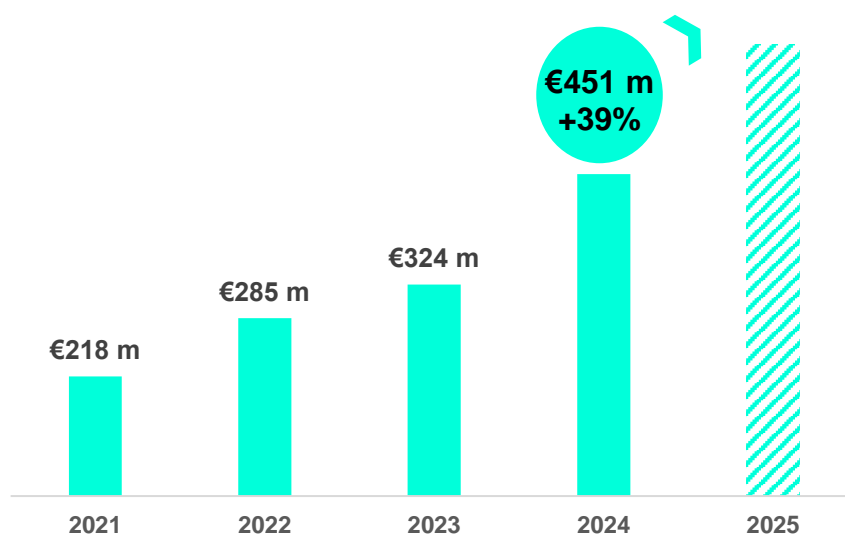


Full-year 2024 results: improved profitability and strong cash generation in the second half

Exail Technologies performed well at all levels in 2024. All the objectives set at the beginning of the year were met or exceeded. Against a backdrop of favorable market trends, particularly in the defense sector, the group's teams demonstrated their execution mastery in a high-growth environment. The company had a good first half of 2024 in a context of high commercial activity. This dynamism materialized in the figures for the second half of 2024. During this second part of the year, Exail Technologies saw a strong increase in all its indicators compared to the same semester last year:

- **Record order intake:** +57% compared to the second half of 2023
- **Strong revenue growth:** +25%
- **Significant improvement in current EBITDA:** +37%, improving the margin by +2 points
- **Operating cash flow :** €69 million, bringing the total for the year to a new record of €91 million
- **Significant debt reduction,** with the net debt ratio excluding ICG / current EBITDA falling below 2x.

Evolution of order intake since the acquisition of iXblue¹



¹ 2021 figure reconstituted with the sum of ex-ECA and ex-iXblue order intake

Income statement for the year and the second half of 2024

The consolidated accounts presented above were approved by the Board of Directors, which met on March 24, 2025. The accounts have been reviewed by the auditors, and their reports are being issued. The financial statements are available in the appendix to this press release.

	Year 2024			2 nd half 2024		
(in millions of euros)	FY 2024	FY 2023 restated	Variation %	H2 2024	H2 2023 restated	Variation %
Order intake	451	324	+39%	289	184	+57%
Backlog at the end of the period	708	630	+12%	708	630	+12%
Revenues	373	323	+16%	210	169	+25%
Current EBITDA ²	74	65	+13%	43	32	+37%
<i>Current EBITDA margin (%)</i>	<i>20%</i>	<i>20%</i>	<i>+0 pts</i>	<i>21%</i>	<i>19%</i>	<i>+2 pts</i>
Income from ordinary activities ²	46	40	+14%	29	19	+49%
Other elements of operating income	-27	-33	-16%	-14	-13	+8%
Operating income	18	7	+149%	14	6	+139%
Financial income and expenses	-27	-28	-4%	-14	-16	-12%
Taxes	4	3	n.a	1	2	n.a
Net income from discontinued activities	-	31	n.a	-	-	n.a
Consolidated net income	-5	14	n.a	1	-8	n.a

² Current EBITDA: operating income before net depreciation and provisions, share-based payment expenses, amortization of intangibles recognized at fair value, and other operating income and expenses.

Income from ordinary activities: operating income before share-based payment expenses, amortization of intangibles recognized at fair value, and other operating income and expenses

€373 million in Revenue in 2024

Exail Technologies posted remarkable performance in 2024 in terms of orders and revenue generation. The year was particularly dynamic commercially, with €451 million in orders, an increase of nearly 40% compared to the previous year. 60% of these orders are related to the defense sector.

A dedicated press release on 2024 revenue and orders was published on February 19, 2025 ([link to the dedicated press release](#)).

€74 million of current EBITDA

The group's profitability improved significantly during 2024 after a period of disruptions, particularly due to a very high level of responses to calls for tenders. Thus, the group's current EBITDA margin reached 21% in the second half of 2024, an improvement of +2 points compared to the same semester of the previous year. This improvement mainly comes from the Navigation & Maritime robotics segment.

Income from ordinary activities by segment ³

(in millions of euros)		2024	2023	Var €m	Variation %
Navigation & Maritime robotics	Revenues	289	246	43	+18%
	Current EBITDA	61	53	8	+15%
	Current EBITDA margin (%)	21%	22%	-	-0,6 pts
	Income form ordinary activities	44	39	5	13%
Advanced technologies	Revenues	97	85	12	+15%
	Current EBITDA	15	14	1	+7%
	Current EBITDA margin (%)	16%	17%	-	-1,1 pts
	Income form ordinary activities	11	10	2	16%

Operating income

Depreciation and provisions amounted to €28 million in 2024, bringing operating income to €46 million.

Other elements of operating income amounted to -€27 million, mostly non-cash. They include €18 million in amortization of assets recognized at fair value under IFRS 3R, €4.7 million related to employee incentive and retention plans, and €4.5 million in restructuring costs.

As a result, the group's operating income amounted to €18 million, an increase compared to last year.

² The sum of the aggregates of the two divisions must be supplemented by intra-group eliminations, the impact of IFRS 16 and the structure to obtain the consolidated result presented above. Details of these items are available in the appendix..

Cost of net financial debt : €27 million, half of which is non-cash

The net financial debt cost recorded is €27 million, of which only €14.5 million in bank interest payments generated a cash outflow. This part is down 2% compared to last year due to debt reduction and interest rate variations. The balance of the financial expense is related to ICG bonds, whose interest is capitalized and therefore has no cash impact.

Overall, the net result is -€4.5 million.

Operating Cash Flow Generation: €91 million in 2024

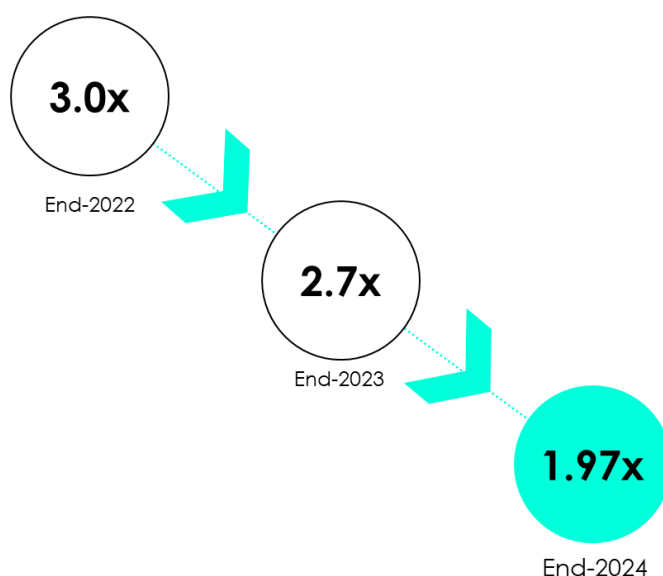
Exail Technologies generated €91 million in operating cash flow in 2024, an increase of €36 million compared to last year. Working capital requirements (WCR) contributed positively by €27 million. This good level of collections is the result of efforts made over several quarters on negotiating customer payment terms, cash management, and meeting delivery milestones.

Financial debt : €145 million in net debt at end-2024

The group's adjusted net debt, excluding ICG bonds⁴, decreased significantly in 2024. It stood at €145 million at the end of December 2024, down by approximately €80 million compared to the estimated debt at the time of the acquisition of iXblue in September 2022.

The debt reduction is even more notable in terms of the adjusted net debt / current EBITDA ratio, which fell below 2x.

Change in the ratio of net debt excluding ICG bonds to current EBITDA since the end of 2022



⁴ Adjusted net debt is financial debt excluding the application of IFRS 16, less cash and cash equivalents including treasury stock. ICG bonds are excluded because they do not generate cash outflows before maturity and are not taken into account in the calculation of covenants. Detailed information on the Group's financial structure is available in previous financial presentations and in the URD 2023.

Perspectives

A contract worth several hundred million euros for drone systems

At the beginning of 2025, following an international tender launched several years ago, a leading navy decided to entrust Exail Technologies with the supply of several autonomous drone systems for mine countermeasures. This major success reinforces the group's strategy and development choices made over the past 10 years ([read the dedicated press release](#)). This program will be transformative for Exail in terms of size and positioning to win other upcoming programs worldwide. **As soon as this order is booked, the group's backlog will exceed the one billion euro mark.**

Supportive trends for the group's defense markets

Defense spending is increasing significantly in Europe in a rearmament context. Defense investment spending (equipment purchases and R&D) increased by +42% in 2024 to reach €102 billion⁵. This amount could potentially double by 2030 and exceed €200 billion under the Readiness 2030 plan presented by the European Commission and due to the desire of many countries to strengthen the European defense industry. The European Defense Strategy White Paper 2030, published on March 19, 2025, presents promising themes for the company:

- **Drones**, including surface and underwater drones, are listed among the 7 priority areas: *"Drones are an essential capability"*
- **European preference**: *"By 2030, at least 50% of member states' defense budgets should be spent on purchases from European suppliers."*⁶
- **Support for SMEs and mid-sized companies**: *"EU-level instruments should prioritize and massively increase support for SMEs."*
- **Acceleration of R&D and innovation efforts**: *"In the context of a substantial increase in defense spending, a larger share must be invested in defense research, development, and technology."*

Exail Technologies, as a European high-tech mid-sized company, can contribute to strengthening a strong and sovereign European defense industry. In the context of strong support for the European defense technology and industrial base, the group aims to position itself as a European leader and one of the world's top players in its maritime navigation and drone systems activities. It can notably participate in efforts to increase production capacities to deliver its growing backlog and meet new demands from European players.

⁵ Defence investment by EU countries. Source European Defense Agency

⁶ Source : European defence industrial strategy (EDIS)

Potentially significant new markets in the medium-term

With its expertise in autonomous robotics, navigation, and mastery of critical sensors in the marine environment, Exail is positioning itself today in emerging applications, especially **Maritime Domain Awareness (MDA)**.

MDA encompasses missions of monitoring, mapping, and protecting sensitive maritime areas. The use of drone fleets provides major operational advantages for collecting data and detecting potential threats on the surface or underwater. Operated from a control center on land, they constitute an efficient and cost-effective solution for carrying out these missions compared to conventional manned vessels.

To meet these MDA applications, the best-positioned companies today are those that master shallow water drone systems (<300 meters), such as those for mine countermeasures, and the integration of critical sensors for data acquisition, such as sonars, navigation, and acoustic positioning systems. **Exail Technologies is one of the few players in Europe and worldwide with the spectrum of skills to address these challenges.** The company is also participating in several exercises with different navies testing these concepts:

- In France, the French Navy took control of the Drix in March 2025 and integrated it into the Dragoon Fury 25 exercises to explore use cases for operational deployment.
- Exail is also participating in the US Navy's Task Force 59 in the Middle East, which aims to establish a permanent fleet of drones to enhance maritime security.
- Exail also participated in the REPMUS exercises organized by NATO (Robotic Experimentation and Prototyping using Maritime Unmanned Systems) for the same purpose.

Surface drones, particularly the DriX, offer major advantages for addressing MDA challenges with drone fleets. Their strengths lie in their ability to remain at sea for long periods and the superior quality of acoustic measurements due to the drone's optimized shape and design for data collection. They constitute an effective and scalable solution for covering large areas compared to conventional means.

Another promising related market concerns the **monitoring of critical underwater infrastructure**, such as communication cables and energy installations. Exail is one of the few companies offering a range of drones capable of operating at depths from 300 meters to 6,000 meters, based on its existing drones developed for mine countermeasures. The group also masters the underwater navigation and communication systems necessary for these advanced applications. Exail won its first contract this year with the French Navy for a deep-sea drone and supplies equipment to numerous players worldwide aiming to deploy fleets of underwater drones.

Finally, in the field of positioning navigation systems, **land defense applications represent significant development potential** for the coming years. The market size is substantial, with a fleet of over 20,000 land defense vehicles in Europe alone today. This market is expected to grow significantly due to:

- the strengthening of European armed forces,
- the increased use of inertial navigation systems in previously unequipped vehicle types,
- the increase in the number of onboard sensors, with stabilization and precision needs.

Ambitions strengthened by the group's successes and market developments

Three years ago, when acquiring iXblue, Exail Technologies communicated indications of its medium-term development trajectory. Since then, several elements have strengthened the group's prospects:

- The increase in defense spending, with a share allocated to autonomous solutions;
- The larger-than-expected size of the mine countermeasures market;
- The growing demand of naval and land forces to rely on GPS-independent positioning solutions, particularly inertial navigation systems.

Among the objectives set, Exail Technologies aimed to win a second contract for drone systems worth several hundred million euros, which would consolidate its dominant position in this market and establish it as the leader for subsequent tenders. This objective was achieved in early 2025. The ramp-up of this new contract, which will span four years from its entry into force, allows Exail Technologies to confirm its goal of achieving a 25% current EBITDA margin.

Objectives 2025

Building on its commercial successes in 2024, an order backlog of €708 million at the end of 2024, and the major commercial success of early 2025, Exail Technologies is confident in its ability to maintain sustained growth in the coming years.

For 2025, Exail Technologies aims for double-digit revenue growth and current EBITDA growth higher than revenue growth.

Upcoming financial communications:

- 16 April 2025 : activity of the 1st quarter 2025
- 22 June 2025 : General meeting
- 23 July 2025 : activity of the 2nd quarter 2025

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.

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APPENDIX

Definitions of alternative performance indicators

- **Current EBITDA** : operating income before net depreciation and provisions, share-based payment expenses, amortization of intangibles recognized at fair value, and other operating income and expenses.
- **Income from ordinary activities** : operating income before share-based payment expenses, amortization of intangibles recognized at fair value, and other operating income and expenses.
- **Self-financing capacity**: Cash flow generated by the activity before changes in working capital and after neutralizing the cost of net financial debt and taxes.
- **Adjusted Net Debt**: Net debt excluding lease liabilities resulting from the application of IFRS 16 and including the value of treasury stock.

Income statement 2024

<i>(in thousands of euros)</i>	2024	2023 ⁷
REVENUES	162 625	154 259
Capitalized production	12 450	10 666
Inventories and work in progress	13 227	5 697
Other income from operations	11 599	9 884
Purchases and external charges	(93 646)	(78 043)
Personnel expenses	(74 452)	(66 860)
Share-based payments	(1 908)	(1 764)
Tax and duties	(13 377)	(12 659)
Depreciation, amortization, and provision (net of reversals)	473	(389)
Amortisation of intangible assets at fair value	16 992	20 790
Other operating income and expenses	-	-
Other items in operating income	(13 188)	(19 524)
OPERATING INCOME	3 804	1 266
Interest on gross debt	(13 091)	(11 717)
Interest on cash and cash equivalents	141	88
NET BORROWING COST (A)	(12 949)	(11 629)
Other financial income (b)	393	187
Other financial expense (c)	(58)	(371)
FINANCIAL INCOME AND EXPENSES (D=A+B+C)	(12 615)	(11 813)
Income tax	3 661	1 168
NET INCOME FROM CONTINUING OPERATIONS	(5 149)	(9 378)
Net income from discontinued operations	-	31 365
CONSOLIDATED NET INCOME	(5 149)	21 987
INCOME ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS	(3 705)	22 945
INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	(1 445)	(958)
Average number of shares	17 008 518	17 066 447

⁷ The 2023 income statement has been restated as explained in note 1.3 of the 2024 URD.

Balance sheet - Assets

<i>(in thousands of euros)</i>	31/12/2024	31/12/2023 ⁸
NON-CURRENT ASSETS	518 906	514 303
Goodwill	145 755	145 085
Other intangible assets	271 005	275 739
Property, plant and equipment	50 753	44 693
Rights of use	38 125	36 914
Other financial assets	11 391	9 739
Deferred tax assets	134	90
Other non-current assets	1 744	2 043
CURRENT ASSETS	312 714	294 521
Inventories, net	78 820	72 913
Trade receivables, net	64 285	63 295
Contract assets	63 151	75 134
Other current assets	30 914	25 429
Current tax assets	22 471	26 440
Other current financial assets	2 796	5 772
Cash and cash equivalents	50 277	25 538
Assets held for sale	-	-
TOTAL ASSETS	831 620	808 824

⁸ The consolidated statement of financial position at 31 December 2023 has been amended as explained in note 1.3 of URD 2024.

Balance sheet - liabilities

<i>(in thousands of euros)</i>	31/12/2024	31/12/2023 ⁹
SHAREHOLDERS' EQUITY (GROUP SHARE)	119 925	129 495
Minority interests	84 138	85 058
NON-CURRENT LIABILITIES	377 182	369 515
Long-term provisions	6 402	6 433
Long-term borrowings - due after more than one year	269 173	263 573
Rent payable - due after more than one year	32 422	32 110
Deferred tax liabilities	39 250	46 190
Commitments to purchase minority interests	26 276	17 978
Other non-current liabilities	3 659	3 232
CURRENT LIABILITIES CURRENT LIABILITIES	250 375	224 755
Short-term provisions	7 720	7 277
Long-term debt - current portion	39 024	36 015
Rent payable - current portion	8 075	7 212
Other current financial liabilities	2 927	4 248
Trade payables	49 292	58 476
Contract liabilities	61 418	39 706
Other current liabilities	81 711	71 165
Current tax liabilities	208	655
Liabilities held for sale	-	-
TOTAL LIABILITIES	831 620	808 824

⁹ The consolidated statement of financial position at 31 December 2023 has been amended as explained in note 1.3 of URD 2024.

Cash-flow statement

(in thousands of euros)	2024	2023 ¹⁰
NET INCOME FROM CONTINUING ACTIVITIES	(4 532)	(17 706)
Calculated income and expenses	48 039	48 876
Gains and losses on disposals	(700)	3 461
Share of profit of associates Share of profit of associates	-	-
CASH FLOW (BEFORE NEUTRALISATION OF NET BORROWING COSTS AND TAX)	42 807	34 632
Net borrowing costs	27 379	26 928
Tax	(4 352)	(3 105)
CASH FLOW (AFTER NEUTRALISATION OF NET BORROWING COSTS AND TAX)	65 835	58 454
Tax paid	(1 840)	(3 963)
Change in working capital requirements working capital	27 406	1 158
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	91 401	55 649
Investing activities		
Disbursements/acquisitions of intangible assets	(20 091)	(22 451)
Disbursements/acquisitions of property, plant and equipment	(14 612)	(9 360)
Receipts/disposals of property, plant and equipment and intangible assets	776	4 600
Financial investments net of disposals	(406)	3 523
Net cash/acquisitions and disposals of subsidiaries and disposals of subsidiaries	(2 071)	27 310
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	(36 404)	3 622
Financing activities		
Capital increases or contributions	1 425	2 093
Dividends paid	(366)	(128)
Other capital transactions	(2 355)	(27 437)
Proceeds from borrowings	33 003	664
Repayments of borrowings	(37 738)	(44 578)
Repayments of lease liabilities	(8 219)	(7 207)
Cost of net debt paid	(14 553)	(14 861)
Other cash flows	(1 589)	(986)
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	(30 391)	(92 441)
CASH FLOW FROM CONTINUING ACTIVITIES (D= A+B+C)	24 605	(33 170)
CASH FLOW FROM DISCONTINUED OPERATIONS	-	(7 521)
IMPACT OF CHANGES IN EXCHANGE RATES	93	(48)
CASH AT OPENING	25 538	58 756
CASH FLOW FROM DISCONTINUED OPERATIONS	24 605	(33 170)
CASH AT CLOSING	-	-
CASH FLOW FROM DISCONTINUED OPERATIONS	50 236	25 538

¹⁰ 2023 has been restated in application with IFRS 3R. Refer to section 1.3 of URD 2024..

Segment reporting - 2024 financial year

(in thousands of euros)	Navigation and maritime robotics	Advanced technologies	Structure	IFRS 16 & IFRS 2	Elim.	Consolidated
Backlog, beginning of period	-	-	-	-	-	630 268
Backlog, end of period	-	-	-	-	-	708 392
Sales	289 004	97 332	1 132	-	(14 407)	373 062
Current EBITDA	60 722	15 195	(1 231)	8 541	(9 408)	73 820
% of sales	21,0 %	15,6 %	n/a	n/a	n/a	19,8 %
Amortisation and provisions, net of reversals	(16 336)	(3 747)	(65)	(8 156)	-	(28 304)
Operating income	44 386	11 448	(1 297)	385	(9 408)	45 515
% of sales	15,4 %	11,8 %	n/a	n/a	n/a	12,2 %
Restructuring costs	(1 057)	(3 417)	-	-	-	(4 475)
Acquisition/divestment costs	(12)	-	-	-	-	(12)
Other	-	-	31	-	-	31
Total other operating items	(1 069)	(3 417)	31	-	-	(4 456)
Share-based payments	-	-	-	(4 662)	-	(4 662)
Amortisation of intangible assets recognised at fair value on acquisition	(16 123)	(2 200)	-	-	-	(18 323)
Operating income	27 194	5 831	(1 266)	(4 277)	(9 408)	18 074
% of sales	9,4 %	6,0 %	n/a	n/a	n/a	4,8 %

Segment reporting - 2024 financial year

(in thousands of euros)	Navigation and maritime robotics	Advanced technologies	Structure	IFRS 16 & IFRS 2	Elim.	Consolidated
Backlog, beginning of period	-	-	-	-	-	628 304
Backlog, end of period	-	-	-	-	-	630 268
Sales	245 547	84 997	1 356	-	(9 080)	322 820
Current EBITDA	52 944	14 196	(1 841)	7 372	(7 611)	65 061
% of sales	21,6 %	16,7 %	n/a	n/a	n/a	20,2 %
Amortisation and provisions, net of reversals	(13 639)	(4 325)	(83)	(7 075)	-	(25 122)
Operating profit	39 305	9 872	(1 923)	297	(7 611)	39 939
% of sales	16,0 %	11,6 %	n/a	n/a	n/a	12,4 %
Restructuring costs	(184)	(71)	-	-	-	(255)
Acquisition/divestment costs	(587)	(227)	-	-	-	(814)
Fair value of PRODWAYS GROUP shares distributed	-	-	(4 673)	-	-	(4 673)
Other	-	(164)	(17)	-	-	(181)
Total other operating items	(771)	(462)	(4 690)	-	-	(5 923)
Share-based payments	-	-	-	(8 448)	-	(8 448)
Amortisation of intangible assets recognised at fair value on acquisition	(16 123)	(2 200)	-	-	-	(18 323)
Operating profit	22 411	7 210	(6 613)	(8 151)	(7 611)	7 245
% of sales	9,1 %	8,5 %	n/a	n/a	n/a	2,2 %