

FY2024 EARNINGS

UPDATE ON FINANCIAL POSITION

- 2024 financial statements approved but not certified to date;
- 2024 revenue of €24.8 million (compared to €25.8 million in 2023);
- 2024 EBITDA of -€8.2 million, in line with guidance of around -€8.0million (vs. -1.1 million in 2023);
- Post-closing: sale of all assets of "Data Acceleration Platform" business unit for up to \$20 million, with an initial immediate payment of \$12.5 million;
- Presentation of FY 24 financials based on the new perimeter;
- Unchanged cash horizon to end of May 2025 and ongoing discussions underway with partners to extend the Company's financial visibility;
- Postponement of the publication of the FY 2024 financial report.

Grenoble, April 30, 2025 - Kalray (Euronext Growth Paris: ALKAL) a leader in hardware and software technologies dedicated to the management and intensive processing of data from the Cloud to the Edge, announces its 2024 full-year results. The financial statements were approved by the Management Board following review by the Supervisory Board on April 29, 2025. The audit procedures are ongoing since the statutory auditors are not in a position to issue their certification for now due to risk regarding the going-concern over the next 12 months.

Eric Baissus, Chairman of the Management Board of Kalray, stated:

"2024 was an extremely challenging year for Kalray, within a highly deteriorated global economic environment. Our company faced significant financial difficulties while continuing to invest heavily in the development of our next-generation processor, Dolomites™ to lead our strategic roadmap.

In this context, we made the decision to refocus on our core business while also changing our business model: Kalray aims to offer custom design solutions for acceleration, thereby leveraging its unique expertise and assets.

With the Supervisory Board, we made the decision in February 2025 to sell our Data Acceleration Platform business, which had been significantly impacting our EBITDA and net income.



This initial step enabled us to repay part of our suppliers and creditors. We also successfully renegotiated a large majority of our supplier debt with our key strategic partners and suppliers. We continue to work hard toward securing a strategic partnership that would enable us to develop our semiconductor business and enhance our financial visibility, while not ruling out the possibility of an asset divestiture or a strategic alliance."

Given the sale of the *Data Acceleration Platform* business in early 2025, the analysis of the unaudited consolidated financial statements is provided for information purposes only and does not accurately reflect the Company's new business perimeter. An analysis of unaudited financials, excluding the contribution from divested assets, is also provided.

CONSOLIDATED ANNUAL RESULTS

At the end of fiscal year 2024, Kalray posted consolidated revenue of 24,824K€¹, close to the previous year (25,829K€).

The gross margin rate stood at 51% as of December 31, 2024 (compared to 67% as of December 31, 2023), reflecting the increase in the price of hardware components, particularly nvme disks his increase could not be passed on to sales prices).

Total operating revenue reached 45,432K€ as of December 31, 2024 (compared to 40,045K€ as of December 31, 2023), including 15,677K€ of capitalized R&D related to the continued development of the next-generation products (Dolomites™) and 3,082K€ in subsidies.

Current operating expenses increased by +21% as of December 31, 2024. This includes 14,422K€ of external expenses (compared to 11,399K€ as of December 31, 2023), among which subcontracting costs associated with the development of the next-generation Dolomites™ processors. These subcontracting expenses were discontinued as of September 2024 following a strategic shift.

Staff costs amounted to 27,149K€ (compared to 21,373K€ as of December 31, 2023). Kalray's total headcount was 215 employees (205 employees as of December 31, 2023). It should be noted that personnel expenses as of December 31, 2024, included 14,266K€ related to the Data Acceleration Platform business, which was sold in February 2025 (representing 75 employees).

EBITDA² stood at (8,188K€) as of December 31, 2024, compared to (1,074K€) as of December 31, 2023, in line with prior guidance³. It should be noted that the *Data Acceleration Platform* business impacted 2024 EBITDA by (€4,300K€).

Depreciation, amortization, and provisions amounted to 20,752K€ as of December 31, 2024, versus 15,190K€ as of December 31, 2023. This includes the full-year amortization of Coolidge™² and the ongoing amortization of the Arcapix acquisition goodwill.

¹ EUR/GBP 1,20

² Earnings Before Interest, Taxes, Depreciation and Amortization

³ See press release February 5, 2025

The operating loss, adjusted for the research tax credit (CIR)⁴ of 5,727K€, amounted to (€23,213K€), compared to (11,808K€) as of December 31, 2023.

After taking into account a financial result of (1,876K€) (primarily due to euro/dollar foreign exchange losses) and a positive non-recurring income of 1,823K€ (linked to the completion of a subsidized project), the net loss amounted to (23,266K€), of which (11,261K€) was attributable to the Data Acceleration Platform business.

2024 RESULTS IN THE NEW PERIMETER EXCLUDING THE CONTRIBUTION FROM DIVESTED ASSETS

In 2024, Kalray's revenue increased, reaching 3,605K€ as of December 31, 2024, compared to 1,540K€ as of December 31, 2023.

The gross margin rate stood at 37% as of December 31, 2024.

Total operating revenue reached 21,001K€ as of December 31, 2024, including 13,686K€ of capitalized R&D related to the continued development of the next-generation products (Dolomites™) and 3,082K€ in subsidies.

EBITDA improved slightly to (3,888K€) compared to (4,851K€) in 2023, reflecting a +20% increase in personnel expenses versus 2023 (12,883K€) and a +27% increase in external expenses (among which subcontracting), which have since been significantly reduced as part of the cost-cutting plan announced on September 19, 2024.

The operating loss, adjusted for the research tax credit⁵, was (12,274K€) (compared to (11,485K€) in 2023).

The net loss stood at (12,005K€).

CONSOLIDATED FINANCIAL POSITION

Kalray's shareholders' equity amounted to 34,634K€ as of December 31, 2024, compared to 49,710K€ as of December 31, 2023, factoring in the loss for the year.

Kalray's available cash was 1,699K€ as of December 31, 2024, compared to 13,209K€ as of December 31, 2023. The cash consumption was mainly due to investments in R&D for the next-generation Dolomites™ processor. This was partially offset by a positive €3.7M change in working capital, the drawing of €3M under the Dynamic Revolving Credit Facility (RCF) with BNP Paribas, and the drawdown of the first €6M tranche of the bond loan with IRIS (established in July 2024).

After closing, Kalray reminds that it proceeded to the disposal of the *Data Acceleration Platform* business — including all assets related to its Ngenea offering and approximately 75 associated employees — to U.S.-based company, DataCore Software ("DataCore"), for a total amount of up to \$20 million. This included an immediate gross payment of \$12.5 million, a \$2.5 million service contract to be billed in fiscal year 2025, and an earn-out

⁴ Adjusted operating result: Operating result + Research tax credit

of up to \$5 million, subject to DataCore's commercial performance on the Ngenea product line during fiscal year 2025 (payable in the first half of 2026).

Trade payables amounted to 27,556K€ as of December 31, 2024, of which 7,344K€ related to the *Data Acceleration Platform* business⁵ and 20,212K€ to the remaining scope (including €16M subject to payment deferrals following negotiations conducted by the Company with its strategic partners and suppliers).

Financial debt totaled 12,976K€ (compared to 10,207K€ as of December 31, 2023) and included 4,432K€ in conditional advances and 8,544K€ in bank debt (corresponding to the French government-backed loan ("PGE") amortizable over 4 years starting mid-2022, the €3M tranche drawn on the Revolving Credit Facility (RCF) - fully reimbursed after closure- , and the first €6M tranche of the bond financing agreement with IRIS).

Following the sale of the "*Data Acceleration Platform*" business, announced in the press release dated February 5, 2025, and the negotiations held with strategic partners and suppliers, the Company confirms its liquidity horizon until the end of May 2025⁵, subject to compliance with cash flow forecasts (which includes pending payments from third parties).

CONTINUED STRATEGIC DISCUSSIONS ON ITS SEMICONDUCTOR BUSINESS

Kalray reiterates its previously announced strategic options, which include: (i) further developing its semiconductor business through service-based offerings, or (ii) pursuing asset divestitures. These options were outlined in the press releases dated September 19, 2024, and December 4, 2024. Discussions are ongoing with strategic partners. **Kalray draws investors' attention to the fact that the ongoing negotiations may or may not lead to completion of a finalized transaction. Should these options fail to materialize within the liquidity horizon previously mentioned, the Company may no longer be able to meet its financial obligations.**

The Company will keep its shareholders informed of the developments. Kalray will also continue to explore the most appropriate legal framework for implementing these operations.

⁵ See press releases, as of October 31, 2024, February 5, 2025 and February 27, 2025 for further details

ABOUT KALRAY

Kalray is a leading provider of hardware and software technologies and solutions for high-performance, data-centric computing markets, from cloud to edge.

Kalray provides a full range of products to enable smarter, more efficient, and energy-wise data-intensive applications and infrastructures. Its offers include its unique patented DPU (Data Processing Unit) processors and acceleration cards as well as its leading-edge software-defined storage and data management offers. Separated or in combination, Kalray's high-performance solutions allow its customers to improve the efficiency of data centers or design the best solutions in fast-growing sectors such as AI, Media & Entertainment, Life Sciences, Scientific Research, Edge Computing, Automotive and others.

Founded in 2008 as a spin-off of the well-known French CEA research lab, with corporate and financial investors such as Alliance Venture (Renault-Nissan-Mitsubishi), NXP Semiconductors or Bpifrance, Kalray is dedicated through technology, expertise, and passion to offer more: more for a smart world, more for the planet, more for customers and developers. www.kalrayinc.com

DISCLAIMER

This press release may contain forward-looking statements regarding the Company's objectives and outlook. These forward-looking statements are based on the current estimates and expectations of the Company's management and are subject to risks and uncertainties, including those described in Appendix 1 of the Management Board's report dated April 30th, 2024, available on the Company's website.

Readers' attention is particularly highlighted on the fact that the Company's current funding horizon is limited to May 31, 2025. The forward-looking statements mentioned in this press release may not be achieved due to these factors or other unknown risks and uncertainties, or those not currently deemed significant by the Company.

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APPENDICES

RECONCILIATION EBITDA/OPERATING RESULTS (UNAUDITED)

€m – French standards	2024
EBITDA	(8 188)
Amortization & Depreciation	(20 752)
OPERATING RESULT	(28 940)
Research Tax Credit	5 727
NET OPERATING RESULT *	(23 213)

*Adjusted operating result: Operating result + Research tax credit

RECONCILIATION EBITDA/OPERATING RESULTS EXCLUDING THE CONTRIBUTION FROM DIVESTED ASSETS

€m – French standards - unaudited	2024
EBITDA	(3 888)
Amortization & Depreciation	(13 098)
OPERATING RESULT	(16 986)
Research Tax Credit	4 712
NET OPERATING RESULT *	(12 274)

* Résultat d'exploitation retraité : Résultat d'exploitation + Crédit Impôt Recherche

INCOME STATEMENT (UNAUDITED)

€k - French standards	FY2023	FY2024	FY 24 (Data Acceleration Platform)	FY 2024 Semi conductor
Net Sales	25 829	24 824	21 219	3 605
Subsidies	1 916	3 082	0	3 082
R&D capitalization	12 177	15 677	1 991	13 686
Other revenue	123	1 849	1 221	628
TOTAL REVENUE	40 045	45 432	24 431	21 001
Cost of sales	(8 345)	(12 049)	(9 765)	(2 284)
Operating expenses	(32 774)	(41 571)	(18 966)	(22 605)
including Salaries & contributions	(21 373)	(27 149)	(14 266)	(12 883)
including other expenses	(11 401)	(14 422)	(4 700)	(9 722)
EBITDA	(1 074)	(8 188)	(4 300)	(3 888)
Amortization & Depreciation	(15 190)	(20 752)	(7 654)	(13 098)
OPERATING RESULT	(16 264)	(28 940)	(11 954)	(16 986)
Research Tax Credit	4 456	5 727	1 015	4 712
NET OPERATING RESULT *	(11 808)	(23 213)	(10 939)	(12 274)
FINANCIAL RESULT (incl FX impact)	153	(1 876)	(299)	(1 577)
EXCEPTIONNAL RESULT	(39)	1 823	(23)	1 846
NET RESULT	(11 694)	(23 266)	(11 261)	(12 005)

* Adjusted operating result: Operating result + Research tax credit

CONSOLIDATED BALANCE SHEET (UNAUDITED)

K€ ASSETS (consolidated data)	As of 31/12/2023	As of 31/12/2024
Intangible assets	41 940	57 544
<i>incl.goodwill</i>	2 336	764
Tangible assets	5 537	4 731
Financial assets	602	607
NON CURRENT ASSETS	48 079	62 882
Inventories	4 216	3 940
Accounts Receivable	10 395	7 532
Other receivable (CIR, CICE, Subsidies)	3 737	9 376
CASH	13 209	1 699
CURRENT ASSETS	31 556	22 547
Accrued expenses	881	2 710
TOTAL ASSETS	80 517	88 139

K€ LIABILITIES (consolidated data)	As of 31/12/2023	As of 31/12/2024
EQUITY	49 710	34 634
Provisions	1 399	4 445
R&D refundable advances	6 936	4 432
Bank loans	3 271	8 544
Accounts Payable	7 966	27 556
Taxes & contributions payable	4 170	6 875
Other debts	6 931	1 637
DEBTS & LIABILITIES	30 672	53 489
Subsidies deferred revenue	135	16
TOTAL LIABILITIES & EQUITY	80 517	88 139

CASH FLOW STATEMENT (UNAUDITED)

Cash flow in K€	December 31st, 2023	December 31st, 2024
Operation Cash Flow before Capex & WC variation	3 697	(4 726)
Change in working capital (including R&D tax Credit)	(5 843)	3 692
OPERATING CASH FLOW	(2 146)	(1 034)
Capital Expenditures	(8 436)	(8 407)
R&D Capitalized	(12 177)	(15 177)
Subsidies	4 269	3 658
Other / Cash-acquisition subsidiaries	(163)	(123)
INVESTMENT CASH FLOW	(16 507)	(20 050)
FREE CASH-FLOW	(18 653)	(21 084)
Net Cash from investors	217	-
Bank Debt (net)	(1 328)	7 931
R&D conditionnal advances and prepaid subsidies (net)	627	1 354
FINANCING CASH FLOW	(484)	9 285
Change effect	148	287
Annual CASH IN (CASH OUT)	(18 989)	(11 511)
Cash beginning of period	32 198	13 209
CASH END OF PERIOD	13 209	1 698