

Activity of the third quarter 2023: +14% revenues and +20% order intake

Exail Technologies generated €65 million in revenue in the third quarter 2023, up +14% compared to the third quarter 2022 at equivalent scope and +130% compared to published Q3 2022. The quarter was marked by sustained commercial activity, with the progress of certain significant calls for tenders and an increase in order intake of +20%, driven in particular by sales of navigation systems.

As a reminder, Exail Technologies now presents its revenue divided into two complementary and vertically integrated business segments:

➤ **The Navigation & Maritime Robotics segment** includes the group's two main activities, vertically integrated: the sale of navigation systems, positioning systems, and sonars; and the commercialization of drones and autonomous drone systems for maritime applications, integrating the group's navigation systems and other equipment in order to offer the most effective robotic solutions.

This segment accounts for approximately 75% of the Group's revenues and 90% of its backlog.

➤ **The Advanced Technologies segment** consists of developing and selling the highest-performance photonic and quantum components (specialty optical fibers, optical modulators, quantum measurement instruments) and products using the most advanced technologies (on-board communication equipment, simulators, autonomous decision-making). These components and products are sold directly to third parties or integrated into the systems of the Navigation & Maritime Robotics segment.

This segment represents approximately 25% of the group's revenues and 10% of its backlog.

Revenue by segment 2023 and 2022 at equivalent scope¹

(€ million)	Q3 2023	Q3 2022 at equivalent scope	Var. %	9 months 2023	9 months 2022 at equivalent scope	Var. %
Consolidated revenue	64,7	56,6	+14%	218,4	191,5	+14%
Navigation & Maritime Robotics segment	49,3	42,4	+16%	165,8	147,1	+13%
Advanced Technologies segment	17,9	15,2	+18%	59,2	47,4	+25%
<i>Structure & intra-Group eliminations</i>	<i>-2,5</i>	<i>-1,0</i>	-	<i>-6,6</i>	<i>-3,0</i>	-
Backlog at the end of the period	610	n.a	-	610	n.a	-

Revenues 2023 and 2022 published

(€ million)	Q3 2023	Q3 2022 published	Var. %	9 months 2023	9 months 2022 published	Var. %
Consolidated revenue	64,7	28,2	+130%	218,4	91,1	+140%

¹ The 2022 equivalent scope revenue includes the contribution of the iXblue Group over the relevant period, as if the acquisition had taken place as of December 31, 2021. As a reminder, the acquisition took place on September 29, 2022.

Sustained commercial activity

The Group's commercial momentum remained intense in the 3rd quarter, in the two main areas comprising the calls for tenders and the sales of products, equipment and components.



Exail Technologies has made several significant advances in calls for tenders for large-scale mine-hunting and survey systems, particularly in the Australian process ([link to the dedicated press release](#)). The commercial momentum has thus produced two notable effects since the beginning of the year: on the one hand, the increase in our chances of winning the current tenders and on the other hand, the opening of significant new opportunities in several regions of the world.

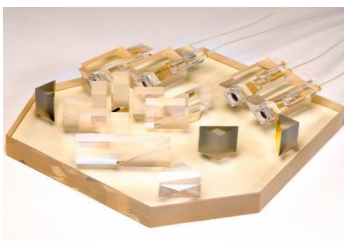
These tangible advances are yet to be reflected in the published figures. As a result, new orders for systems were low this quarter, in contrast to sales of individual drones, products and components. Order intake is up +20% in the third quarter of 2023, amounting to €60 million.



Orders for single drones are up this quarter. Among the notable successes, the group won a new order for DriX, the surface drone dedicated to surveying. The client, a prestigious player in hydrography, already operates multiple DriX and is a pioneer in multi-drone operations for hydrography.



The most dynamic activity was in navigation and positioning systems, which accounted for almost half of orders in the quarter. Several significant orders are supporting the increase in volumes, both in the civil and defense sectors. More details are available in the dedicated press releases: [A record order for a hundred inertial measurement units in the civil sector](#) and [Towards a record year with four new major orders for nearly €10 million](#).



Finally, orders for components and products in the Advanced Technologies division have continued to grow steadily since the beginning of the year. Demand remains structurally strong in these cutting-edge businesses and this trend is expected to continue in the coming years.

Since the beginning of the year, order intake amounts to nearly €200 million, i.e. +10% compared to the first nine months of 2022. This is a decent progression given the timing of the major calls for tenders, but relatively disappointing in view of the group's significant ambitions. Exail Technologies intends to significantly improve this level over the next semesters.

+14% revenue growth in the third quarter 2023

Navigation & Maritime Robotics: +16% growth

The increase in revenues in this segment unsurprisingly reflects the impact of commercial activity in previous quarters and the ramp-up of underwater mine countermeasures programs, including the BENL program. The latter, which accounts for around 20% of the group's revenues, is continuing its good progress with major technical milestones scheduled for the end of 2023. A notable step was reached at the beginning of October with the delivery of the SeapiX FLS (obstacle avoidance sonars) on the 1st mine-hunting vessel under construction.

Growth was also driven by the acceleration of shipments of navigation systems, in order to deliver the ever-increasing order book for this activity. The third quarter has already seen a notable increase of nearly 20% and the fourth quarter is expected to see a strong acceleration with significant production challenges.

Advanced Technologies: structural strong demand

Deliveries in this segment increased this quarter, both for internal needs and for external customers. The drivers of this segment remain largely the same this quarter as they have been year-to-date: the aerospace industry, telecommunications, and manufacturers and users of advanced lasers, such as quantum applications.

Perspectives

One year after the acquisition of iXblue, Exail Technologies is on a sustained growth trajectory. The group is heading for a record year for its navigation systems, photonic components and is actively working on a growing number of opportunities in maritime robotics. The advancement of the tender in Australia, in which Exail has been selected for the final stages, is an important milestone. This opportunity, representing several hundred million euros, could see further advances in the coming months. The company will provide information to the market to the extent possible given the important confidentiality clauses on this tender.

Exail Technologies thus achieved a good third quarter of 2023 on the back of intense commercial activity. The Group confirms its 2023 target of revenue growth of more than 15% compared to 2022 equivalent scope revenue. The fourth quarter will be the most important in terms of orders, deliveries and technical milestones, with significant production challenges given the volumes of products to be delivered.

About Exail Technologies

Exail Technologies is the new name of the Gorgé Group, adopted after the transformation of the group at the end of 2022, now focused on the activities of its subsidiary Exail. Exail Technologies is an industrial company specialized in high technologies in navigation systems and autonomous robotics with a vertical integration of the professions. The group offers complex drone systems, navigation, as well as products for aerospace and photonics. Exail Technologies delivers performance, reliability and security to its civilian and military customers operating in harsh environments. The company generates revenues in nearly 80 countries.

Exail Technologies is listed on Euronext Paris Compartment B (EXA).

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

Phone +33 (0)1 53 67 36 73

mclairet@actus.fr

Anne-Pauline Petureau

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

apetureau@actus.fr