

2021 FIRST-QUARTER BUSINESS

For the first quarter of 2021, the Parrot Group is reporting consolidated revenues of €12.4m. The American subsidiary specialized in precision farming sensors (Micasense), sold on January 27, 2021, is no longer consolidated from the first quarter of 2021 and its revenues have been eliminated from 2020 to obtain a comparable basis. The realignment around commercial drones is delivering a range of benefits: at constant exchange rates, Group revenues (comparable basis) are up 6.5% (stable at current exchange rates) compared with the first quarter of 2020.

Over the period, the Group's commercial development was marked by:

- The 50.5% increase in revenues for micro-drones (+56.9% at current exchange rates) to €4.8m, driven by strong sales growth for commercial micro-drones from the ANAFI range and the ANAFI USA in particular. The robust commercial development with professional clients and governments offset, to a great extent, the voluntary scaling down of consumer product sales. The first quarter's performance does not take into account a first order received under the framework agreement signed with the French Defense Procurement Agency (DGA) for 150 systems that will be delivered at the start of the second half of the year.
- The €5.6m of revenues generated by the data analysis software. The 8.8% contraction (-2.1% at constant exchange rates) reflects a lower level of use of its software products, held back by the weather conditions seen this winter which restricted drone flights, followed by a very good recovery in March and April. The Group's activity also reflects the ramping up of the business solutions launched at the end of 2019 and continued growth in user numbers, buoyed by a stronger sales structure, progressing from two to four dedicated sales teams serving four regions (North America, Southern Europe and Latin America, Asia-Pacific and China, Northern Europe).
- The full renewal of the fixed-wing commercial drone range, with three new eBee models targeting different needs and markets, which were presented in February 2021 and made a very limited contribution over the period. With a limited impact for the health crisis during the first quarter of 2020, compounding the basis for comparison, and the pace of client investments held back by this winter's weather conditions, revenues are down 36.0% to €2.2m. During this first quarter of ramping up production, senseFly focused on the commercial deployment and marketing of its new range, particularly with new distributors specialized in the defense and security sector, and recorded the first sales of a model intended specifically for this market.

PARROT GROUP REVENUES

€m and % of revenues	Q1 2020		Q1 2021		Change	FY 2020	
Micro-drones (Parrot Drones)	3.2	23%	4.8	39%	+50.5%	18.7	33%
<i>Of which, consumer products⁽¹⁾</i>	2.0	14%	1.1	8%	-46.8%	7.3	13%
Data analysis software (Pix4D)	6.1	44%	5.6	45%	-8.8%	23.3	41%
Fixed-wing drones (senseFly)	3.5	25%	2.2	18%	-36.0%	10.8	19%
Parrot SA	0	0%	0.1	1%	ns	0.3	ns
Intragroup eliminations	-0.3	-	-0.2	-	ns	-1.1	ns
PARROT GROUP TOTAL - REPORTED BASIS	13.8	100%	12.4	100%	-9.8%	52.0	-
MicaSense ⁽²⁾	1.4	10%	0.0	0%	-100.0%	5.3	9%
PARROT GROUP TOTAL - COMPARABLE BASIS⁽³⁾	12.4	90%	12.4	100%	+0.4%	57.3	100%
COMMERCIAL DRONES TOTAL⁽⁴⁾	10.4	76%	11.4	92%	+9.4%	44.7	78%

(1) Consumer products: consumer drones (all ranges), legacy automotive products (car kit, plug & play) and connected devices.

(2) Following the sale of Micasense on January 27, 2021, revenues are no longer consolidated since the first quarter of 2021.

(3) The comparable Parrot Group total excludes MicaSense revenues for 2020.

(4) Commercial Drones Total is an alternative performance indicator to measure the impact of strategic decisions; for the periods presented, it is determined by deducting the consumer activities (all ranges and products) from revenues (see (1)).

Outlook for 2021

The strategy applied by the Group since 2018, based on a technological value creation roadmap for commercial markets, is delivering a range of benefits. As expected, the scope effects linked to the change in the product portfolio are expected to continue to become less marked in 2021. The Group, which has secured the vast majority of its purchases in 2021, is maintaining its vigilance concerning tensions on the components market and developments with the health context. Parrot is continuing to capitalize on its capacity for innovation, its product quality and its constant focus on managing its operations and allocating its resources effectively. In line with the 2021 business development plan, including the product launches,

production plans and order book, growth could be accelerated over the second half of 2021, driven by the deliveries in the Defense and Security sector in particular.

Recap on MicaSense's sale

On January 27, 2021, Parrot sold its entire capital interest in MicaSense Inc., representing 99%, to AgEagle Aerial Systems Inc, based on an enterprise value of \$22.75m for 100% of the capital. The cash payment is based on several instalments: \$14.3m have been paid since January, then \$2.25m will be paid at end-March 2022 and \$2.5m at end-March 2023, subject to the standard guarantees granted to the buyer. This operation also includes a component paid in AgEagle Aerial Systems shares, listed on NYSE American, for an equivalent of \$3m on the date when the shares were awarded. Within this framework, 535,124 new AgEagle Aerial Systems shares were awarded to Parrot on April 27, 2021; the Company does not intend to retain these shares.

Next financial dates

- Combined general meeting: Wednesday June 16, 2021 from 8:30am CET (closed session).
- 2021 first-half earnings: Friday July 30, 2021 after close of trading.

ABOUT PARROT

Founded in 1994 by Henri Seydoux, Parrot is today the leading European group in the fast-growing industry of drones. Visionary, at the forefront of innovation, Parrot is positioned across the entire value chain, from equipment to services and software. Its micro-drones, well known for their high performance and ease of use, address the needs of professionals as well as consumers. The Group also has a portfolio of outstanding companies and interests in commercial drones, covering equipment, software and services. Its expert capabilities are focused primarily on three vertical markets: (i) 3D Mapping, Surveying and Inspection, (ii) Defense and Security and (iii) Agriculture.

The Parrot Group designs and engineers its products in Europe, mainly in France and Switzerland. It currently employs over 500 people worldwide and makes the majority of its sales outside of France. Parrot, headquartered in Paris, has been listed since 2006 on Euronext Paris (FR0004038263 - PARRO). Financial information is available on <http://corporate.parrot.com>. For more information visit: www.parrot.com, www.pix4d.com, www.sensefly.com

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