

Parrot

PRESS RELEASE

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2024 FULL-YEAR EARNINGS

Consolidated revenues: €78.1m, up 20%

Commercial UAV business up 45% in 2024

Income from ordinary operations and net income positive over the second half of 2024

Cash at December 31, 2024: €33.6m

The Parrot Group, a European leader for professional microdrones, recorded €78.1m of consolidated revenues for 2024, up 20% from 2023. The Group was profitable during the second half of 2024. For 2024, operating expenditure was reduced by 11%, taking EBIT for 2024 to €(7.3)m, compared with €(30.0)m in 2023. At December 31, 2024, the Group had €33.6m of cash, compared with €28.1m at end-December 2023.

Key milestones were successfully achieved in 2024, including the launch of the new microdrone for the Defense and Security market. While the interest for secured microdrones integrating advanced AI features is highlighted by the current conflicts, Parrot is mobilized to capitalize on opportunities for development relating to the renewal of the European defense landscape.

Revenues for professional microdrones came to €48.1m in 2024, compared with €33.2m in 2023, up 45%. Following a first half of 2024 that showed virtually stable revenues, the Group's commercial development accelerated over the second half of the year (revenues up 118% between H1 and H2), driven by the good performances of the ANAFI USA and the first contributions from the next-generation ANAFI, launched in summer 2024.

Photogrammetry revenues totaled €30.0m in 2024, compared with €31.8m in 2023. Specifically, the 6% contraction is linked to the growth in SaaS / Cloud solutions, resulting in an increase in the deferred portion of revenues, recognized over time, as well as unfavorable exchange effects. The amounts invoiced are virtually stable (-1%) between 2023 and 2024: the growth in business solutions offset the contraction affecting the legacy solution.

REVENUES	2024		2023		Change
€m and % of revenues	12 months		12 months		
Professional microdrones ⁽¹⁾	48.1	62%	33.3	51%	+45%
Photogrammetry	30.0	38%	31.8	49%	-6%
PARROT GROUP TOTAL ⁽²⁾	78.1	100%	65.0	100%	+20%

(1) Of which, revenues from legacy products: €0.3m in 2024 and €1.2m in 2023.

(2) Intragroup transactions and revenues for Parrot SA (management fees), detailed previously, are systematically canceled: they are no longer presented.

2024 full-year earnings

The consolidated financial statements for the year ended December 31, 2024 were approved by the Board of Directors on March 20, 2025. The audit procedures have been carried out by the statutory auditors and the reports will be issued once the necessary procedures have been completed. The 2024 Universal Registration Document will then be published on <https://www.parrot.com/uk/corporate/reports>

CONSOLIDATED INCOME STATEMENT (IFRS, €m)	2024 (12 months)	2023 (12 months)	Change	H1 2024 (6 months)	H2 2024 (6 months)
Revenues	78.1	65.0	+20%	30.6	47.5
Microdrones	48.1	33.3	+45%	15.1	33.0
Photogrammetry	30.0	31.8	-6%	15.5	14.4
Cost of sales	(20.2)	(18.0)	12%	(5.3)	(14.9)
Gross margin	57.9	47.0	23%	25.3	32.6
<i>% of revenues</i>	74.1%	72.3%		82.7%	68.6%
Research and development costs	(39.7)	(45.5)	-13%	(21.4)	(18.3)
<i>% of revenues</i>	-50.8%	-70.0%		-70.0%	-38.5%
Sales and marketing costs	(10.4)	(12.3)	-15%	(5.3)	(5.1)
<i>% of revenues</i>	-13.3%	-18.9%		-17.2%	-10.8%
Administrative costs and overheads	(10.8)	(11.8)	-8%	(5.9)	(4.9)
<i>% of revenues</i>	-13.9%	-18.1%		-19.4%	-10.3%
Production and quality costs	(5.0)	(4.7)	+5%	(2.4)	(2.6)
<i>% of revenues</i>	-6.4%	-7.3%		-7.8%	-5.4%
Income from ordinary operations	(8.0)	(27.3)	+71%	(9.7)	1.7
<i>% of revenues</i>	-10.2%	-42.0%		-31.7%	3.6%
Other operating income and expenses	0.7	(2.8)	+125%	(0.2)	0.9
EBIT	(7.3)	(30.0)	+76%	(9.9)	2.6
<i>% of revenues</i>	-9.3%	-46.2%		-32.3%	5.4%
Income from cash and cash equivalents	0.0	0.0	+8%	0.0	0.0
Gross finance costs	(0.9)	(0.3)	-174%	(0.4)	(0.5)
Net finance costs	(0.9)	(0.3)	-180%	(0.4)	(0.5)
Other financial income and expenses	0.4	(2.0)	+120%	0.4	0.0
Financial income and expenses	(0.5)	(2.3)	+78%	0.0	(0.5)
Share in income from associates	(0.7)	(0.5)	-38%	(0.1)	(0.6)
Tax	(0.9)	(0.1)	NS	(0.2)	(0.7)
Net income	(9.4)	(33.0)	+72%	(10.1)	0.7
Net income (Group share)	(9.2)	(32.5)	+72%	(10.1)	0.8
<i>% of revenues</i>	-11.8%	-50.0%	+76%	-32.9%	1.7%
Non-controlling interests	(0.2)	-0.5	-67%	(0.1)	(0.1)

The Parrot Group generated €78.1m of consolidated revenues in 2024, up 20% (idem at constant exchange rates), with a gross margin of €57.9m, giving a margin rate of 74.1%. It reflects the model's effective management and the change in the product mix, taking into account the increase in the percentage represented by the new generations of microdrones during the second half of 2024.

Following the strategic plan rolled out mid-2023 to get the Group on track for profitability, it reduced its operating expenditure by €(8.4)m (-11%) between 2024 and 2023. At end-December 2024, the Group's workforce - permanent and fixed-term contracts - represented 395 people, compared with 404 at December 31, 2023. 55% of the workforce is dedicated to microdrones, with 45% covering photogrammetry. The Group continued to use external contractors to cover ad hoc needs, with 30 in place at December 31, 2024 (versus 16 at December 31, 2023).

In 2024, R&D spending totaled €(39.7)m (-13%), allocated to the next generations of products and particularly the next-gen ANAFI, launched at the end of the first half of 2024. 66% of the Group's workforce, based exclusively in Europe, are focused on innovation and improving equipment and solutions.

Sales and marketing spending for 2024 came to €(10.4)m (-15%), benefiting from the streamlining of the product portfolio and also reflecting the strengthening of field marketing initiatives during product launch periods.

Administrative costs and overheads came to €(10.8)m (-8%) for 2024, thanks to the combined efforts of all of the Group's business units, offsetting the increase in head office rent.

Production and quality costs totaled €5.0m (+5%) in 2024, reflecting the successful transition of the industrial organization in South Korea, following the end of production operations in China in 2023, and the ramping up of production of the new ANAFI microdrone.

In 2024, consolidated income from ordinary operations came to €(8.0)m, compared with €(27.3)m in 2023. €(2.3)m (vs. €(17.4)m in 2023) are attributable to the microdrone business, with €(3.0)m (vs. €(6.4)m in 2023) for the photogrammetry business. Other expenses, representing €(2.7)m (versus €(3.5)m in 2023), are linked to the support functions provided by Parrot SA.

During the second half of 2024, driven by the acceleration of sales of professional microdrones and the continued focus on cost management, the Group's income from ordinary operations is positive at €1.7m: €3.4m were generated by the microdrone business, with €(1.7)m for the photogrammetry business.

Other operating income and expenses for 2024 came to €0.7m, primarily including €1.0m of income linked to Outflieger's inclusion in the basis for consolidation and the cost of selling the minority interest held in Fluktor. In 2023, other operating income and expenses totaled €(2.8)m, taking into account the costs of the strategic plan rolled out mid-2023.

In 2024, consolidated financial income and expenses came to €(0.5)m, compared with €(2.3)m in 2023. This primarily includes the charges relating to the application of IFRS 16 and the cost of transferring the research tax credit (€0.7m). In 2024, as part of its cash management approach, Parrot transferred its receivable from the French State under the research tax credit for 2022 and 2023, having received a total of €4.5m. The share in income from associates for €(0.7)m and the tax for €(0.9)m take net income (Group share) for 2024 to €(9.2)m, compared with €(32.5)m in 2023. Net income (Group share) for the second half of 2024 is positive at €0.8m.

Change in the cash position

The Group had €33.6m of cash at December 31, 2024, compared with €28.1m at end-December 2023. Cash flow from operating activities came to €6.7m in 2024, compared with €(40.7)m in 2023, linked primarily to the positive change in working capital requirements for €12.1m, partially offset by earnings for the period. The change in working capital requirements reflects the positive impact of €9.1m for the change in inventories and work-in-progress, and €3.3m for the change in tax receivables.

Cash flow from investment activities came to €(0.4)m, including €(1.9)m for acquisitions of production tools, offset by €1.4m of additional cash from Outflieger on the date when the Group gained control of this subsidiary.

Cash flow from financing activities came to €(1.1)m, including €(2.7)m for the repayment of lease liabilities with the application of IFRS 16, €(0.9)m of financial interest, and €2.5m of financing granted by Horizon SAS, Parrot's main shareholder, under a partner current account agreement, for a total of €5m, approved by the Board of Directors in November 2024 to maintain its leeway to capitalize on opportunities for strategic technological investments.

The Group had €24.8m of net cash (excluding IFRS 16 debt) at December 31, 2024, compared with €19.7m at end-December 2023.

Outlook

While the interest in secure and autonomous microdrones is highlighted by the preponderance of new technologies in the current conflicts, Parrot aims to capitalize on the increase of the Defense budgets over the coming years, particularly in the geographical areas where it is present.

However, in an uncertain geopolitical and economic environment, the Group's commercial performance, and the microdrone business in particular, remains subject to changes whose direction and scope are difficult to anticipate over the medium term, given the latency of decision-making in the defense sector.

Parrot will continue to meet the technological and operational challenges faced to ensure the success of its new microdrone, which is driving trends in 2025. Specifically, Parrot plans to develop a next-gen ANAFI

range around various versions tailored to the needs of end customers. It will also finalize the development of a model designed to be integrated into various drone platforms. In the photogrammetry sector, the expansion of the addressable market is a key pillar of the growth strategy, as in 2024. This involves developing a range of complementary equipment making it possible to use the solutions on optics other than drones, such as smartphones or tablets.

Revenues for the first quarter of 2025 are expected to contract compared with the same period in 2024, reflecting the uncertainty with the current context. However, this change does not preclude the Group's ability to capitalize on opportunities for growth in 2025 and continue working to get on track for profitability.

Next financial date

2025 first-quarter revenues: Thursday May 15, 2025

ABOUT PARROT

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) Surveillance and Public Safety, (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 shareholder, 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

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APPENDICES

Quarterly revenues

REVENUES €m and % of revenues	Q4 2024 3 months		2024 12 months		2023 12 months		Q4 2023 3 months	
Professional microdrones ⁽¹⁾	19.4	73%	48.1	62%	33.3	51%	9.8	54%
Photogrammetry	7.0	27%	30.0	38%	31.8	49%	8.5	46%
PARROT GROUP TOTAL⁽²⁾	26.4	100%	78.1	100%	65.0	100%	18.3	100%

(1) Of which, revenues from legacy products: NS for Q4 2024, €0.3m for FY 2024 and €0.3m for Q4 2023, and €1.2m for FY 2023.

(2) Intragroup transactions and revenues for Parrot SA (management fees), detailed previously, are systematically canceled: they are no longer presented.

Segment reporting

2024, IFRS, in €m and % of revenues	Microdrones	Photogrammetry	Other ⁽¹⁾	2024
Revenues	48.1	30.0	0.0	78.1
Income from ordinary operations	-2.3	-3.0	-2.7	-8.0
2023, IFRS, in €m and % of revenues	Microdrones	Photogrammetry	Other ⁽¹⁾	2023
Revenues	33.3	31.8	0.0	65.0
Income from ordinary operations	-17.4	-6.4	-3.5	-27.3

⁽¹⁾ Parrot S.A. and ancillary or non-strategic activities.

Consolidated balance sheet

ASSETS (IFRS, €m)	Dec 31, 2024	Jun 30, 2024	Dec 31, 2023
Non-current assets	22.2	21.0	20.6
Goodwill	4.6	0.0	0.0
Other intangible assets	0.4	0.1	0.1
Property, plant and equipment	2.6	2.2	1.7
Right of use	8.0	8.6	8.2
Investments in associates	0.1	3.1	3.5
Financial assets	6.7	6.6	6.6
Deferred tax assets	0.0	0.5	0.5
Other non-current assets	0.0	0.0	0.0
Current assets	63.2	56.5	66.6
Inventories	10.5	16.8	19.4
Trade receivables	4.9	8.1	5.7
Tax receivables	4.1	5.9	7.4
Other receivables	10.1	6.1	6.1
Cash and cash equivalents	33.6	19.6	28.1
Total assets	85.4	77.5	87.2

SHAREHOLDERS' EQUITY AND LIABILITIES (IFRS, €m)	Dec 31, 2024	Jun 30, 2024	Dec 31, 2023
Shareholders' equity	49.7	46.0	55.2
Share capital	4.7	4.7	4.7
Additional paid-in capital	331.6	331.6	331.6
Reserves excluding earnings for the period	-290.0	-290.0	-258.4
Earnings for the period - Group share	-9.2	-10.1	-32.5
Exchange gains or losses	9.9	9.4	9.3
Equity attributable to Parrot SA shareholders	46.9	45.6	54.7
Non-controlling interests	2.8	0.4	0.5
Non-current liabilities	13.6	11.2	11.6
Non-current financial liabilities	0.5	0.0	0.0
Non-current lease liabilities	5.9	6.4	6.4
Provisions for pensions and other employee benefits	2.4	2.6	2.3
Deferred tax liabilities	0.0	0.0	0.0
Other non-current provisions	0.1	0.0	0.1
Other non-current liabilities	4.7	2.3	2.6
Current liabilities	22.1	20.3	20.5
Current financial liabilities	0.0	0.0	-
Current lease liabilities	2.3	2.4	1.9
Current provisions	1.2	0.9	3.0
Trade payables	7.5	5.5	5.3
Current tax liabilities	0.2	0.2	0.1
Other current liabilities	10.9	11.4	10.2
Total shareholders' equity and liabilities	85.4	77.5	87.2

Consolidated cash-flow statement

IFRS, €m	Dec 31, 2024	Jun 30, 2024	Dec 31, 2023
OPERATING CASH FLOW			
Earnings for the period	-9.4	-10.1	-33.0
Share in income from associates	-0.7	0.1	0.5
Depreciation and amortization	1.9	0.1	4.4
Capital gains and losses on disposals	0.9	0.7	-3.3
Capital gain linked to the revaluation of Outflieger	-1.0	-	-
Tax expense	0.9	0.2	0.1
Cost of share-based payments	0.1	0.6	1.3
Net finance costs	0.9	0.4	0.3
Cash flow from operations before net finance costs and tax	-5.1	-8.1	-29.7
Change in working capital requirements	12.1	2.4	-11.0
Tax paid	-0.3	-0.2	0.0
Cash flow from operating activities (A)	6.7	-5.9	-40.7
INVESTING CASH FLOW			
Acquisition of property, plant and equipment and intangible assets	-2.2	-1.0	-0.8
Acquisition of subsidiaries, net of cash acquired	1.4		
Acquisition of financial assets	-0.1	-0.1	-0.2
Disposal of property, plant and equipment and intangible assets	0.0	0.0	0.0
Disposal of financial assets	0.6	0.1	5.5
Cash flow from investment activities (B)	-0.4	-1.1	4.5
FINANCING CASH FLOW			
Equity contributions	0.0	-	-1.6
Receipts linked to new loans	2.5	-	-
Net interest paid	-0.9	-0.1	-0.3
Repayment of short-term financial debt (net)	-2.7	-1.3	-2.5
Cash flow from financing activities (C)	-1.1	-1.4	-4.4
NET CHANGE IN CASH (D = A+B+C)	5.2	-8.4	-40.6
Impact of change in exchange rates	0.3	-0.1	0.2
CASH AND CASH EQUIVALENTS AT START OF PERIOD	28.1	28.1	68.5
CASH AND CASH EQUIVALENTS AT END OF PERIOD	33.6	19.6	28.1
