2023.

Outlook

The Group is able to confirm the outlook for 2023 published on October 4, 2023, with full-year consolidated revenues of at least €60m for 2023, compared with €71.9m in 2022, down by around 16%, taking into account the Group's two business lines (photogrammetry solutions and microdrones).

During the second quarter of 2023, the Group rolled out various measures to reduce its cash consumption pending an expected significant upturn in growth in the first half of 2024.

Next financial date

2023 consolidated earnings: Monday, March 18, 2024 (before the market)

ABOUT THE PARROT GROUP

Parrot is Europe's leading commercial microUAV group. With a strong international presence, the Group designs, develops and markets a complementary range of micro-UAV equipment and image analysis software (photogrammetry) dedicated to companies, large groups and government organizations. Its offer is mainly centered on three vertical markets: (i) Defense and Security, (ii) Inspection, 3D mapping and Geomatics, (iii) and Precision agriculture.

Its ANAFI range of microUAVs, recognized for their performance, robustness and ease of use, features an open source architecture and meets the highest cybersecurity standards. Its Pix4D photogrammetry software suite for mobile and drone mapping is based on advanced technical expertise and offers solutions tailored to the specificities of the verticals it addresses.

The Parrot Group, founded in 1994 by Henri Seydoux its Chairman, CEO and main shareholders, designs and develops its products in Europe, and is headquartered in Paris. Today, it has over 500 employees worldwide and carries out the vast majority of its sales internationally. Parrot has been listed on Euronext Paris since 2006 (FR0004038263 - PARRO). For more information: www.parrot.com, www.pix4d.com

CONTACTS

Investors, analysts, financial media
Marie Calleux - T.: +33 1 48 03 60 60
parrot@calyptus.net

Tech & corporate media
Chris Roberts - T.: +33 1 48 03 60 60
pr@parrot.com