

A robust first half of 2024 : +16% in order intake and +5% in revenue

Exail Technologies achieved a revenue of €163 million in the first half of 2024, marking an increase of 5% compared to the first half of 2023. This performance is below the annual target, primarily due to stability in the Maritime robotics segment as the company prepares and awaits new significant orders. Demonstrating resilience, the group was able to partially offset these effects by ensuring superior growth in navigation systems. Exail can therefore rebound in the second half of the year and should generate a higher revenue growth already in the third quarter.

Order intake for the semester grew by 16%, with €162 million signed since the beginning of the year. Orders in the Navigation & Maritime robotics segment, which represents the majority of activities, drive performance with a 25% increase. Commercial activity remains strong and the sales pipeline is significant. Some processes have advanced to contractual negotiations and could be signed very shortly.

Among the notable successes of the first half, Exail achieved a cash collection level exceeding expectations. The working capital requirement (WCR) did not experience the significant and traditional seasonal deterioration typical for the group this semester. This is one of the effects of policies implemented to improve cash generation and the debt reduction, which continues in 2024.

Revenues of the 2nd quarter and 1st semester 2024 by segment

Revenues and order intake in the second quarter were below the level expected for the full year 2024. This situation should improve in the 3rd quarter. Nevertheless, Exail's markets remain strong and sales activity was dynamic throughout the half-year, as evidenced by order intake up 16%.

<i>(in € million)</i>	Q2 2024	Q2 2023	Var. %	H1 2024	H1 2023	Var. %
Consolidated revenues	83	85	-3%	163	154	+5%
Navigation & Maritime Robotics segment	64	66	-3%	125	117	+7%
Advanced Technologies segment	23	22	+1%	44	41	+6%
<i>Structure & intra-group eliminations</i>	<i>-4</i>	<i>-3</i>	<i>-</i>	<i>-6</i>	<i>-4</i>	<i>-</i>
Backlog at the end of the period	630	614	+2%	-	-	-

Order intake for the first semester 2024: €162 million, an increase of +16%

Navigation orders surge, by close to +50%

Sales of navigation systems continue their strong growth this semester, with €88 million in new contracts signed. The group benefits from the positive trend across all its underlying markets, from naval defense to space applications. Several notable orders have complemented those from the first quarter. These include :



Numerous orders, ranging from several hundred thousand to several million euros, for the PHINS compact model dedicated to underwater drones. This model, one of the most profitable for the group, is experiencing global commercial success and benefits from the increasing number of drones deployed in the oceans.



An important order for a land defense application, worth several million euros, from a global leader based in Europe. This client, who has been satisfied with the performance of the URSA range for several years, significantly increased its ordered volume with this new contract.



Several orders for MARINS models, the range of inertial navigation systems offering the highest level of performance. Once again this quarter, this product generates a high level of repeat orders, forming an increasingly broader revenue base.

Orders intake for **robotic systems** are few this semester due to marine notification schedules. They mainly consist of recurring revenues generated by the maintenance of operational drones and additional services to existing clients.

The Advanced Technologies segment is well-oriented with €41 million in orders, mainly signed in the second quarter. The fundamentals of these activities remain unchanged from previous quarters, supported by strong sectors such as aerospace and laser applications. The segment notably benefited at the end of the period from a significant order of nearly €10 million for a leading aerospace client in France.

Revenue increased by +5% in the first half of 2024

Exail Technologies recorded a revenue of €163 million in the first half of the year, primarily generated by the Navigation & Maritime Robotics segment. The performance at the beginning of the year is globally in line with the group's expectations, which had anticipated stronger revenue growth in the second half compared to the first half.

Navigation & Maritime Robotics Segment: €125 Million

Revenue growth in the quarter is primarily driven by the delivery of inertial navigation systems (INS). The pace of INS production has significantly improved since last year, thanks to efforts to enhance industrial organization and production capacity. Revenue from navigation activities thus grew by over 20% this semester.

However, the contribution of maritime robotics is relatively stable due to the deliberate choice to address all commercial opportunities. This context, announced at the beginning of the year and factored into the company's forecasts, is expected to improve in the second semester.

Advanced Technologies Segment: €44 Million

This segment achieved a revenue of €44 million in the first half of 2024, compared to €41 million last year. This is a good performance given the unfavorable base effect (revenue in the first half of 2023 had been particularly robust, growing by +28%), aligning with the trajectory targeted for this year.

The growth this semester is primarily driven by clients in the defense sector, who have chosen Exail to develop and deliver various equipment for land and aerospace applications. Additionally, deliveries of optical components for civilian clients continue to progress, benefiting from a favorable competitive environment.

Perspectives

Thanks to favorable market trends and the mobilization of its teams, Exail Technologies has demonstrated its ability to tackle commercial and organizational challenges while maintaining a decent performance this semester. The robustness of revenues and the resilience of commercial performance are key assets for sustaining long-term growth. Exail Technologies expects higher revenue growth as soon as the third quarter.

The company thus maintains the guidance 2024 communicated during the 2023 annual results.

Upcoming financial communications:

- September 25, 2024: First half results
- October 23, 2024: Third quarter activity



About Exail Technologies

Exail Technologies is an industrial company specializing in high-tech navigation systems and autonomous robotics with vertical integration across its operations. The group offers complex systems including drones, navigation equipment, as well as products for the aerospace and photonics sectors. Exail Technologies ensures performance, reliability, and security for its civil and military clients operating in harsh environments. The company generates its revenues in nearly 80 countries.

Exail technologies is listed on Euronext Paris Compartment B (EXA) and is part of the Euronext Tech Leaders segment.

www.exail-technologies.com

Contacts :

Investor Relations

Hugo Soussan

Tel. +33 (0)1 44 77 94 86

h.soussan@exail-technologies.com

Media Relations

Manon Clairet

Tel. +33 (0)1 53 67 36 73

mclairet@actus.fr

Anne-Pauline Petureau

Tel. +33 (0)1 53 67 36 72

apetureau@actus.fr