Exosens delivers strong H1 2025 performance in a highly-dynamic Defense market

Fully on track to 2025 guidance

HIGHLIGHTS

- Sustained revenue growth of +20.1% to €224.5m in H1 2025, driven by Defense & Surveillance tailwinds
  - Continued strong momentum in Amplification (+17.6%), reflecting increasing demand for image intensifier tubes for Defense night vision applications; capacity expansion on-track with additional staggered capacity increases currently under evaluation
  - Double-digits growth in D&I (+23.6%), with solid LFL[1] performance in Q2 2025 (+7.1%), supported by growing market traction for Defense imaging/protection systems
- Further profitability improvement, with adjusted EBITDA of €69.5m in H1 2025 (+23.8%), representing a best-in-class margin of 30.9% (+92Bps)
- Significant increase in net profit to €27.9m in H1 2025 (vs. €2.9 million in H1 2024)
- Capital structure supporting our growth strategy, with leverage ratio of 1.3x at end June 2025 (vs. 1.2x at end December 2024)
- Closing of Noxant (March) and NVLS (July) acquisitions, strengthening our product offering and accelerating our innovation capabilities in drone-based Defense & Surveillance applications and in night vision, while significantly expanding our total addressable market

OUTLOOK

- Fully on track to deliver on 2025 guidance: continued strong performance expected, with revenue growth in the high-teens and adjusted EBITDA growth in the low twenties

[1] Like-for-like.

Mérignac (France), 30 July 2025 – **Exosens** (EXENS; FR001400Q9V2), a high-tech company focused on providing mission and performance-critical amplification, detection and imaging technology, today publishes its results for the half-year ended 30 June 2025[2].

"I am pleased to present our first-half 2025 results which show sustained revenue and profit growth driven by strong Defense tailwinds. With a +20% year-on-year growth and the closing of Noxant and NVLS, Exosens is pursuing its strategy to position itself as a differentiated technology platform in Photonics, focused on fast-growing niche markets in Defense, Life Sciences, Industrial Control and Nuclear. Defense momentum remains strong and continues to gain traction, both in Amplification and in Detection and Imaging, and Exosens is particularly well positioned to seize significant growth opportunities driven by the rise of emerging applications such as drone warfare and advanced night vision technologies. In response to accelerating demand, we are evaluating additional staggered capacity increases. Looking ahead, we expect these positive trends to continue throughout the remainder of 2025 and we remain fully on track to deliver on our financial guidance for the year", commented Jérôme Cerisier, CEO of Exosens.

[2] The interim consolidated financial statements for the half-year ended 30 June 2025 were approved by the Company's Board of Directors at its meeting on 29 July 2025, and have been subject to a limited review by the Company's auditors.

Key financial indicators

In € millions	H1 2024	H1 2025	Change (%)
Revenue	**186.9**	**224.5**	**+20.1%**
Adjusted gross margin	**91.1**	**111.5**	**+22.3%**
As a % of revenue	48.8%	49.6%	+89Bps
Adjusted EBITDA	**56.1**	**69.5**	**+23.8%**
As a % of revenue	30.0%	30.9%	+92Bps
Adjusted EBIT	**46.1**	**58.6**	**+27.1%**
As a % of revenue	24.7%	26.1%	+142Bps
Operating income	**30.7**	**46.7**	**+52.3%**
As a % of revenue	16.4%	20.8%	+439Bps
Net profit	**2.9**	**27.9**	**+874.3%**
Net profit ex. PPA amortization	8.7	35.2	+303.5%
Free cash flow	**23.6**	**23.6**	**+0.3%**
Cash conversion[3] (%)	74.6%	76.1%	+154Bps
Net debt	**144.1**[4]	**178.6**	**+24.0%**
Leverage ratio (x)	1.2x[4]	1.3x	+0.1x

[3] Cash conversion is defined as (adjusted EBITDA – capitalized R&D – capex) / (adjusted EBITDA – capitalized R&D).
[4] As at 31 December 2024.

Strong revenue growth in H1 2025 driven by ongoing strength in the defense market

In € millions	H1 2024	H1 2025	Change (€m)	Change (%)	LFL (%)
Amplification	138.5	162.9	+24.4	+17.6%	+17.7%
Detection & Imaging	50.4	62.3	+11.9	+23.6%	(2.5)%
Eliminations & Other	(2.0)	(0.7)	+1.3	nm	nm
Total revenue	**186.9**	**224.5**	**+37.6**	**+20.1%**	**+13.2%**

Exosens delivered **strong revenue performance** in H1 2025, **pursuing its sustained growth trajectory**. Consolidated revenue amounted to **€224.5 million**, recording a growth of **+20.1%** (+€37.6 million) compared to H1 2024. On a like-for-like basis, revenue was up by +13.2% year-on-year, driven by **continued strong momentum in Defense end-markets**.

Amplification revenue amounted to **€162.9 million** in H1 2025, achieving **a significant growth of +17.6%** (+€24.4 million) compared to H1 2024, driven by higher sales volumes due to increased production capacity and flawless execution, while **demand for image intensifier tubes for Defense night vision applications remains strong**.

With the global security landscape evolving and an increasing emphasis on night vision operational superiority, demand for night vision goggles continues to grow sharply. In this highly dynamic market environment, **Exosens leverages its position as the strategic supplier of high-performance ITAR-free image intensifier tubes to NATO armies and Tier-1 allies**. These end users have continued to ramp up their procurement of night vision systems, as reflected by a number of major business wins, especially in Europe. The Group estimates that **night vision goggle equipment rates will remain far from their targeted levels at the end of the 2027 mid-term horizon**. Europe will remain a strong growth area for a long time, further fueled by the US and APAC where large programs are being implemented or are planned.

To support this momentum and capture growing global demand, Exosens is executing its €20 million investment plan, announced earlier this year, **to expand production capacity both in Europe and the United States** in order to **reach the targeted +25% increase by 2027**. This plan is progressing on schedule and is designed to further strengthen the Group's global footprint to respond to the growing needs of Defense end users and seize additional market opportunities in the U.S. **Exosens is assessing the impact on future needs of recent announcements regarding Defense budget increases** towards the 3.5% GDP NATO target. **It is considering further capacity expansion**, as it has regularly done since 2020.

Post first-half closing, **Exosens completed on 15 July 2025 the acquisition of NVLS**, a Spanish-based specialist in man-portable night vision and thermal devices. This strategic move will enable the Group to expand its total addressable market and to provide high-end night vision goggles to end users and modules to customers, **leveraging advanced technological capability combining sensors and optics that meets the evolving needs of the soldier of the future**. In addition, this acquisition will enable NVLS to further expand its business in Spain, Latin America and Asia thanks to Exosens' global commercial reach.

Detection & Imaging revenue amounted to **€62.3 million** in H1 2025, reflecting **a growth of +23.6%** (+€11.9 million) compared to H1 2024. On a like-for-like basis, D&I revenue reflected a (2.5)% (€(1.3) million) year-on-year evolution. After a first quarter affected by temporary headwinds (LFL (13.0)%), mostly related to US Scientific Research market, D&I returned to **solid like-for-like growth in the second quarter** (+7.1%).

Exosens continued to experience **robust trends across its key high-growth markets, particularly in Nuclear and Defense & Surveillance**. In Nuclear, the rise of SMR-specific technologies drives the development of new products for longer-term business. In Life Sciences, growth is softer as a result of ongoing uncertainties in scientific research, leading end users to question the timing of purchases from our OEM customers. In Defense & Surveillance, the Group is seeing **growing demand for imaging and protection systems driven by rising adoption in drone/counter-drone and platform-based Defense applications**, which represent a highly promising vector for future growth, reinforcing Exosens' strategic positioning in next-generation Defense capabilities.

The Group expects D&I like-for-like growth to further accelerate throughout the remainder of the 2025 fiscal year, supported by solid underlying end-market trends.

On M&A, **Exosens closed on 13 March 2025 the acquisition of Noxant**, a French-based specialist in high-performance cooled infrared cameras, **particularly for drone-based Defense & Surveillance applications**. Meaningful R&D and sales cross-selling synergies are expected with the Group's imaging business, leveraging its technologies portfolio and worldwide commercial reach.

Significant improvement in adjusted gross margin, up +22.3% in H1 2025

	H1 2024		H1 2025		Change	
	In €m	% of sales	In €m	% of sales	In €m	In %
Amplification	65.2	47.1%	81.2	49.8%	+16.0	+24.5%
Detection & Imaging	25.8	51.1%	30.3	48.7%	+4.5	+17.6%
Eliminations & Other	0.1	nm	(0.1)	nm	(0.2)	nm
Adjusted gross margin	**91.1**	**48.8%**	**111.5**	**49.6%**	**+20.4**	**+22.3%**

Exosens achieved **a strong increase in adjusted gross margin at Group level**, supported by higher sales volumes, improved yields and favorable product mix. The Group's adjusted gross margin stood at **€111.5 million** in H1 2025, representing **a robust growth of +22.3%** (+€20.4 million) compared to H1 2024. As a percentage of consolidated revenue, the adjusted gross margin rose to **49.6%** in H1 2025, reflecting **a +89 basis points increase** year-on-year.

Adjusted gross margin for the **Amplification** segment reached **€81.2 million** in H1 2025, representing **a significant growth of +24.5%** (+€16.0 million) compared to H1 2024. The margin rate **grew by +276 basis points** to **49.8%** in H1 2025. This strong performance reflected a combination of factors, including a sustained market demand, increased production capacity, improved yields and a more favorable product mix.

Adjusted gross margin for the **Detection & Imaging** segment amounted to **€30.3 million** in H1 2025, representing **an increase of +17.6%** (+€4.5 million) compared to H1 2024. The margin rate stood at **48.7%**, representing **a decrease of (247) basis points** from the exceptionally high comparison base of the previous year (51.1% in H1 2024). This year-over-year margin contraction primarily reflected the impact of integrating recent acquisitions completed in H2 2024 and in H1 2025, which are still in the integration phase. The dilutive effect of these acquisitions is mainly due to their smaller scale and the absence of economies of scale at this stage.

Continued strong operational execution driving best-in-class profitability in H1 2025

Exosens achieved further profitability increase at Group level in H1 2025, **reinforcing its best-in-class margin profile**, driven by stronger sales volumes, improved yields and favorable product mix.

Adjusted EBITDA amounted to **€69.5 million** in H1 2025, representing **a significant growth of +23.8%** (+€13.4 million) compared to €56.1 million in H1 2024. As a result, adjusted EBITDA margin **improved by +92 basis points** to **30.9%** in H1 2025 (vs. 30.0% in H1 2024).

Adjusted EBIT amounted to **€58.6 million** in H1 2025, marking **an increase of +27.1%** (+€12.5 million) compared to €46.1 million in H1 2024. As a result, adjusted EBIT margin **grew by +142 basis points** to **26.1%** in H1 2025 (vs. 24.7% in H1 2024).

The Group recorded an operating income of **€46.7 million** in H1 2025, **up +52.3%** (+€16.0 million) compared to €30.7 million in H1 2024. As a percentage of sales, operating margin **rose by +439 basis points** to **20.8%** in H1 2025 compared to 16.4% in H1 2024. This significant operating margin increase reflected improved operating leverage, as well as the normalization of non-recurring expenses, with the prior-period including €(3.9) million one-off costs related to the Group's IPO.

Significant increase in net profit in H1 2025

Exosens reported a net profit of **€27.9 million** in H1 2025 compared to €2.9 million in H1 2024, **an increase of +€25.0 million**. This sharp improvement primarily reflected the new capital structure of the Group after the IPO with reduced financial costs. Adjusted for PPA amortization, net profit totaled €35.2 million in H1 2025 compared to €8.7 million in H1 2024 (+€26.5 million).

Solid free cash flow generation in H1 2025

Exosens generated **a solid free cash flow of €23.6 million** in H1 2025, despite increased working capital requirements during the period, driven by the strong top-line growth and in preparation for product deliveries planned in H2 2025. In addition, the Group achieved **an improved cash conversion rate of 76.1%** in H1 2025, up from 74.6% in H1 2024, reflecting effective cash management amid higher investments to support future growth.

Continued R&D efforts in H1 2025 to drive innovation capability

Gross R&D expenses amounted to **€17.0 million** (7.6% of sales) in H1 2025, **an increase of +15.8%** compared to H1 2024. **Sustained R&D efforts**, like the development of 5G image intensifier tubes for Defense night vision applications or next-generation detectors for Industrial Control, Life Sciences and Nuclear, will drive Exosens' future growth and reinforce its market leadership.

Ongoing investment in capacity and productivity in H1 2025

Capital expenditure totaled **€15.1 million** (6.7% of sales) in H1 2025, **an increase of +15.5%** compared to H1 2024. Growth capital expenditure, amounting to €9.7 million in H1 2025 (+34.3%), was mainly allocated to machinery and tools to support capacity expansion and new product development.

Sound capital structure, supporting our growth strategy

Net financial debt amounted to **€178.6 million** as at 30 June 2025 compared to €144.1 million as at 31 December 2024, including the cash outflow related to the completion of the acquisition of Noxant in March 2025. Accordingly, **leverage ratio stood at 1.3x** as at 30 June 2025 compared to 1.2x as at 31 December 2024, **giving the Group ample capacity to support its growth investments**.

Outlook for 2025 and the 2024-2026 period confirmed

Exosens expects a continued strong performance in 2025, with **revenue growth in the high-teens** and **adjusted EBITDA growth in the low twenties** compared to 2024.

The Group expects a **high-teens 2024-2026 adjusted EBITDA CAGR** and a **cash conversion[5] ratio in the range of 70%-75%** over the period, taking into account capacity investment in Europe and in the US.

Furthermore, the Group intends to pursue its selective external growth strategy, at a pace consistent with historical trend, while maintaining a **leverage ratio[6] of around 2x**.

[5] Cash conversion is defined as (adjusted EBITDA – capitalized R&D – capex) / (adjusted EBITDA – capitalized R&D).

[6] Leverage ratio is defined as net financial debt / adjusted EBITDA.

Webcast

Jérôme Cerisier, CEO and Quynh-Boi Demey, CFO will hold a conference call and webcast to discuss Exosens' first-half 2025 results on **Wednesday, 30 July 2025 at 9:00am** CEST. This presentation will be followed by a Q&A session and can be accessed via the following link:

https://channel.royalcast.com/landingpage/exosens-en/20250730_1/

The press release and the presentation will be available in the Investor Relations section on Exosens' website at www.exosens.com/investors.

Financial Calendar

- 27/10/2025: Q3 2025 revenue & adj. gross margin.
- 23/02/2026: FY 2025 results.
- 27/04/2026: Q1 2026 revenue & adj. gross margin.
- 28/07/2026: H1 2026 results.

About Exosens

Exosens is a high-tech company, with more than 85 years of experience in the innovation, development, manufacturing and sale of high-end electro-optical technologies in the field of amplification, detection and imaging. Today, it offers its customers detection components and solutions such as travelling wave tubes, advanced cameras, neutron & gamma detectors, instrument detectors and light intensifier tubes. This allows Exosens to respond to complex issues in extremely demanding environments by offering tailor-made solutions to its customers. Thanks to its sustained investments, Exosens is internationally recognized as a major innovator in optoelectronics, with production and R&D carried out on 11 sites in Europe and North America, and employs over 1,900 employees. Exosens is listed on the compartment A of the Euronext Paris regulated market (ticker: EXENS; ISIN: FR001400Q9V2). Exosens is a member of Euronext Tech Leaders segment and is also included in several indices, including the SBF 120, CAC All-Tradable, CAC Mid 60, FTSE Total Cap and MSCI France Small Cap. For more information: www.exosens.com.

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APPENDICES

Reconciliation of adjusted EBITDA and adjusted EBIT

In € millions	H1 2024	H1 2025
Operating profit	**30.7**	**46.7**
Depreciation, amortization and impairment - net	15.9	18.2
Other income and expenses	3.9	0.1
EBITDA	**50.4**	**65.0**
Share-based payments	2.9	0.9
One-off costs	2.8	3.5
Adjusted EBITDA	**56.1**	**69.5**
Depreciation, amortization and impairment ex. PPA amortization	(10.0)	(10.9)
Adjusted EBIT	**46.1**	**58.6**

Reconciliation of free cash flow and cash conversion

In € millions	H1 2024	H1 2025
Adjusted EBITDA	**56.1**	**69.5**
Capitalized research and development costs	(4.6)	(6.1)
Adjusted EBITDA after capitalized R&D costs	**51.5**	**63.3**
Change in working capital	(7.7)	(20.9)
Tax paid	(1.6)	(3.5)
Maintenance capital expenditure	(5.9)	(5.4)
Others	(5.6)	(0.2)
Free cash flow before growth	**30.8**	**33.3**
Growth capital expenditure	(7.2)	(9.7)
Free cash flow after growth	**23.6**	**23.6**
Adj. EBITDA after capitalized R&D costs and capital expenditure (A)	38.4	48.2
Adjusted EBITDA after capitalized R&D costs (B)	51.5	63.3
Cash conversion (%) (A) / (B)	**74.6%**	**76.1%**

Consolidated statement of income

In € millions	H1 2024	H1 2025
Revenue	**186.9**	**224.5**
Cost of sales	(45.6)	(51.6)
Other purchases and external expenses	(33.9)	(35.8)
Taxes and duties other than income tax	(1.2)	(1.1)
Employee benefits expenses	(55.5)	(69.4)
Other operating income / (expenses)	(0.6)	0.7
Depreciation, amortization and additions to provisions	(15.5)	(20.6)
o/w PPA amortization	(5.9)	(7.3)
Current operating profit / (loss)	**34.5**	**46.8**
Current operating profit / (loss) ex. PPA amortization	40.4	54.0
Other income / (expenses)	(3.9)	0.0
Operating profit / (loss)	**30.7**	**46.7**
Operating profit / (loss) ex. PPA amortization	36.5	54.0
Net financial result	(25.7)	(8.3)
Profit / (loss) before tax	**5.0**	**38.4**
Profit / (loss) before tax ex. PPA amortization	10.8	45.7
Income tax	(2.1)	(10.5)
Net profit / (loss)	**2.9**	**27.9**
Net profit / (loss) ex. PPA amortization	8.7	35.2

Consolidated statement of cash flows

In € millions	H1 2024	H1 2025
Net profit / (loss)	2.9	27.9
Net financial results	25.7	8.3
Income tax	2.1	10.5
Charges net of reversals to depreciation and amortization	15.5	20.3
Other income / (expenses)	2.9	2.0
Income tax received / (paid)	(1.6)	(3.5)
Change in net working capital	(7.7)	(20.9)
Net cash flow from / (used in) operating activities	**39.8**	**44.7**
Net investments in assets	(18.3)	(21.5)
Net acquisition of equity investments	(0.9)	(35.8)
Investment grant received and other flows	-	-
Net cash flow from / (used in) investment activities	**(19.2)**	**(57.3)**
Capital increases / (decreases)	180.0	-
Dividends paid to shareholders	-	(5.1)
Acquisitions and disposals of treasury shares	-	(0.2)
Change in financial liabilities and IFRS 16 leases	(62.5)	(3.1)
Interest payments (including IFRS 16 leases)	(14.8)	(6.4)
Other	(15.6)	1.3
Net cash flow from / (used in) financing activities	**87.0**	**(13.4)**
Effect of changes in exchange rates	0.1	(0.7)
Increase / (decrease) in cash and cash equivalents	**107.7**	**(26.8)**
Cash and cash equivalents at the beginning of the period	15.5	115.6
Cash and cash equivalents at the end of the period	123.2	88.8

Consolidated balance sheet – Assets

In € millions	31-Dec-2024	30-Jun-2025
Goodwill	189.5	209.2
Intangible assets	204.9	221.2
Tangible assets	93.6	100.9
Right-of-use of leases	10.6	18.3
Investment in associates	3.4	3.4
Financial assets and other long-term investments	0.9	0.6
Deferred tax assets	-	-
Non-current assets	**502.8**	**553.5**
Inventory	93.0	105.9
Accounts receivable	71.0	83.9
Derivative financial instruments	-	-
Financial assets and other short-term investments	33.0	34.2
Cash and cash equivalents[7]	117.2	89.8
Current assets	**314.2**	**313.8**
Total assets	**817.0**	**867.3**

[7] As at 30 June 2025, cash and cash equivalents balance sheet position amounts to €89.8 million. Adjusted for interests to be received for €1.0 million, cash and cash equivalents amount to €88.8 million as reported in the cash flow statement.

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Consolidated balance sheet – Equity and liabilities

In € millions	31-Dec-2024	30-Jun-2025
Share capital	21.6	21.6
Additional paid-in capital	342.5	342.5
Reserves	48.5	65.4
Total equity	**412.6**	**429.5**
Long-term financial debt	247.8	247.5
Long-term lease liabilities	8.2	15.9
Pension liabilities	7.5	7.4
Provisions and other long-term liabilities	13.4	14.4
Deferred tax liabilities	20.6	27.9
Non-current liabilities	**297.4**	**313.0**
Short-term financial debt	2.5	1.3
Short-term lease liabilities	2.7	3.1
Derivative financial instruments	0.1	0.6
Accounts payable	26.0	30.9
Provisions and other short-term liabilities	75.6	88.8
Current liabilities	**107.0**	**124.8**
Total equity and liabilities	**817.0**	**867.3**

Definitions

Like-for-like growth is the revenue growth achieved by the Group excluding currency impact and scope effect, which corresponds to revenue recorded during period "n" by all the companies included in the Group's scope of consolidation at the end of period "n-1" (excluding any contribution from the companies acquired after the end of period "n-1"), compared with revenue achieved during period "n-1" by the same companies. Like-for-like growth for the half-year ended 30 June 2025 therefore excludes the contribution of Centronic and LR Tech, acquired by the Group in July 2024 and September 2024, respectively, as well as Noxant, acquired by the Group in March 2025.

Adjusted gross margin is equal to the difference between the selling price and the cost price of products and services (including notably employee benefits).

Adjusted EBITDA is defined as operating profit, less (i) additions net of reversals to depreciation, amortization and impairment of non-current assets; (ii) non-recurring income and expenses as presented in the Group's consolidated income statement within "Other income" and "Other expenses", and (iii) the impact of items that do not reflect ordinary operating performance (in particular business reorganization and adaption costs, costs relating to acquisition and external growth transactions, as well as the IFRS 2 share-based payment expense).

Adjusted EBIT is defined as operating profit, less (i) non-recurring income and expenses as presented in the Group's consolidated income statement within "Other income" and "Other expenses", and (ii) the impact of items that do not reflect ordinary operating performance (in particular business reorganization and adaption costs, costs relating to acquisition and external growth transactions, as well as the IFRS 2 share-based payment expense). Depreciation, amortization and reversal of impairment losses on non-current assets, included in adjusted EBIT, exclude the amortization of the part of non-current assets corresponding to purchase price allocation.

Cash conversion is calculated as follows: (adjusted EBITDA – capitalized research and development costs – capital expenditure) / adjusted EBITDA – capitalized research and development costs).

Leverage ratio is calculated as net debt / adjusted EBITDA as defined in the Group's Senior Credit Facilities Agreement entered into as part of the refinancing executed in the frame of the IPO.

Forward-looking statements

Certain information included in this press release are not historical facts but are forward-looking statements. These forward-looking statements are based on current beliefs, expectations and assumptions, including, without limitation, assumptions regarding present and future business strategies and the environment in which Exosens operates, and involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements to be materially different from the forward-looking statements included in this press release. These risks and uncertainties include those set out and detailed in Chapter 4 "Risk factors" of the Universal Registration Document approved on 29 April 2025 by the French financial markets' authority (*"Autorité des marchés financiers"*) under number R.25-001. Forward-looking statements speak only as of the date of this press release and the Group expressly disclaims any obligation or undertaking to release any update or revisions to any forward-looking statements included in this press release to reflect any change in expectations or any change in events, conditions or circumstances on which these forward-looking statements are based. Forward-looking information and statements are not guarantees of future performances and are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Group. Actual results could differ materially from those expressed in, or implied or projected by, forward-looking information and statements. This press release is provided for information purposes only. It does not constitute and should not be deemed to constitute an offer to the public of securities.