Parrot

PRESS RELEASE
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2026 FIRST-HALF EARNINGS

Record consolidated revenues, up +71%, driven by +134% growth in the micro-UAV business

The Group's operations broke even for the second consecutive half-year period

Further revenue growth expected for the third quarter of 2026

In the first half of 2026, the Parrot Group, a European leader for professional micro-UAVs, reached another milestone in its development with revenues of €57.3m, up 71%, driven by the strong ramp-up of its professional micro-UAV business. This activity generated €42.1m of revenues, up 134%, while the critical infrastructure solutions business remained stable at constant exchange rates over the first half of the year.

The Group's strong business growth enabled it to achieve positive current operating income of €2.6m, compared with a €(12.9)m loss one year earlier. This result benefited from €2.5m of non-recurring insurance proceeds (net); excluding this item, Parrot's operations broke even for the second consecutive half-year period, while continuing to pursue an ambitious innovation strategy. Net income (Group share) came to €2.1m, while operational cash consumption was reduced to €2.2m from €13.7m in the first half of 2025.

Supported by the continued execution of the contracts won and several ongoing tenders, Parrot expects to see further double-digit revenue growth in the third quarter of 2026. The Group is looking ahead to the second half of the year with confidence, while taking into account a significantly higher basis for comparison, particularly in the fourth quarter.

The professional micro-UAV business generated €20.8m of revenues in the second quarter of 2026, up 178% at current exchange rates and 186% at constant exchange rates. First-half revenues reached €42.1m, compared with €18.0m in the first half of 2025, up 134% at current exchange rates and 139% at constant exchange rates, marking a record first-half performance for the micro-UAV business. Growth was driven by the success of the ANAFI UKR range and was supported by a diversified client base, with significant deliveries in the United States, Canada, Australia, Switzerland, the Netherlands, Finland and France.

The ANAFI UKR range has continued to expand in order to address a range of operational environments and mission requirements. Its secure communications architecture now offers several configurations combining 5G, Wi-Fi, the MARS frequency-hopping military radio, designed to withstand jamming, and a back-up LoRa link. The new XLR battery extends flight endurance to up to 70 minutes and flight range to up to 40 km, further strengthening the ANAFI UKR's capabilities for long-endurance missions. These developments expand the use cases covered, while consolidating Parrot's technological positioning on the defense and public security markets.

Alongside this, the CHUCK 3.0 autopilot is moving into a new phase in its development: following the completion of the main R&D work, the first integrations are currently being demonstrated to end clients and undergoing certification procedures, prior to its potential commercial deployment.

The critical infrastructure solutions business recorded €15.1m of revenues in the first half of 2026, compared with €15.5m for the first half of 2025, down -3% at current exchange rates and stable at constant exchange rates. Following a first quarter marked by the gradual transition from perpetual licenses to subscriptions, which may result in fluctuations in activity from one quarter to another, second-quarter revenues came to €8.5m, up 10% at current exchange rates and 11% at constant exchange rates. The quarter's performance benefited from the progress made with new solutions and the positive trend for commercial activity in the direct B2B solutions segment. Alongside this, the subscription-based model is continuing to develop, gradually strengthening recurring revenues.

During the first half of the year, several strategic contracts were secured, notably with a systems integrator focused on fiber-optic networks in Germany, a water network manager in the United Kingdom, a manufacturer and supplier of drone solutions in Japan, an energy infrastructure manager in the United States, and a county police department in Florida. These achievements demonstrate PIX4D's ability to embed its technologies at the heart of operational processes for the management of critical infrastructure and public services.

REVENUES(1) (€m and % of revenues)	**H1 2026** *6 months*		**H1 2025** *6 months*		**Change** *current exchange rates*	**Change** *constant exchange rates*
Professional micro-UAVs	**42.1**	*74%*	**18.0**	*54%*	**+134%**	**+139%**
Critical infrastructure solutions	**15.1**	*26%*	**15.5**	*46%*	**-3%**	**+0%**
PARROT GROUP TOTAL(2)	**57.3**	*100%*	**33.6**	*100%*	**+71%**	**+75%**

(1) Quarterly revenues are presented in the appendix.
(2) Including the subsidiary Outflier for €0.1m in the first half of 2026 and NS for the first half of 2025.

2026 first-half earnings

The consolidated financial statements for the first half of 2026 ended June 30, 2026 were approved by the Board of Directors on July 31, 2026. The half-year financial report will be published tonight on https://www.parrot.com/uk/corporate/reports.

CONSOLIDATED INCOME STATEMENT (IFRS, €m)	**H1 2026** *(6 months)*	**H1 2025** *(6 months)*	**Change**	**H2 2025** *(6 months)*	**2025** *(12 months)*
Revenues	**57.3**	**33.6**	**+71%**	**46.2**	**79.8**
Micro-UAVs	42.1	18.0	+134%	29.9	47.9
Critical infrastructure solutions	15.1	15.5	-3%	16.3	31.8
Cost of sales	(16.5)	(8.5)	+95%	(11.2)	(19.7)
Gross margin	**40.8**	**25.1**	**+62%**	**35.0**	**60.1**
% of revenues	*71.2%*	*74.8%*		*75.8%*	*75.4%*
Research and development costs	(23.8)	(22.7)	+5%	(22.1)	(44.8)
% of revenues	*-41.5%*	*-67.5%*		*-47.8%*	*-56.2%*
Sales and marketing costs	(5.0)	(6.4)	-22%	(5.3)	(11.7)
% of revenues	*-8.6%*	*-19.0%*		*-11.5%*	*-14.7%*
Administrative costs and overheads	(7.1)	(7.1)	+0%	(4.4)	(11.5)
% of revenues	*-12.5%*	*-21.3%*		*-9.5%*	*-14.5%*
Production and quality costs	(2.3)	(1.8)	+27%	(2.9)	(4.7)
% of revenues	*-4.0%*	*-5.4%*		*-6.3%*	*-5.9%*
Income from ordinary operations	**2.6**	**(12.9)**	**NA**	**0.2**	**(12.7)**
% of revenues	*4.5%*	*-38.4%*		*0.4%*	*-15.9%*
Other operating income and expenses	-	(0.2)	NA	0.2	0.1
EBIT	**2.6**	**(13.1)**	**NA**	**0.5**	**(12.6)**
% of revenues	*4.5%*	*-39.0%*		*1.1%*	*-15.8%*
Income from cash and cash equivalents	0.2	0.0	NS	0.2	0.2
Gross finance costs	(0.1)	(0.1)	NS	(0.3)	(0.4)

Net finance costs	**0.1**	**(0.1)**	**NS**	**(0.1)**	**(0.2)**
Other financial income and expenses	(0.3)	(1.0)	NS	(0.5)	(1.5)
Financial income and expenses	(0.2)	**(1.1)**	**-82%**	**(0.7)**	(1.8)
Share in income from associates	-	(0.2)	NS	0.0	(0.2)
Tax	(0.7)	(0.2)	NS	(0.2)	(0.4)
Net income	**1.7**	**(14.7)**	**NA**	**(0.3)**	**(15.0)**
Net income (Group share)	**2.1**	**(14.4)**	**NA**	**(0.1)**	**(14.5)**
% of revenues	*3.7%*	*-42.9%*	-	*-0.2%*	*-18.2%*
Non-controlling interests	(0.5)	(0.3)	NS	(0.2)	(0.5)

With consolidated revenues of €57.3m for the first half of 2026, up 71%, the Group recorded a gross margin of €40.8m, representing a margin rate of 71.2%, compared with 74.8% the previous year. This contraction reflects the changes in the product mix: on the one hand, the ramp-up of the ANAFI UKR, which has not yet reached the margin levels of a mature product, and on the other hand, the lower contribution from the critical infrastructure solutions business, whose margin profile continues to be structurally high.

The Group's operating expenditure for the first half of 2026 came to €38.2m, compared with €38.0m for the first half of 2025. This includes €2.5m of non-recurring net insurance proceeds relating to a claim that occurred during the second half of 2025 and had no impact on the Group's activity.

First-half research and development expenses increased by €1.1m to €23.8m, in line with the continued growth in the workforce, particularly for micro-UAVs, and the allocation of part of the insurance proceeds. Sales and marketing costs came to €5.0m, compared with €6.4m one year earlier, which included the resources dedicated to the ANAFI UKR's launch. Overheads are stable at €7.1m and include the other insurance proceeds section. Production and quality costs totaled €2.3m, representing 4.0% of revenue At end-June 2026, the Group's workforce - permanent and fixed-term contracts - represented 469 people, compared with 451 at June 30, 2025. 59% of the workforce is dedicated to micro-UAVs, with 41% covering critical infrastructure solutions. The Group continued to use external contractors to cover ad hoc needs, with 28 in place at June 30, 2026 (versus 27 at June 30, 2025).

First-half income from ordinary operations came to €2.6m, compared with €(12.9)m for the same period in 2025. €5.5m are attributable to the micro-UAV business, compared with €(9.7)m at June 30, 2025, while the critical infrastructure solutions business recorded a €(1.2)m loss, including non-recurrent lease costs, compared with €(0.8)m one year earlier. The remaining €(1.8)m are linked to Parrot S.A. and Outflier. As other operating income and expenses were not significant for the period, 2026 first-half consolidated EBIT came to €2.6m and operations broke even for the second consecutive half-year period.

Financial income and expenses for the first half of 2026 came to €(0.2)m, compared with €(1.1)m for the same period in 2025. After taking into account the share in income from associates and tax, for €0.7m, net income (Group share) came to €(2.1)m, compared with €(14.4)m for the first half of 2026.

Change in the cash position

At June 30, 2026, the Group had €18.8m of cash, compared with €23.0m at December 31, 2025 and €17.0m at June 30, 2025.

Cash consumed by operating activities came to €2.2m for the first half of this year, versus €13.7m for the same period in 2025. This improvement primarily reflects the €1.7m of net income, compared with a €(14.7)m loss for the first half of 2025. The cash used for investment activities came to €(0.8)m, stable compared with the first half of 2025. Investments during the period primarily consisted of office renovations covered by insurance proceeds totaling €0.7 million. Financing cash flow represented €(1.3)m, compared with €(1.5)m for the first half of 2025, linked mainly to the repayment of lease liabilities under IFRS 16 for €(1.4)m.

After the reporting date, the Group obtained €3.4m of bank pre-financing in relation to the 2025 research tax credit, collected the insurance proceeds, and disbursed €(1.3)m to settle the PIX4D put option debt, which has now been extinguished.

The Group will continue to benefit from the support of its main shareholder, Horizon SAS, under the partner current account agreement approved by the Board of Directors on December 12, 2025. The current authorized allocation is €20m, due to mature at end-February 2028. €5.0m had been drawn at December 31, 2025, and no additional amounts were drawn down during the first half of 2026.

Outlook for 2026

Following a first half of very strong growth, Parrot is looking ahead to the second half of the year with confidence, supported by the contracts won that are being rolled out and several ongoing tenders. Parrot expects to deliver further revenue growth in the third quarter of 2026.

For micro-UAVs, the second-half performance will need to be assessed in relation to a significantly higher basis for comparison than in the first half, particularly at the end of the year. Following an initial wave of large-scale tenders aimed at rapidly equipping several armed forces with next-generation ISR capabilities, demand is now being driven by continued deliveries under the contracts already awarded, follow-on orders from existing clients and the development of new use cases. Due to the factors involved, large-scale tenders will continue to be irregular and dependent on the budgetary, operational and administrative timelines of institutional clients. Parrot will continue to anticipate its procurement requirements and further scale up its production capacity. These initiatives are expected to result in a significant temporary increase in working capital requirements and greater cash utilization during the second half of 2026.

In the critical infrastructure solutions business, the rollout of new offerings and the gradual transition to subscriptions is continuing to move forward. This transition, which is intended to increase recurring revenues and improve profitability in the medium term, may continue to result in quarter-to-quarter fluctuations in activity levels.

In this context, Parrot remains focused on expanding its commercial footprint, managing its industrial execution effectively and continuing to improve its operational performance.

Next financial dates:

- First-half 2026 earnings video conference (registration required for professional investors): Thursday September 10, 2026 at 4pm CET.
- 2026 third-quarter business and revenues: Wednesday October 28, 2026

ABOUT PARROT

Parrot is Europe's leading group in the field of professional micro-UAVs and 3D mapping and modeling solutions. The Group designs, develops and markets a complementary range of high-performance Professional micro-UAVs and Critical infrastructure software solutions, serving both operational and analytical needs of security forces, industrial and commercial operators as well as public authorities worldwide.

Parrot integrates artificial intelligence at the core of its micro-UAV systems, enabling advanced capabilities in autonomous flight, detection, tracking, and analysis in complex environments. Its ANAFI range, renowned for its compact design, robustness and ease of deployment, is built to meet the demanding requirements of critical missions in Intelligence, Surveillance and Reconnaissance (ISR), public safety, and technical inspection.

The Critical Infrastructure Solutions activity, led by PIX4D, helps operators and owners improve inspection speed, safety, documentation, and decision-making by turning hard-to-access assets into accurate, shareable 3D models in a secure data environment.

Founded in 1994 by Henri Seydoux, Chairman, CEO and main shareholder, Parrot is headquartered in Paris and develops its products in Europe. Manufacturing is carried out in the United States and South Korea, combining technological sovereignty with industrial agility. The Group employs over 450 people and generates most of its revenue, €80 million in 2025, internationally. With subsidiaries in Switzerland, the United States, South Korea, Japan, Germany and Spain, Parrot serves governments, enterprises and operators in more than 50 countries. Parrot is listed on Euronext Paris (FR0004038263 - PARRO). For more information: www.parrot.com, www.pix4d.com

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APPENDICES

Segment reporting

First half of 2026, IFRS, in €m and % of revenues	Micro-UAVs	Critical infrastructure solutions	Other[1]	H1 2026 total
Revenues	42.1	15.1	0.1	57.3
Income from ordinary operations	5.5	-1.2	-1.8	2.6

2025, IFRS, in €m and % of revenues	Micro-UAVs	Critical infrastructure solutions	Other[1]	2025 total
Revenues	47.9	31.8	0.1	79.8
Income from ordinary operations	-9.0	-0.1	-3.5	-12.7

First half of 2025, IFRS, in €m and % of revenues	Micro-UAVs	Critical infrastructure solutions	Other[1]	H1 2025 total
Revenues	18.0	15.5	0,0	33.6
Income from ordinary operations	-9.7	-0.8	-2.5	-12.9

(1) Parrot SA and other related activities, including Outflier.

Consolidated balance sheet

ASSETS (IFRS, €m)	June 30, 2026	Jun 30, 2025	Dec 31, 2025
Non-current assets	**15.7**	**16.7**	**15.8**
Goodwill	4.6	4.6	4.6
Other intangible assets	0.5	0.4	0.6
Property, plant and equipment	3.4	2.5	2.9
Right of use	6.2	8.1	6.8
Investments in associates	-	-	-
Financial assets	1.0	1.0	1.0
Deferred tax assets	0.0	0.0	0.0
Current assets	**64.9**	**49.8**	**51.7**
Inventories	9.5	14.1	7.2
Trade receivables	7.2	3.4	5.6
Tax receivables	-	5.5	6.2
Other receivables	29.3	9.7	9.7
Cash and cash equivalents	18.8	17.0	23.0
Total assets	**80.6**	**66.5**	**67.5**

SHAREHOLDERS' EQUITY AND LIABILITIES (IFRS, €m)	June 30, 2026	Jun 30, 2025	Dec 31, 2025
Shareholders' equity	**33.9**	**29.4**	**30.5**
Share capital	4.7	4.7	4.7
Additional paid-in capital	331.6	331.6	331.6
Reserves excluding earnings for the period	-315.5	-303.8	-302.4
Earnings for the period - Group share	2.1	-14.4	-14.5
Exchange gains or losses	9.0	8.8	8.8
Equity attributable to Parrot SA shareholders	**32.0**	**26.8**	**28.1**
Non-controlling interests	1.9	2.6	2.4
Non-current liabilities	**11.1**	**10.7**	**11.7**
Non-current financial liabilities	0.5	0.5	0.5
Non-current lease liabilities	4.3	5.7	4.4
Provisions for pensions and other employee benefits	1.2	1.7	1.7
Deferred tax liabilities	-	0.0	0.0
Other non-current provisions	0.2	0.3	0.1
Other non-current liabilities	5.0	2.5	5.0
Current liabilities	**35.6**	**26.4**	**25.3**
Current lease liabilities	2.2	2.7	2.6
Current provisions	1.1	1.0	1.5
Trade payables	15.5	6.9	7.6
Current tax liabilities	0.2	0.2	0.1
Other current liabilities	16.7	15.7	13.6
Total shareholders' equity and liabilities	**80.6**	**66.5**	**67.5**

Consolidated cash-flow statement

IFRS (€m)	June 30, 2026	Jun 30, 2025	Dec 31, 2025
OPERATING CASH FLOW			
Earnings for the period	1.7	-14.7	-15.0
Net income attributable to the Company's owners	2.1		
including non-controlling interests	-0.5		
Share in income from associates	-	0.2	0.2
Depreciation and amortization	2.0	2.0	4.8
Capital gains and losses on disposals / Insurrance benefits	-0.7	0.1	0.4
Tax expense	0.7	0.2	0.4
Cost of share-based payments	0.9	0.4	0.7
Other non-cash items	0.0	-	0.0
Net finance costs	-0.1	0.1	0.2
Cash flow from operations before net finance costs and tax	**4.5**	**-11.7**	**-9.0**
Change in working capital requirements	-6.7	-2.1	1.8
Tax paid	-0.1	-0.0	-0.4
Cash flow from operating activities (A)	**-2.2**	**-13.7**	**-7.6**
INVESTING CASH FLOW			
Acquisition of property, plant and equipment and intangible assets	-1.5	-0.8	-2.1
Acquisition of financial assets	-0.1	-0.1	-0.2
Disposal of property, plant and equipment and intangible assets / Insurance benefits	0.7	-	0.3
Disposal of financial assets	0.0	0.1	0.1
Cash flow from investment activities (B)	**-0.8**	**-0.8**	**-1.9**
FINANCING CASH FLOW			
Receipts linked to new loans	-	-	2.5
Net interest paid	0.1	-0.1	-0.2
Repayment of short-term financial debt (net)	-1.4	-1.4	-2.7
Cash flow from financing activities (C)	**-1.3**	**-1.5**	**-0.4**
NET CHANGE IN CASH (D = A+B+C)	**-4.3**	**-16.0**	**-9.9**
Impact of change in exchange rates	0.1	-0.5	-0.7
CASH AND CASH EQUIVALENTS AT START OF PERIOD	**23.0**	**33.6**	**33.6**
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**18.8**	**17.0**	**23.0**

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