

## **2025 HALF-YEAR RESULTS:**

### **POSITIVE EBITDA AND FREE CASH FLOW DRIVEN BY THE FIRST EFFECTS OF THE STRATEGIC REFOCUSING EBITDA EXPECTED TO BE STRONGLY POSITIVE IN 2025**

- Revenue of €7.9 million, taking into account the disposal of the “Data Acceleration Platform” business at the beginning of 2025;
- Gross margin at 87% (vs. 54% as of June 30th, 2024);
- Positive EBITDA<sup>1</sup> in H1, in line with announcements;
- Positive free cash-flow<sup>2</sup> of €3.1 million as of June 30th, 2025 (vs. (€21.1) million as of December 31st, 2024);
- Successful launch of the industrial cooperation with Openchip, opening up new commercial opportunities in the field of DPU for AI;
- Confirmation of a significant improvement in profitability for the 2025 financial year, with EBITDA expected to be strongly positive.

**Grenoble, September 24<sup>th</sup>, 2025 - Kalray (Euronext Growth Paris: ALKAL) provider of hardware and software technologies and solutions for intensive data processing from Cloud to Edge, announces its 2025 half-year results. The financial statements were approved by the Executive Board, following review by the Supervisory Board on 19th September 2025, and were subject to a limited review by the statutory auditors.**

**Eric Baissus, Chairman of the Management Board of Kalray, stated:**

*“The first half of 2025 marks a positive turning point for the Company’s long-term viability. Kalray posted a positive EBITDA and strongly positive free cash-flow for this first semester - a first for the Group. These half-year results demonstrate the relevance of our strategic refocusing on our core business through the divestment of our full-storage solutions division (the “Enterprise” activity) to DataCore Software, and the initial effects of our change of model based on co-development and service agreements.*

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<sup>1</sup> Earnings Before Interest, Taxes, Depreciation and Amortization

<sup>2</sup> Free cash-flow= Operating cash flow – investment cash flow

*The strategic industrial cooperation agreement signed with Openchip represents a key lever for the next chapter of our development. We are now refocused on our core business, DPU development, where we have unique expertise and technological know-how, particularly with the acceleration of AI deployments. Our collaboration got off to a very good start and the teams have been working together since mid-July.*

*Kalray is now operating with renewed momentum, allowing us to approach the future with greater confidence. We are confirming our profitability trajectory and expect EBITDA to be strongly positive for 2025."*

## **2025 HALF-YEAR RESULTS**

At the end of the first half of 2025, Kalray reported consolidated revenue<sup>3</sup> of €7,897k (€10,933k as of June 30th, 2024), a decline that was expected given the scope effect linked to the disposal of the "Data Acceleration Platform" activity (referred to as "Enterprise") on February 5th, 2025<sup>4</sup>. As a reminder, the "Semiconductor" activity, now the Group's new scope of operations, grew strongly over the period, reaching €5,366k in H1 2025 compared with €1,143k in H1 2024.

**The gross margin rose sharply to 86.8% versus 54.4% as of June 30th, 2024, as a result of the Company's strategic shift and change in business model.**

Total operating income amounted to €14,489k as of June 30th, 2025, compared with €20,069k as of June 30th, 2024.

Operating expenses fell significantly over the period, due to the scope effect and the impact of the cost-saving plan implemented in H2 2024. They thus fell from €19,920k as of June 30th, 2024, to €13,195k as of June 30th, 2025, a decrease of 34%. As of June 30th, 2025, the Company had 128 employees, compared with 230 a year earlier.

**EBITDA<sup>5</sup> is positive at €253k as of June 30th, 2025, versus (€4,836k) as of June 30th, 2024, and is expected to increase sharply in the second half of the year.**

Depreciation, amortization and provisions amounted to €7,308k as of June 30th, 2025 (vs. €8,948k as of June 30th, 2024) and are expected to decrease significantly in H2.

Operating income adjusted for the research tax credit (CIR)<sup>6</sup> (amounting to €3,122k), improved to (€3,933k) as of June 30th, 2025, compared with (€11,106k) as of June 30th, 2024.

After taking into account net financial income of €69k and an exceptional result of €1,749k (related to the reversal of asset impairment losses on disposal), net profit amounted to (€2,115k) as of June 30th, 2025, compared with (€11,375k) as of June 30th, 2024.

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<sup>3</sup> EUR/GBP 0,84.

<sup>4</sup> See press release as of February 5, 2025

<sup>5</sup> Earnings Before Interest, Taxes, Depreciation and Amortization

<sup>6</sup> Adjusted operating result: Operating result + Research tax credit

## **SIGNIFICANT IMPROVEMENT IN THE FINANCIAL POSITION**

Kalray's shareholders' equity amounted to €33,236k as of June 30th, 2025, versus €34,634k as of December 31st, 2024, including the half-year loss.

Kalray generated positive free cash flow<sup>7</sup> of €3,100k as of June 30th, 2025, compared with (€21,084k) as of December 31, 2024. This takes into account proceeds from the disposal of the "Enterprise" business line (€12.8m) and repayments of current liabilities (change in working capital of (€4,083k)).

Cash flows from financing activities amounted to (€2,505k) as of June 30th, 2025, corresponding to the repayment of the revolving credit facility (RCF). Financial debt totaled €9,259k as of June 30th, 2025 (vs. €12,976k as of December 31st, 2024), and includes €4,432k in conditional advances and €4,827k in bank debt (corresponding to the state-guaranteed loan (PGE) repayable over four years starting mid-2022 and the tranche of the convertible bond redeemable in shares with IRIS<sup>8</sup>). Finally, other liabilities (corresponding to share warrants) decreased significantly to €141k as of June 30th, 2025, versus €8,527k as of December 31st, 2024, taking into account the change in scope.

As of June 30th, 2025, Kalray's available cash amounted to €2,285k, compared with €1,697k as of December 31st, 2024. This does not include: (i) the remaining balance of the service agreement with DataCore (\$1m received in H1 2025 out of \$2.5m still to be invoiced) plus the additional payment of up to \$5m<sup>9</sup> (payable in H1 2026), and (ii) the €10m service agreement signed in July 2025 with Openchip.

The Company reiterates that, taking into account the signing of the second phase of the strategic agreement with Openchip, as well as debt renegotiations with suppliers and strategic partners—and subject to compliance with its cash flow projections (including pending payments by third-parties)—its financing horizon has now been extended to June 30th, 2026.

## **CONFIRMATION OF STRONG PROFITABILITY IMPROVEMENT IN 2025**

Kalray confirms its financial outlook for the fiscal year 2025, namely annual revenue is expected to decline by around 35% (due to the disposal of the "Enterprise" business), but to increase fourfold on a like-for-like basis. At the same time, Kalray is targeting a strong improvement in profitability, with EBITDA now expected to be strongly positive, driven by the new business model (effect of the disposal and the signing of the Openchip contract) and the full-year effects of the cost-saving plan (Opex).

## **SUCCESSFUL LAUNCH OF THE INDUSTRIAL COOPERATION AGREEMENT WITH OPENCHIP**

Since its signing in July, the industrial cooperation agreement with Openchip has got off to a good start. The teams are working closely together with a shared objective to leverage their respective expertise in order to develop a version of Kalray's DPU, specifically targeting next-generation high-performance computing systems and AI Gigafactories.

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<sup>7</sup> Free cash-flow= Operating cash flow – investment cash flow

<sup>8</sup> To date, the Company recalls having raised €6 million under this financing line and consequently issued 2,400 Bonds, of which 1,745 Bonds have been redeemed through the issuance of 4,442,725 new ordinary shares

<sup>9</sup> Subject to DataCore meeting commercial performance criteria on the Ngenea product line sales during fiscal year 2025.



As a reminder, this contract includes a temporary transfer of the DPU software development activity—representing a team of around 50 employees—in the form of a lease management agreement. This activity, which was transferred as of July 15th, 2025, is specifically intended to cover the development of open-source software components within the framework of open RISC-V architectures.

## **AVAILABILITY OF THE 2025 HALF-YEAR FINANCIAL REPORT**

The half-year financial report, including unaudited consolidated financial statements as of June 30<sup>th</sup>, 2025, and their appendices, will be available on October 31<sup>st</sup>, 2025 at the latest, in the “Financial Documents” section of the company's website at [www.kalray-bourse.com](http://www.kalray-bourse.com)

## **ABOUT KALRAY**

Kalray (Euronext Growth Paris – FR0010722819 – ALKAL) is a fabless semiconductor company, leader in a new generation of processors designed for applications that process massive data flows, particularly through artificial intelligence. At the forefront of innovation, Kalray's teams have developed unique technology and associated solutions that enable its customers to maximize workload performance, optimize infrastructure utilization and reduce power consumption.

Thanks to their patented “manycore” architecture, Kalray's MPPA® intelligent processors (known as DPU or xPU) can manage multiple data streams in parallel—without bottlenecks—enabling applications that process massive amounts of data to be smarter, more efficient, and energy-conscious, complementing traditional approaches (CPU and GPU).

Kalray's offering includes hardware and software acceleration solutions, as well as co-development or custom-design services for processors and acceleration solutions optimized for specific use cases in high-growth sectors such as data centers, AI Gigafactories, telecoms, space, defense, and many others. A spin-off from CEA founded in 2008, Kalray's investors include NXP Semiconductors, CEA, Safran, and Bpifrance. [www.kalrayinc.com](http://www.kalrayinc.com)

**DISCLAIMER**

This press release may contain forward-looking statements regarding the Company's objectives and outlook. These forward-looking statements are based on the current estimates and expectations of the Company's management and are subject to risks and uncertainties, including those described in Appendix 1 of the Management Board's report, available on the Company's website.

Readers' attention is particularly drawn to the fact that the Company's current financing horizon is extended to June 30th, 2026 at the present date of the press release. The forward-looking statements mentioned in this press release may not be achieved due to these factors or other unknown risks and uncertainties, or those not currently deemed significant by the Company.

**INVESTOR RELATION CONTACTS****ERIC BAISSUS**[contactinvestisseurs@kalrayinc.com](mailto:contactinvestisseurs@kalrayinc.com)

Phone +33 4 76 18 90 71

## ACTUS FINANCE &amp; COMMUNICATION

**ANNE-PAULINE PETUREAUX**[kalray@actus.fr](mailto:kalray@actus.fr)

Phone + 33 1 53 67 36 72

**MEDIA CONTACTS****ELLYN KALIFA**[communication@kalrayinc.com](mailto:communication@kalrayinc.com)

Phone +33 4 76 18 90 71

## ACTUS FINANCE &amp; COMMUNICATION

**SERENA BONI**[sboni@actus.fr](mailto:sboni@actus.fr)

Phone +33 4 72 18 04 92

## APPENDICES

### RECONCILIATION EBITDA/OPERATING RESULTS

€m – French standards	H1 2025
EBITDA	253
Amortization & Depreciation	(6,801)
OPERATING RESULT	(6,547)
Research Tax Credit	3,122
NET OPERATING RESULT *	(3,426)

\*Adjusted operating result: Operating result + Research tax credit

### DATA SUBMITTED TO LIMITED REVIEW BY THE AUDITORS

#### INCOME STATEMENT

€k – French standards	30/06/24	30/06/25*
Net Sales	10,933	7,897
Subsidies	1,446	1,763
R&D capitalization	7,317	4,829
Other revenue	374	0
<b>TOTAL REVENUE</b>	<b>20,069</b>	<b>14,489</b>
Cost of sales	(4,984)	(1,042)
Operating expenses	(19,920)	(13,195)
including Salaries & contributions	(12,942)	(9,386)
including other expenses	(6,978)	(3,809)
<b>EBITDA</b>	<b>(4,836)</b>	<b>253</b>
Amortization & Depreciation	(8,948)	(7,308)
<b>OPERATING RESULT</b>	<b>(13,784)</b>	<b>(7,054)</b>
Research Tax Credit	2,678	3,122
<b>NET OPERATING RESULT **</b>	<b>(11,106)</b>	<b>(3,933)</b>
FINANCIAL RESULT (incl FX impact)	(361)	69
EXCEPTIONNAL RESULT	92	1,749
<b>NET RESULT</b>	<b>(11,375)</b>	<b>(2,115)</b>

\* Revenue as of June 30th, 2025, includes one month of revenue from its 'Data Acceleration Platform' business, which was divested on February 5th, 2025 \*\* Adjusted operating result: Operating result + Research tax credit

## CONSOLIDATED BALANCE SHEET

K€ ASSETS (consolidated data)	As of 31/12/2024	As of 30/06/2025
Intangible assets	57,545	43,585
<i>incl. goodwill</i>	764	0
Tangible assets	4,731	3,650
Financial assets	607	590
<b>NON-CURRENT ASSETS</b>	<b>62,883</b>	<b>47,825</b>
Inventories	3,940	3,222
Accounts Receivable	7,532	2,804
Other receivable (CIR, CICE, Subsidies)	9,376	9,969
CASH	1,697	2,285
<b>CURRENT ASSETS</b>	<b>22,546</b>	<b>18,280</b>
Accrued expenses	2,710	734
<b>TOTAL ASSETS</b>	<b>88,139</b>	<b>66,839</b>

K€ LIABILITIES (consolidated data)	As of 31/12/2024	As of 30/06/2025
<b>EQUITY</b>	<b>34,634</b>	<b>33,236</b>
Provisions	4,445	157
R&D refundable advances	4,432	4,432
Bank loans	8,544	4,827
Accounts Payable	27,556	18,462
Taxes & contributions payable	6,875	5,585
Other debts	1,637	141
<b>DEBTS &amp; LIABILITIES</b>	<b>53,489</b>	<b>33,604</b>
Subsidies deferred revenue	16	0
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>88,139</b>	<b>66,839</b>



## CASH FLOW STATEMENT

Cash flow in K€	As of 31/12/2024	As of 30/06/2025
Operation Cash Flow before Capex & WC variation	(4,726)	(1,472)
Change in working capital (including R&D tax Credit)	3,692	(4,083)
<b>OPERATING CASH FLOW</b>	<b>(1,034)</b>	<b>(5,556)</b>
Capital Expenditures	(8,407)	(247)
R&D Capitalized	(15,177)	(5,726)
Subsidies	3,658	1,846
Other / Cash-acquisition subsidiaries	(123)	12,783
<b>INVESTMENT CASH FLOW</b>	<b>(20,050)</b>	<b>8,656</b>
<b>FREE CASH-FLOW</b>	<b>(21,084)</b>	<b>3,100</b>
Net Cash from investors	-	-
Bank Debt (net)	7,931	(3,120)
R&D conditional advances and prepaid subsidies (net)	1,354	615
<b>FINANCING CASH FLOW</b>	<b>9,285</b>	<b>(2,505)</b>
Change effect	287	(26)
<b>Annual CASH IN (CASH OUT)</b>	<b>(11,511)</b>	<b>570</b>
Cash beginning of period	13,209	1,698
<b>CASH END OF PERIOD</b>	<b>1,698</b>	<b>2,268</b>