

## DRONE VOLT

### 20% increase in 9-month 2019 gross profit

- 86 drones (+72%) and 23 PENSAR intelligent cameras (+92%) delivered by DRONE VOLT FACTORY
- Consolidated 9-month gross profit up 20% with a gross profit margin of 36% (+6 points yoy)
- Objective for EBITDA at breakeven in H2 2019

Villepinte, October 14, 2019

DRONE VOLT, an embedded artificial intelligence expert and manufacturer of professional civil drones, has announced its commercial results for the first nine months of 2019 ending September 30.

Unaudited figures in €k – IFRS standards	9 months 2018	9 months 2019	% change
<b>Sales</b>			
<i>o/w DRONE VOLT FACTORY, SERVICES &amp; ACADEMY</i>	1,650	2,110	<b>+28%</b>
<i>o/w Third Party Brands</i>	3,597	3,110	<b>-14%</b>
<b>TOTAL</b>	<b>5,247</b>	<b>5,221</b>	<b>0%</b>
<b>Gross profit</b>			
<i>o/w DRONE VOLT FACTORY, SERVICES &amp; ACADEMY</i>	824	1 086	<b>+32%</b>
<i>o/w Third Party Brands</i>	732	774	<b>+6%</b>
<b>TOTAL</b>	<b>1,556</b>	<b>1,860</b>	<b>+20%</b>
<b>Gross profit margin</b>			
<i>DRONE VOLT FACTORY, SERVICES &amp; ACADEMY</i>	50%	51%	+ 1 point
<i>Third Party Brands</i>	20%	25%	+ 5 points
<b>TOTAL</b>	<b>30%</b>	<b>36%</b>	<b>+6 points</b>

#### New record for DRONE VOLT FACTORY deliveries

Over the first nine months of 2019, DRONE VOLT FACTORY manufactured, delivered and billed 86 HERCULES and ALTURA ZENITH drones (+72% compared to the same period in 2018) and 23 PENSAR intelligent cameras (+92% compared to the same period in 2018), reaching a new record level of business for the Group.

#### Increased sales from the high valued-added activities

Sales generated by the high value-added activities (DRONE VOLT FACTORY, SERVICES & ACADEMY) equaled 2.1 million euros (+28% yoy), with a gross profit of over 1.1 million euros (+32%), corresponding to a gross profit margin of 51%. The strategic activities have contributed 40% of Group sales and 58% of gross profit since the beginning of the year.

**Increased gross profit from Third Party Brands**

Third Party Brands contributed 3.1 million euros in sales over the first nine months of 2019, with a focus on the most profitable activities and the transfer of demand over to Group solutions.

This strategy has allowed the concentration of this activity on complementary offers and the maximization of gross profit, which rose 6% to 0.8 million euros with a gross profit margin of 25% (+5 points yoy).

**Increase in consolidated gross profit**

Group-wide, DRONE VOLT recorded stable sales over the first nine months of 2019 at 5.2 million euros, with sales growth at DRONE VOLT FACTORY, SERVICES & ACADEMY now offsetting the controlled reduction in Third Party Brand sales.

Most importantly, consolidated gross profit rose 20% to 1.9 million euros, with the gross profit margin reaching 36% (+6 points yoy).

**Outlook for sustained growth and operating profitability**

Supported as ever by a commercial pipeline totaling over 15 million euros, DRONE VOLT is highly optimistic regarding its outlook. The Group is notably seeing steady growth in the size of individual contracts, with orders now totaling over 0.7 million euros.

The Group finalized the updating of its HERCULES 2 drone over the summer, notably by improving its frame through the use of 3D printing. The frame can now be printed locally and meet the requirements of the US market with a "made in USA" label.

In this context, the Group is now targeting full year sales up around 15% (versus a previous objective for +25%). This increase in sales combined with the continued increase in the gross profit margin and control over operating costs is enabling the Group to target breakeven on the EBITDA level in H2 2019, corresponding to a very significant improvement following the loss of 1.1 million euros in H1 2019.

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**Next press release: Q4 2019 sales, January 22, 2020**

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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**

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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. DRONE VOLT also owns 51% of AERIALTRONICS ([www.aerialtronics.com](http://www.aerialtronics.com)), a specialist in Artificial Intelligence serving government agencies."

The DRONE VOLT Group, a member of GICAT (French land and air-land defense and security industry group), recorded sales of 7.42 million euros in 2018 (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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