

2020 FIRST-QUARTER BUSINESS

Business for the first quarter of 2020 reflects the context of the spread of the health and economic crisis in Europe and a roadmap to help drive commercial development during the second half of the year. In view of these two factors, consolidated revenues came to €13.8m, down 23% from the first quarter of 2019, with a marked contraction in sales from mid-March linked to the closing of non-essential stores and the transport restrictions rolled out. The slowdown in commercial activity primarily concerns hardware (drones and sensors), while software sales - which are fully online - have been more resilient.

Since the start of March 2020, the Group has rolled out various health measures and set up the majority of staff to work from home, with all the infrastructures and systems in place, ensuring the continuity of the business, while protecting the teams. Furlough measures were introduced from April focused on support staff and have not affected research and development capabilities. The Group has not experienced any difficulties with access to components or production.

In line with the measures adopted in Europe and the spread of COVID-19 in the US and South America, the Group expects the impact of the health crisis to be more marked in the second quarter. For the first half of this year, the low level of business will be only partially offset by the furlough measures offered in certain countries.

The Group remains focused on preparing for the second half of the year and the upturn in commercial demand, while moving forward with its development programs on a proprietary basis or for the US Army. Within this framework, Parrot Drones announced a new industrial partnership mid-May with an American electronic manufacturing supplier (EMS) to manufacture the first prototypes of its dedicated drone for the US SRR program in this country. At this time, this tender's final results are still expected for this summer.

During this period, the Group has also made its resources available to support a range of virtuous initiatives: the teams from Parrot Drones have shared their engine design and integration experience for the open source ventilator project MakAir, while dedicated educational and commercial programs for crop management and partnerships for law enforcement, public safety and environmental protection have been deployed by Parrot Drones, senseFly and Pix4D.

PARROT GROUP REVENUES

€m and % of revenues	Q1 2019		Q1 2020		Change	FY 2019	
Parrot Drones (microdrones)	6.8	38%	3.2	23%	-53%	31.9	42%
<i>Of which, legacy consumer products⁽¹⁾</i>	1.2	7%	0.5	4%	-58%	9.3	12%
Pix4D (software)	5.2	29%	6.1	44%	+17%	22.5	30%
senseFly (drones and sensors)	4.6	26%	3.5	25%	-24%	14.2	19%
MicaSense (sensors and services)	1.8	10%	1.4	10%	-22%	7.5	10%
Parrot SA	0.3	2%	0.0	0%	-	1.8	2%
Intragroup eliminations	-1.0	-6%	-0.3	-2%	-70%	-2.3	-3%
PARROT GROUP TOTAL⁽²⁾	17.9	100%	13.8	100%	-23%	76.1	100%
DRONE TOTAL⁽²⁾⁽³⁾	16.5	85%	13.0	94%	-21%	66.2	88%

(1) Legacy consumer products: previous drone ranges (Bebop, Disco, Mini Drones), automotive products (car kit, plug & play) and connected devices.

(2) The "Parrot Group" and "Drone" 2019 totals included €0.2m for the business of Airinov, which was shut down in 2019.

(3) "Drone total" is an alternative performance indicator to measure the impact of strategic decisions; for the periods presented, it is determined by deducting from the Group's total revenues the activities that are at the end of their lives or have been shut down, i.e. Parrot Drones' legacy consumer products and Airinov's revenues.

Next financial dates

- Ordinary and extraordinary general meeting: Tuesday June 16, 2020 (closed session)
- 2020 first-half earnings: Thursday July 30, 2020 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 consumers as well as professionals. 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) Agriculture, (ii) 3D Mapping, Surveying and Inspection, and (iii) Defense and Security.

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 and its subsidiaries www.pix4d.com, www.sensefly.com, www.micasense.com.

CONTACTS

Investors, analysts, financial media

Marie Calleux - T. : +33(0) 1 48 03 60 60

parrot@calyptus.net

Consumer and tech media

Cécilia Hage - T. : +33(0) 1 48 03 60 60

cecilia.hage@parrot.com