Global leader in IoT & digital solutions for physical retail

- €621m sales (2022)
- 750 employees
- 62 countries
- 350+ retailers
- 400+ CPG
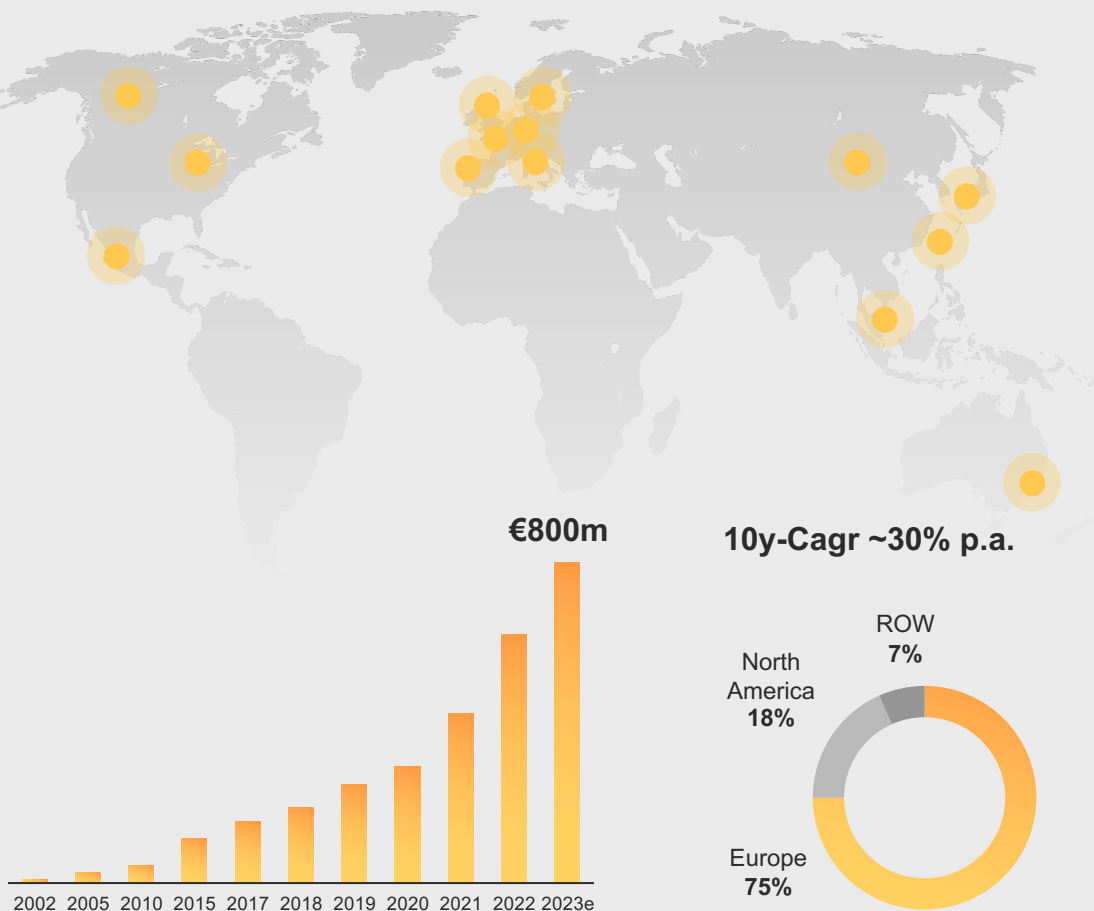- 35,000 stores incl. 14K in the Cloud
- 350M IoT Devices incl. 60M in the Cloud
- Ecovadis Platinum (top 1%)

€800m

2002 2005 2010 2015 2017 2018 2019 2020 2021 2022 2023e

10y-Cagr ~30% p.a.

ROW 7%
North America 18%
Europe 75%

50% of Global **Top 250** retailers

Walmart
Save money. Live better.

"SES-imagotag announces latest-generation VUSION platform roll-out contract in Walmart Stores in U.S."

REMA 1000 · amazon · MATTRESS FIRM · PENNY.
KESKO · T··Mobile· · SONAE · EDEKA · SPAR
XXXLutz · JYSK · Kroger · SATURN MediaMarkt · colruyt
REWE · BRICO MARCHE · HyVee · euronics
Carrefour · E.Leclerc · CONAD · ELKJØP · MÖBELIX
meijer · FNAC DARTY · coop · KIWI mini pris · fatex
DECATHLON · SEPHORA · les Mousquetaires · Auchan
Casino · Nojima · KOHL'S
NorgesGruppen · Bilka · Target · IKEA · U Commerçants autrement · worten
CVS Health · G20 · JD.COM · Condis · Lagardère

WORLD ECONOMIC FORUM · WFP World Food Programme · WOMEN'S EMPOWERMENT PRINCIPLES · FORUM

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2

H1 key achievements

Revenue grew by +33% at €380m

Order Entries grew by +35% at €518m

New blue-chip customers signed

Finalised the development of our next generation shelf digitization system (DSS)

Largest ever contract with Walmart, thanks to DSS

Completed 2 strategic VAS acquisitions in Data Analytics and CV/AI

Increased profitability by +72%

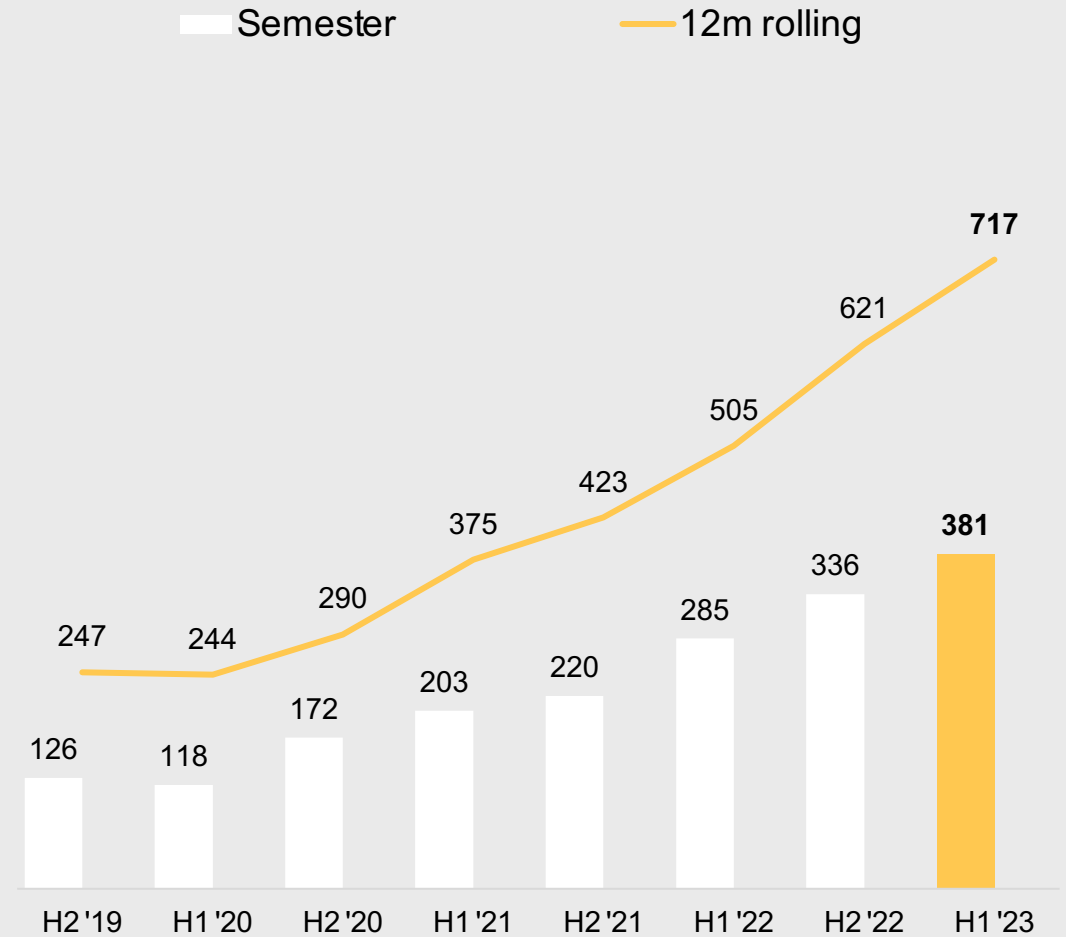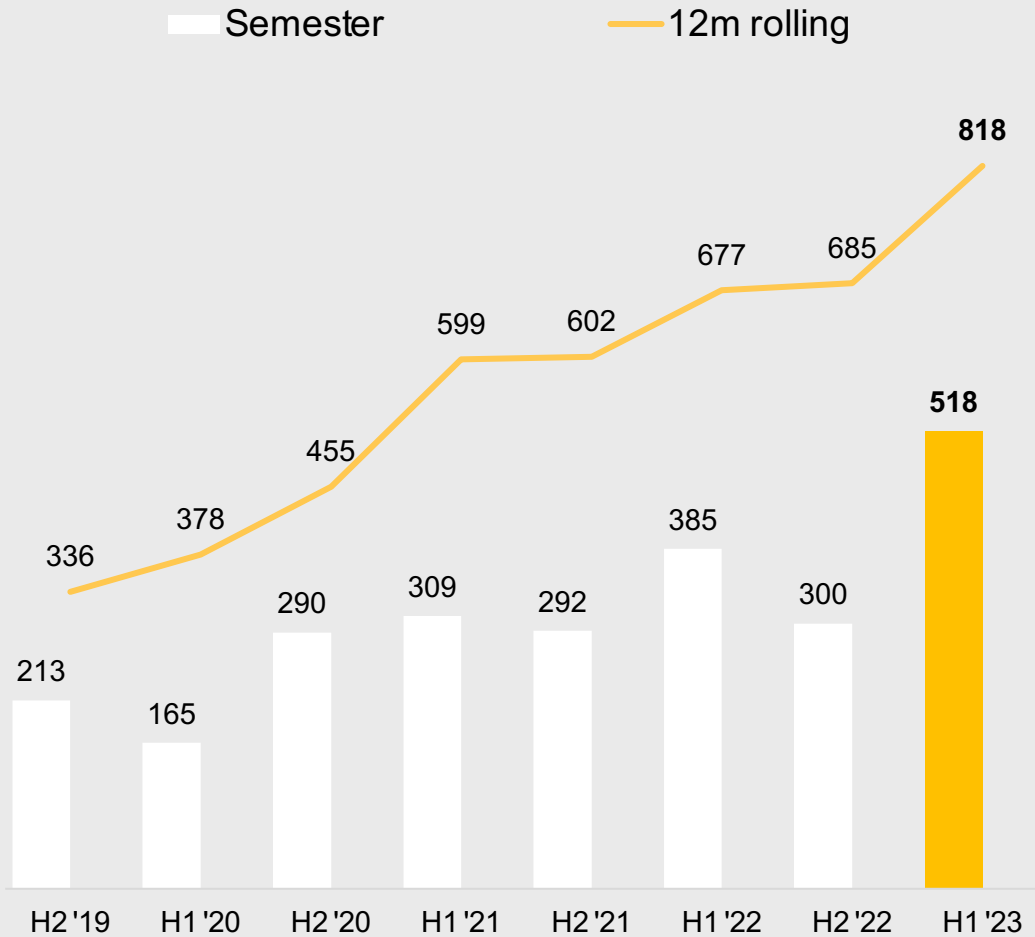Delivered +€35m positive free cash-flow

H1 key figures
(€m)

	H1 2023	H1 2022	%
Revenue	380.7	285.9	+33%
EBITDA	43.5	25.3	+72%
%	11.4%	8.9%	+2.5pts
Free Cash-Flow	34.5	(13.7)	+48.2

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H1 record semester in both sales and order entries
€m

Order entries

Legend: Semester | 12m rolling

12m rolling values: 336, 378, 455, 599, 602, 677, 685, 818

Semester bars:
- H2 '19: 213
- H1 '20: 165
- H2 '20: 290
- H1 '21: 309
- H2 '21: 292
- H1 '22: 385
- H2 '22: 300
- H1 '23: **518**

Revenues

Legend: Semester | 12m rolling

12m rolling values: 247, 244, 290, 375, 423, 505, 621, 717

Semester bars:
- H2 '19: 126
- H1 '20: 118
- H2 '20: 172
- H1 '21: 203
- H2 '21: 220
- H1 '22: 285
- H2 '22: 336
- H1 '23: **381**

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H1 new deals announcements

TECHNOLOGY

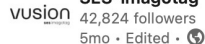## Walmart deploying Vusion for digital shelf strategy

Provided

Reuters

Ses-Imagotag Further Expansion In The U.S.

Jul 3, 2023 at 5:03 am GMT

Home   Tech   Retail Tech   News

Ikea collaborates with SES-imagotag to enhance in-store experience

by Apparel Resources News-Desk | 25-July-2023 | 2 mins read

Unicoop Firenze, a leading Italian food retailer, selects SES-imagotag to digitize its stores

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vusion   ⭐euronics

Euronics extends its digitalization across the UK with SES-imagotag - SES-imagotag

ses-imagotag.com · 2 min read

SES-imagotag
42,824 followers
5mo · Edited · 🌐

📢 We are pleased to announce that JYSK, the leading home furnishing retailer, will deploy the VUSION IoT Cloud platform in Netherlands and Belgium.
...see more

vusion   JYSK

JYSK extends VUSION IoT roll-out to Netherlands and Belgium

ses-imagotag.com · 2 min read

VAS sales in H1 2023 of €53m (+18%) representing 14% of total revenue

› Challenging macro-economic environment leading to slower VAS growth

› Some innovation projects postponed or slowed down

› Mix improved (recurring vs. one-off services) driving positive profitability impact

› Acquisitions of Memory and Belive strengthened our VAS portfolio

H1 Revenue breakdown ESL vs VAS
€m

	H1 '22	H1 '23	YoY
Total	285	380	
ESL	240	327	+37%
VAS	45	53	**+18%**
VAS %	15.8%	14%	
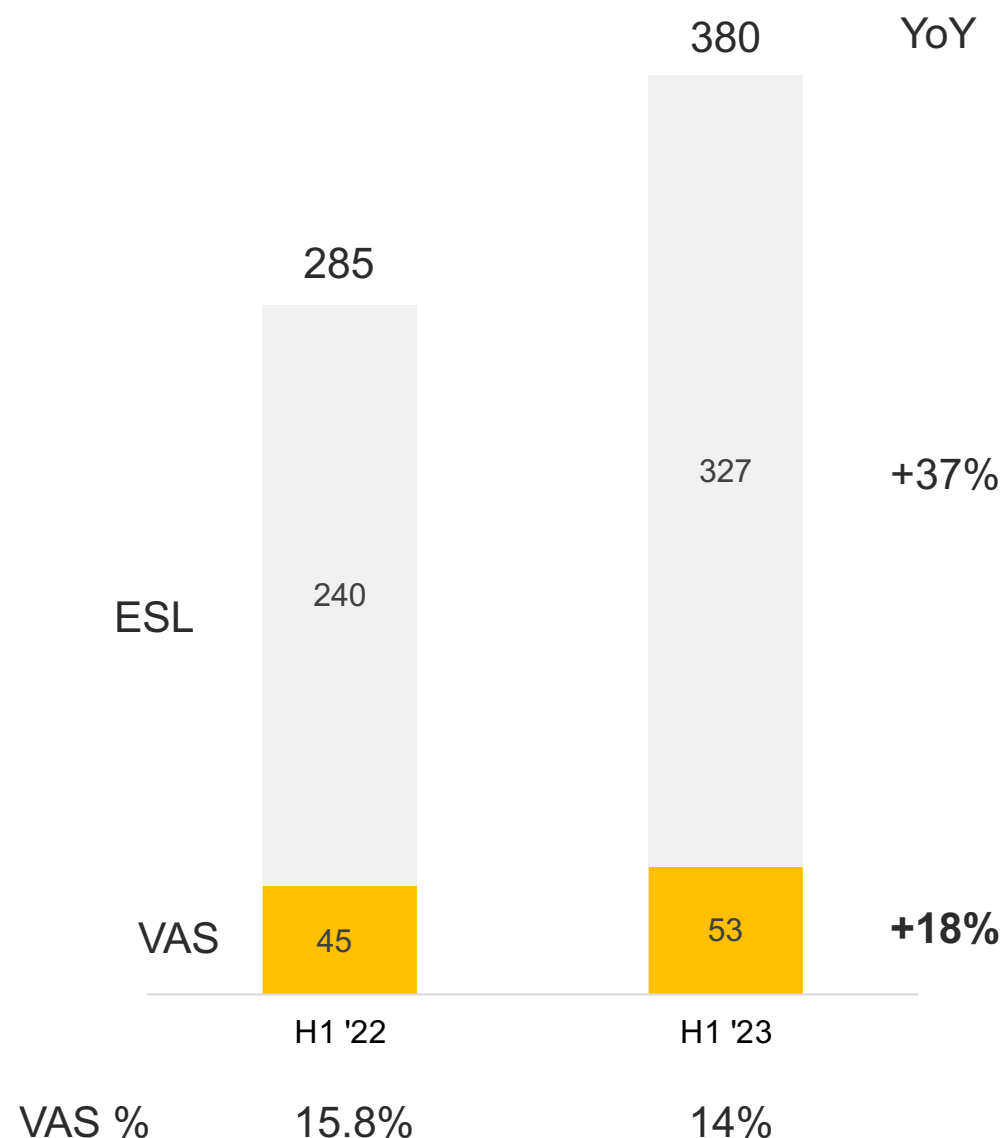
H1 strategic investments significantly advanced our solutions portfolio

	ESL	IoT Cloud	CV/AI	In-store Digital	Data Analytics
RETAILERS CHALLENGES & PRIORITIES					
Cost Reduction	✓	✓	✓	✓	
Price/Promo	✓	✓			
Inventory & Availability	✓	✓	✓		
E-Commerce	✓	✓	✓		
Customer Experience	✓	✓	✓	✓	
Retail Media & Data		✓	✓	✓	✓
Assortment Optimization & Merch. Compliance	✓	✓	✓		✓
	▲		▲		▲
H1 Key Achievements →	**DSS**		**Belive**		**Memory**

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NEXT GEN DIGITAL SHELF SYSTEM

Power & Data
via the
smart rail

Italian Tomatoes
3.98 / kg
1 Tray, 500g
SPECIAL
1.99

VERSACE
EROS
★★★★★ 3
76.99
NFC

Sustainable battery less ESL

Interoperability ultra-low power Bluetooth

Convergence WiFi + IoT infrastructure

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Walmart :::
Save money. Live better.

Press Release

April 27, 2023

SES-imagotag announces latest-generation VUSION platform roll-out contract in Walmart Stores in U.S.

First confirmed phase: 500 stores (USA)

Potential 5-7 years revenue: €3bn

1,761,200 warrants issued to be vested (€112) subject to Walmart spend:

› Minimum threshold $700m

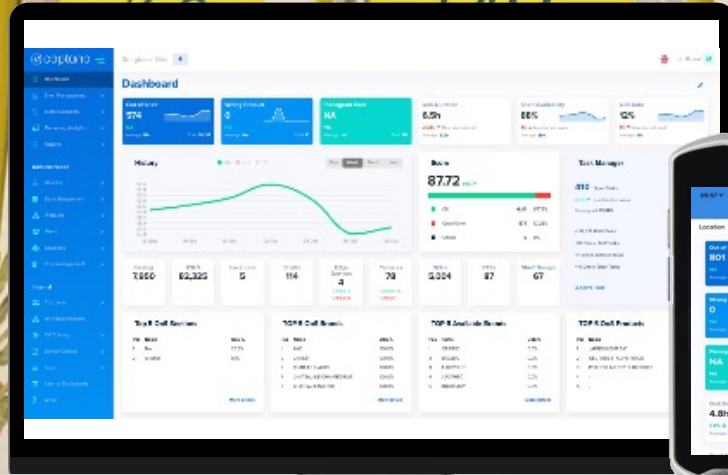› >$700m: prorata vesting up to 10% of total share capital for $3B cumulative spend

belive.ai

We help retailers to improve their core business with computer vision

Acquisition 67% in April 2023 by Captana
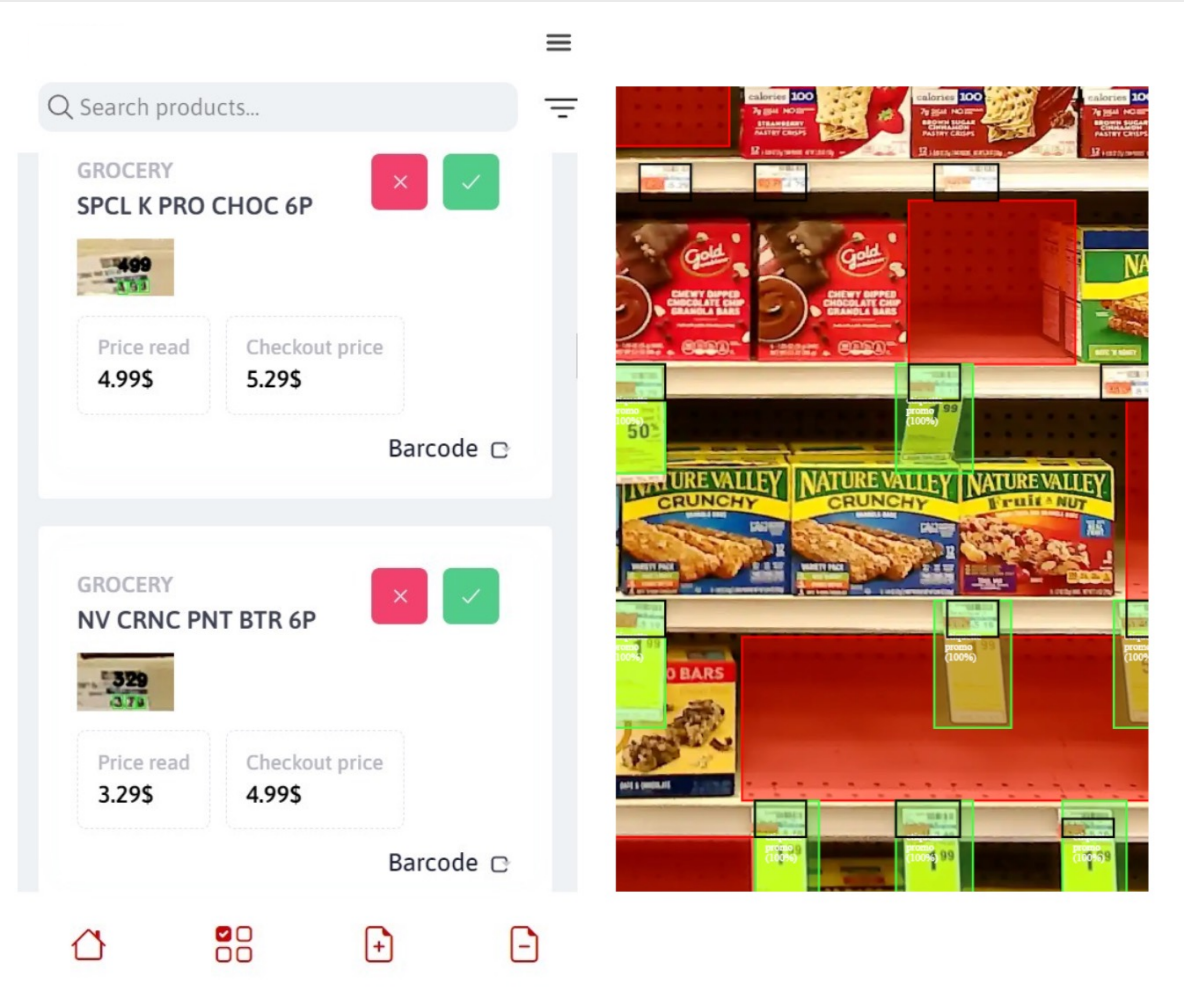
www.belive.ai

CV/AI technology now available allowing real-time shelf monitoring, OOS detection and shelf compliance management
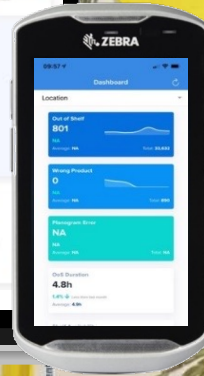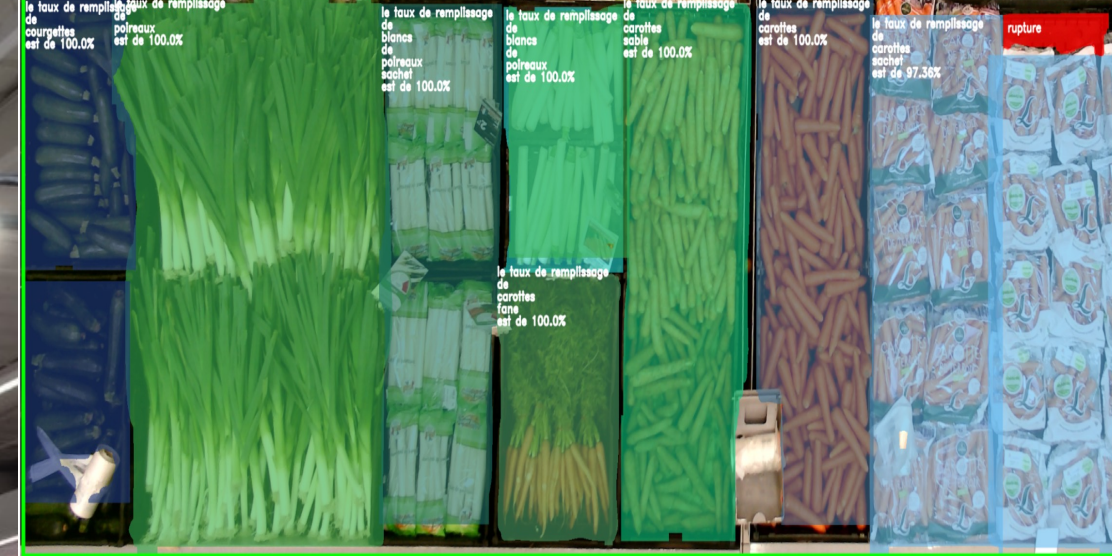
captana

Belive AI complementarity
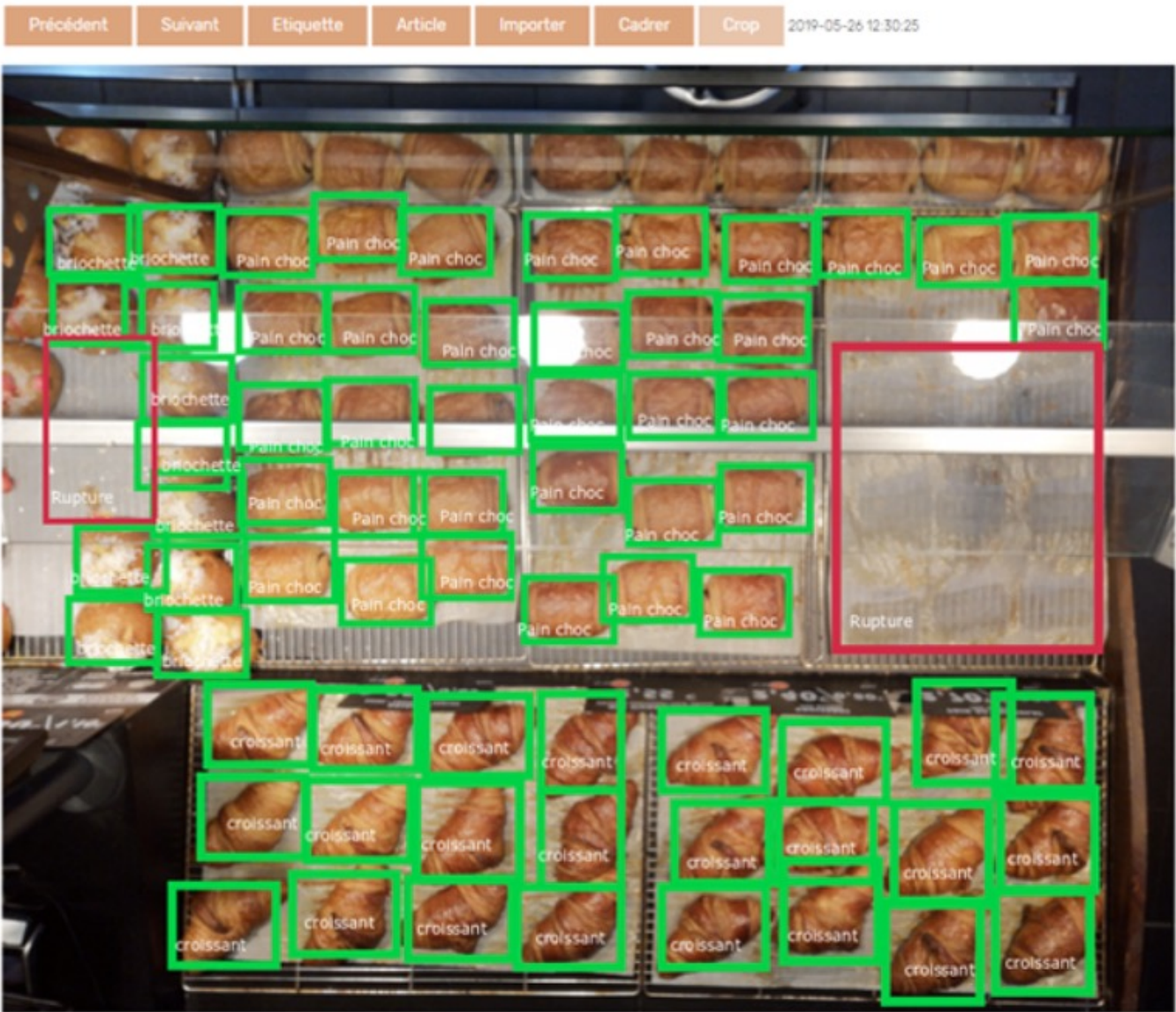## ESL or paper label agnosticity

Belive AI complementarity
Fresh counters monitoring

Belive AI complementarity
Fresh counters monitoring

Planogramme / realogramme compliance management

Belive AI complementarity
E-commerce instore fulfillment enabler

Picking app
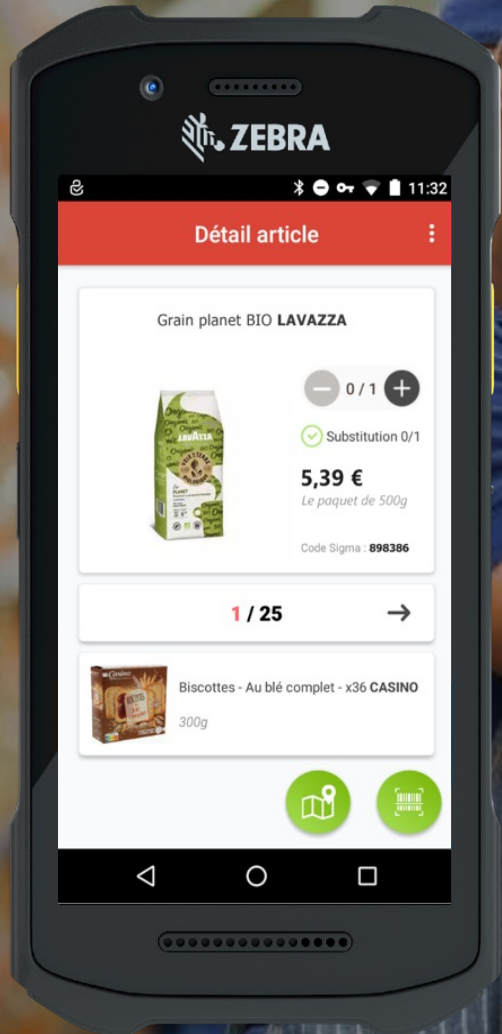
Visual guidance
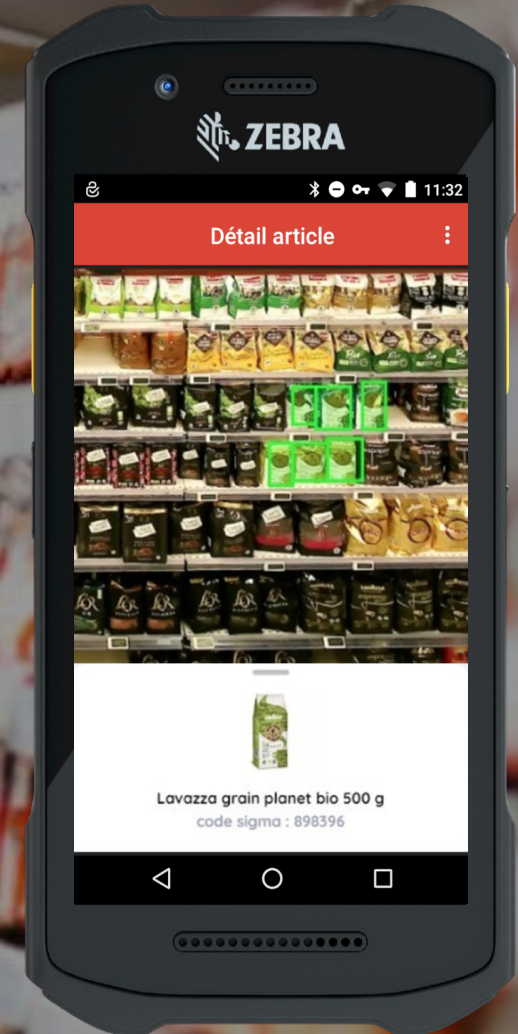
Belive AI complementarity
Autonomous store
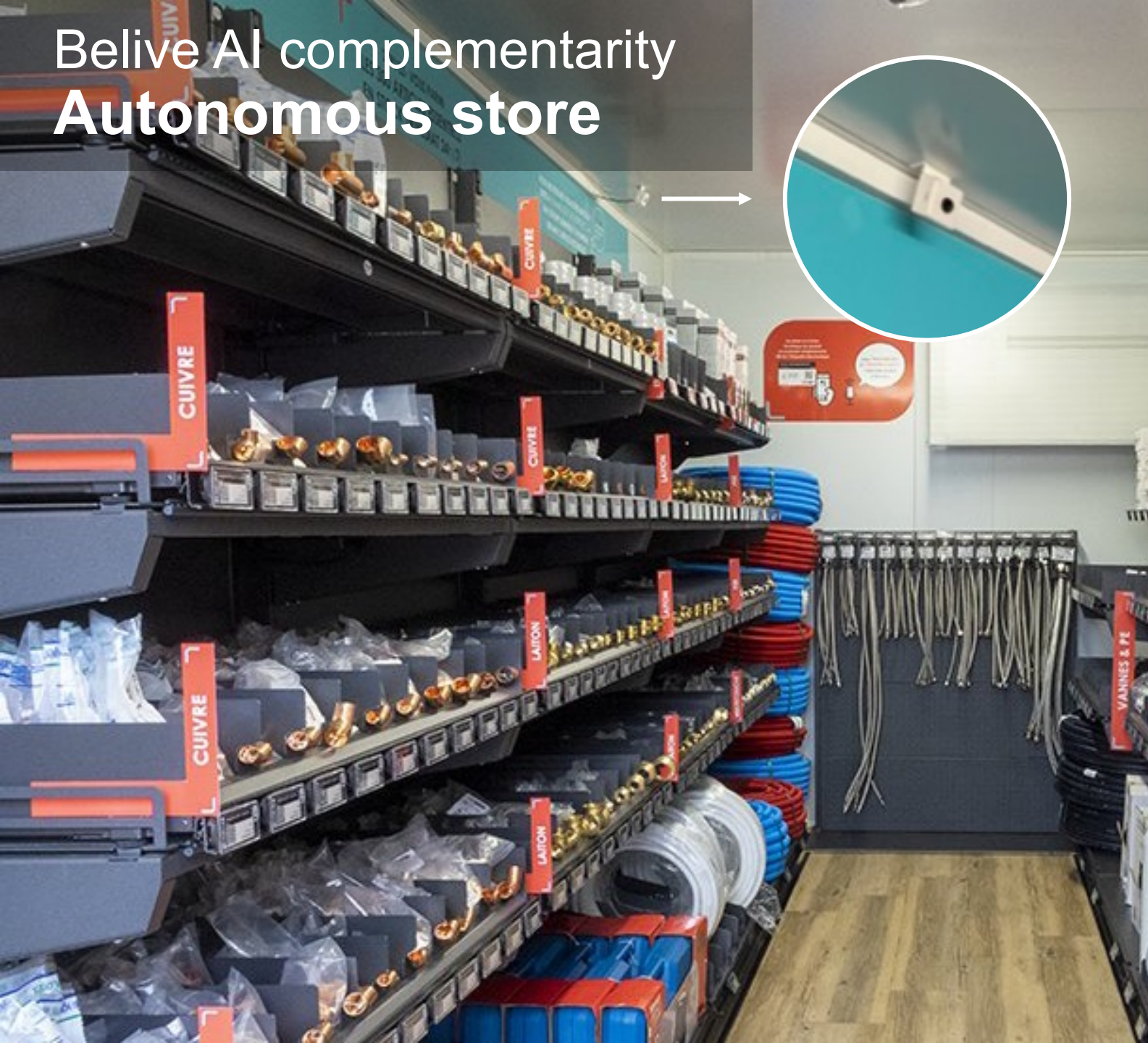
Belive AI complementarity
Traffic & queue monitroing

Caisse 1

VUE GLOBALE
Evolution du nombre de personnes sur 2 heures

26 Clients
17 Clients
8 Clients
0 Clients

15h00 | 15h15 | 15h30 | 15h45 | 16h00 | 16h15 | 16h30 | Prédiction

Evolution du temps d'attente sur 2 heures

7 Secondes
5 Secondes
4 Secondes
2 Secondes
1 Secondes
0 Secondes

14h45 | 15h00 | 15h15 | 15h30 | 15h45 | 16h00 | 16h15 | 16h30 | Prédiction

Caisse 2

VUE GLOBALE
Evolution du nombre de personnes sur 2 heures

29 Clients
19 Clients
9 Clients
0 Clients

14h45 | 15h00 | 15h15 | 15h30 | 15h45 | 16h00 | 16h15 | 16h30 | Prédiction

Evolution du temps d'attente sur 2 heures

10 Secondes
8 Secondes
6 Secondes
4 Secondes
2 Secondes
0 Secondes

14h45 | 15h00 | 15h15 | 15h30 | 15h45 | 16h00 | 16h15 | 16h30 | Prédiction

Caisse Automatique

VUE GLOBALE
Evolution du nombre de personnes sur 2 heures

16 Clients
10 Clients
5 Clients

Evolution du temps d'attente sur 2 heures

5 Secondes
4 Secondes
3 Secondes
2 Secondes
1 Secondes

M=MORY

AUGMENTED INTELLIGENCE SERVING RETAIL DECISION-MAKING

memory

- Leading French Data platform for retailers and CPGs

- End-to-end software platform for category management: Assortment, Promotions, Merchandising, Purchasing Retail media

- Enhancing data sharing and collaboration

- SAAS / 80%+ recurring

- Highly profitable, fast-growing

- beginning International expansion

30+
modules in the platform

6000+
users of the solution

80+
professionals

17/20
satisfaction rate on 600 users answering our survey

13 partnering retailers

Carrefour · cora · Intermarché · franprix · Auchan · E.Leclerc · Casino nourrir un MONDE de DIVERSITÉ · MONOPRIX · leDRIVE Intermarché · drive · Carrefour city · Carrefour drive · Carrefour market

400+ partnering brands

Memory analyses all existing sources of data commonly available in retail
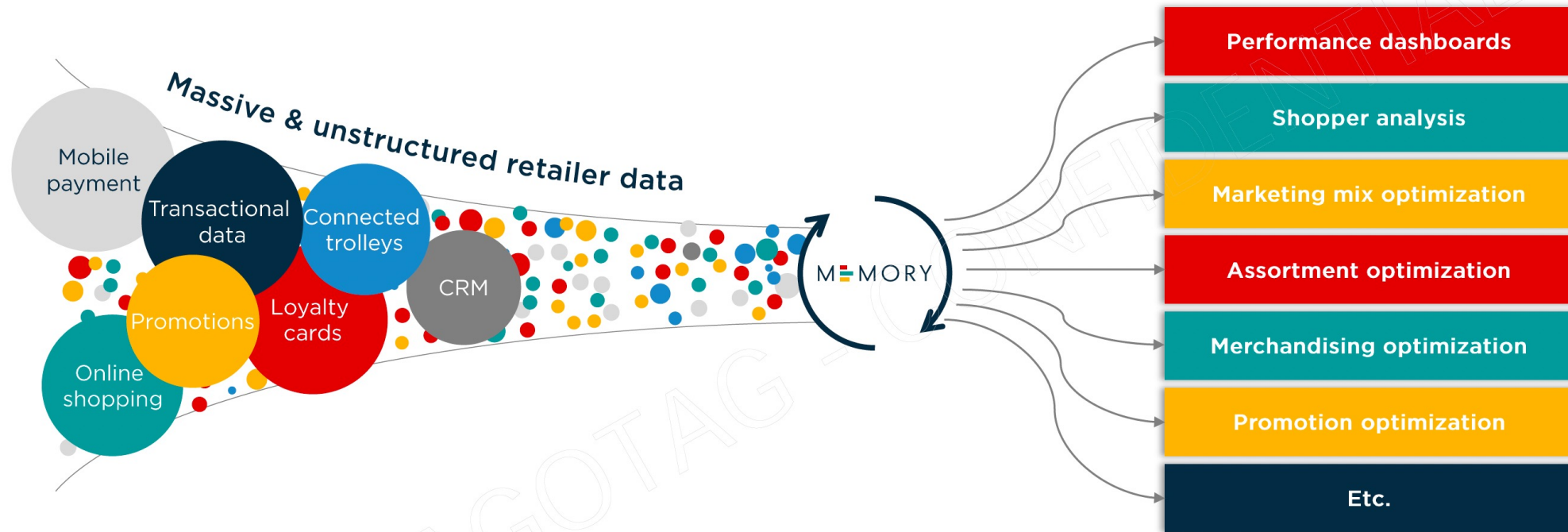
Memory helps retailers and brands regain control of their data, providing them with a turnkey AI-based software platform, enabling them to optimize their marketing mix and make highly strategic decisions that eventually enhance their business operations

SES+Memory: IoT provides new data to augment retail intelligence
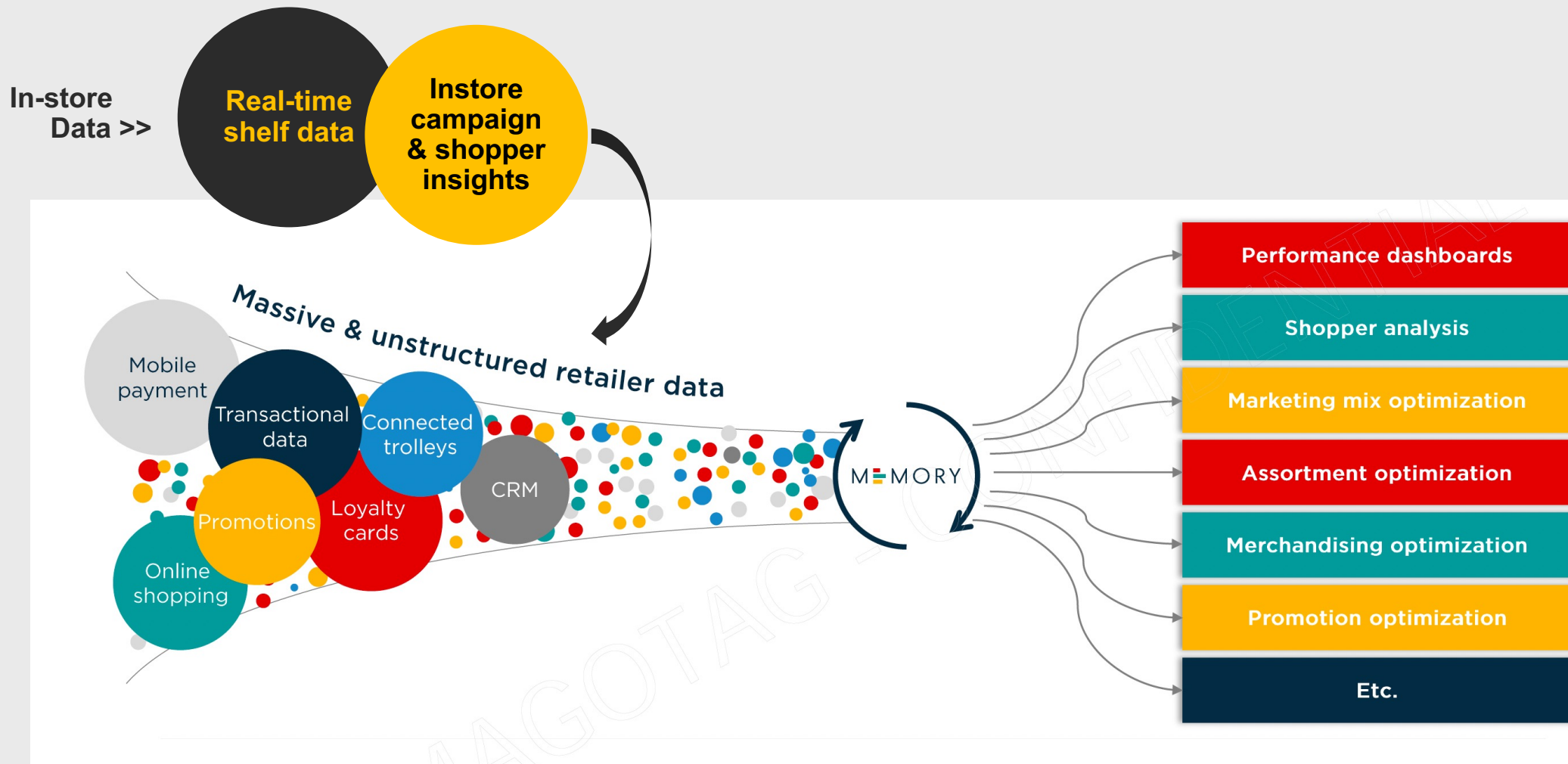
Objective to apply Analytics to the broadest set of data ever

ses imagotag	captana	engage	vusion	memory
ESL	**CV / AI**	**Retail media**	**IoT Cloud**	**Analytics**

Exact price	Exact availability	Campaign traffic	Data from all IoT in store	Ticket data
Exact product presence	Exact position and of facings	Shopper interaction		Client data
		Flows		Product attributes
				Market data

◄───────────── **Real time data about execution in store** ─────────────► ◄── **Commercial data** ──►

Memory applies A.I to the broadest set of data, combining the store real time data created by IoT with the full set of commercial data

Maximize on-shelf availability
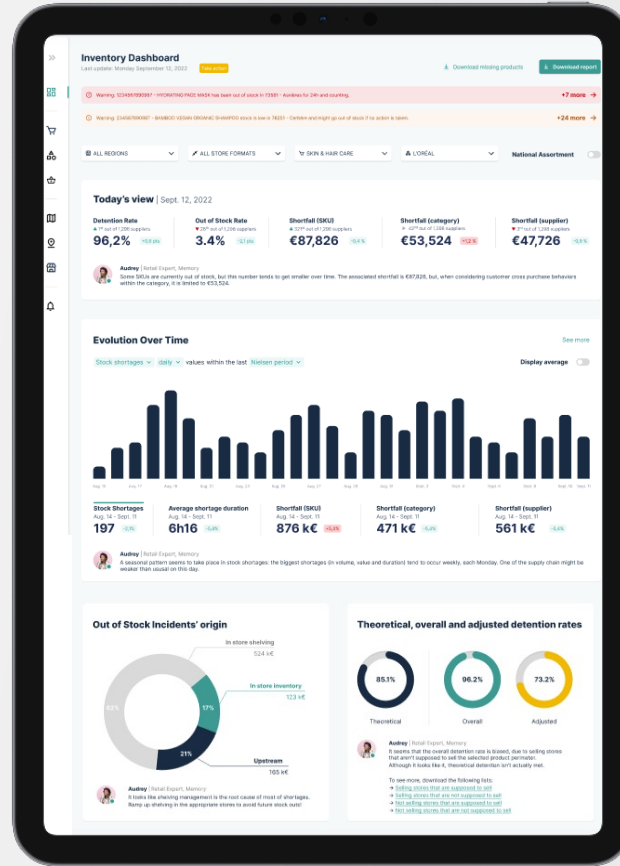
Monitor stores & products

Value the cost of product missing per store

Suggest action plans (short / long term)

Evaluate the over / under **performance** per store

Optimize in-store merchandising

Real-time aisle view
(# of facings, shelf share, position on shelf…)

**Live shelf analytics augmented
with sales & shopper data**

**Ensure merchandising
compliance in stores**

Customize assortment &
merchandising by store

Sales uplift & Shopper Impact

Speed + programmatic + execution + shopper interaction

Campaign measurement
Campaign measurement 2023-02-08 [ACTIVATE]

What is the store campaign performance?
The campaign generated an incremental turnover up to: **+ 3 M€**

Customers profiling
Audrey | Retail Expert, Memory
The campaign had a positive impact on premium and healthy customers, on the contrary it didn't develop promo addict and convenient customers segments

PREMIUM	+15 pts
HEALTHY	+ 9 pts
BUDGET	+ 1 pt
CONVENIENT	- 2 pts
PROMOPHILE	- 7 pts

Brand / category incremental
Audrey | Retail Expert, Memory
2/3 of the campaign incremental sales are generated at a category level. Concerning brands switching, the main part of the incremental sales is coming from brands A & B

CATEGORY INC.
+ 2 M€
+ 1,5 pts

INCREMENTAL SALES
+ 3 M€
+ 2 pts

BRAND INC.
+ 1 M€

Brand A : 500 K€
Brand B : 400 K€

Better **conversion**

Incremental **volumes** and **sales**

» Customer **profiling** analysis

MONOPRIX
L'ORÉAL
+65%
uplift in sales

SPAR
+30%
uplift in sales

Driving new CPG revenues by enhancing collaboration

Store Operations

Out Of Stock detection & action plan

Merchandising compliance & Promotions execution

New products ramp-up
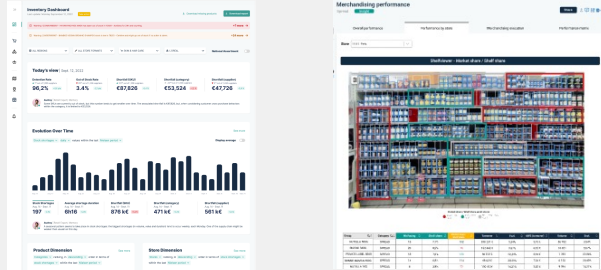
Out Of Stock analysis

Merchandising compliance and performance

Field sales forces and Supply Chain

Category Management

Performance analysis

Shopper insights

Predictive modeling on assortment and promotions
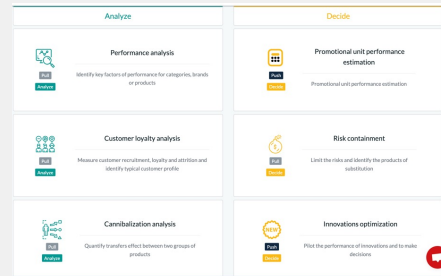
30+ modules covering all category management use cases

Key Account Managers & Category Managers

CRM & Retail Media

Improved targeting

Deep & accurate campaign measurement
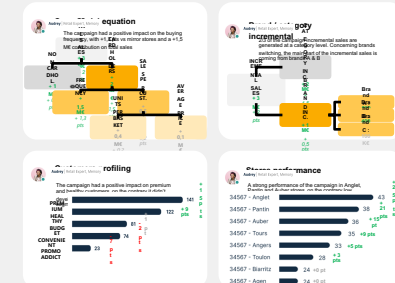
Detailed analysis on performance and volume transfers by brand, client segment and store

Brand and Media Managers

H1 key achievements

Revenue grew by +33% at €380m

Order Entries grew by +35% at €518m

New blue-chip customers signed

Finalised the development of our next generation shelf digitization system (DSS)

Largest ever contract with Walmart, thanks to DSS

Completed 2 strategic VAS acquisitions in Data Analytics and CV/AI

Increased profitability by +72%

Delivered +€35m positive free cash-flow

H1 key figures
(€m)

	H1 2023	H1 2022	%
Revenue	380.7	285.9	+33%
EBITDA	43.5	25.3	+72%
%	*11.4%*	*8.9%*	*+2.5pts*
Free Cash-Flow	34.5	(13.7)	+48.2

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H1 2023 FINANCIAL RESULTS

SES-imagotag – **H1 2023 Results**

Strong EBITDA increase fueled by higher VCM rate

> **VCM ratio up by 2.8pts**

> **Ebitda margin up by 2.5pts at €43.5m**

> **"Economic" Net Result (before impact of Walmart warrants) tripled at €15m**

> **Further profitability improvement expected in H2 2023 and 2024**

(€m)	H1 2023	H1 2022	H1 2023 / H1 2022
Revenues	**380.7**	**285.9**	**33%**
Variable Costs Margin	**92.2**	**61.1**	**51%**
% of revenues	*24.2%*	*21.4%*	*+2.8 pts*
Opex	(48.7)	(35.7)	36%
% of revenues	*-12.8%*	*-12.5%*	*+0.3 pt*
EBITDA	**43.5**	**25.3**	**72%**
% of revenues	*11.4%*	*8.9%*	*+2.5 pts*
Depreciation	(15.5)	(13.0)	19%
Non-recurring / non-cash items	(5.3)	(3.9)	35%
EBIT	**22.7**	**8.4**	**171%**
% of revenues	*6.0%*	*2.9%*	*+3.1 pts*
Financial Income / (Loss)	(0.5)	(1.1)	-54%
Tax	(7.1)	(2.4)	193%
'Economic' Net Result	**15.1**	**4.9**	**209%**
% of revenues	*4.0%*	*1.7%*	*+2.3pts*
Revaluation of Walmart warrants fair-value	76.4		
Net Income / (Loss)	**91.5**	**4.9**	**1,771%**
% of revenues	*24.0%*	*1.7%*	*+22.3pts*

Audit procedures currently being finalized

SES-imagotag – **H1 2023 Sales**

> **Q2 2023 sales at €221m, up +34% vs Q2 '22**

> **H1 2023 sales at €380m, up +33% vs H1 '22**

> **12-m rolling sales growth of +41% to €715m**

> **VAS sales in H1 2023 of €53m (+18%)**

> **H1 order entries at €518m, up +35% vs '22**

Sales in € m*	Europe	Rest of the world	Total
H1 2023	**317.7**	**63.0**	**380.7**
H1 2022	221.3	64.6	285.9
Change (in %)	*+43.6%*	*-2.6%*	*+33.2%*
2023 Rolling 12-month	**583.2**	**132.5**	**715.7**
2022 Rolling 12-month	381.2	124.7	505.9
Change (in %)	*+53.0%*	*+6.3%*	*+41.5%*

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Opex under control
€m and % of sales

€35.7m
(12.5%)

€48.7m
(12.8%)

1.1%
of sales
Acquisitions

12.5%
of sales

- 0.8 pt

11.7%
of sales

H1 2022

H1 2023

■ **Opex at constant scope** □ **Acquisitions**
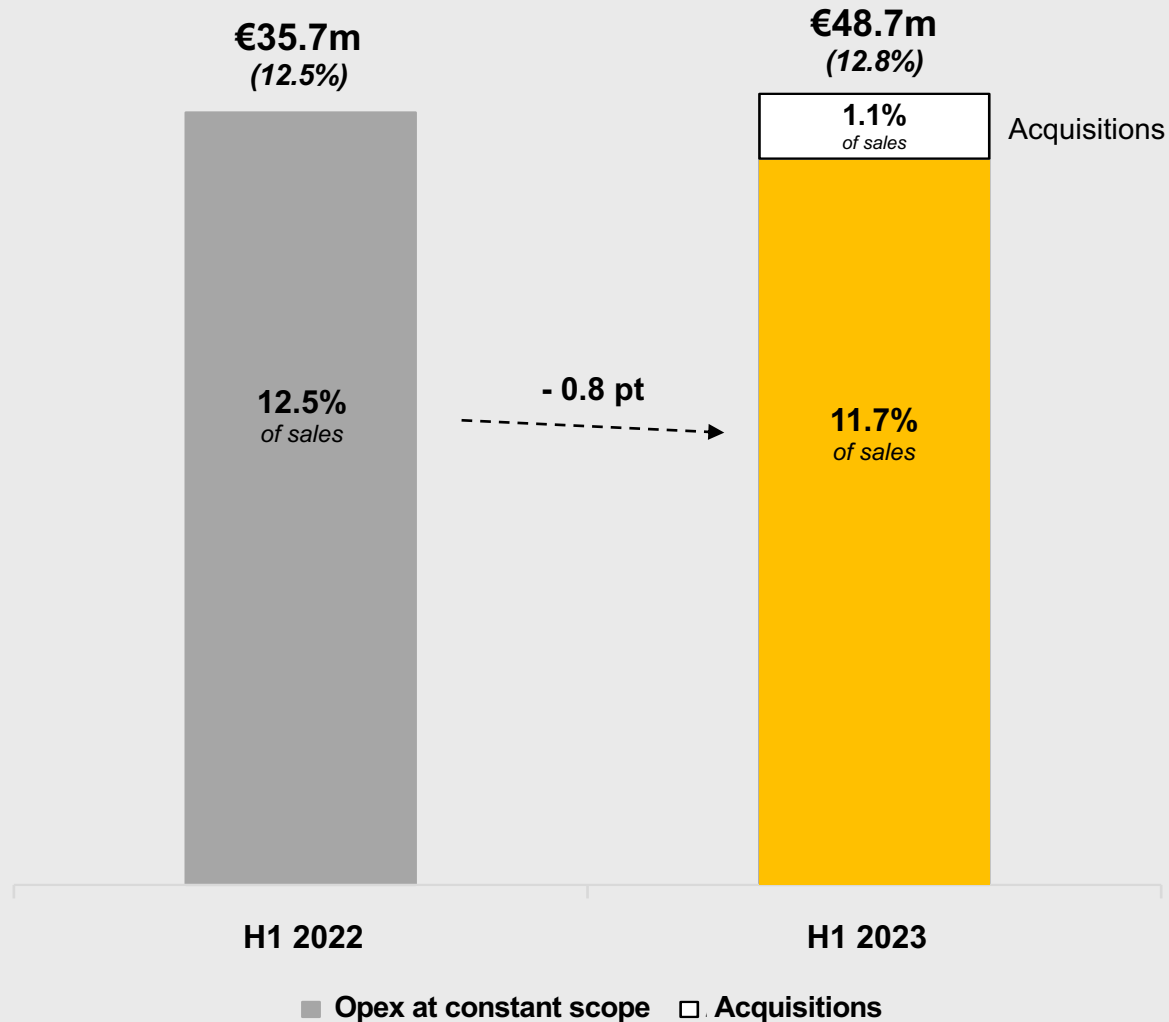
> **Opex to sales ratio down 0.8 pt on a like-for-like basis**

> **Impact of the *Belive* and *Memory* acquisitions: +1.1 pt Opex to sales ratio**

  > *Belive* and *Memory* are Ebitda ≥ 0

  > Impact of theses 2 acquisitions is accretive on Ebitda *(limited +0.4 pt impact on Group Ebitda margin)*

  > These 2 companies are SAAS companies showing higher margins but a higher Opex / sales ratio

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Strong EBIDTA improvement from operations

EBITDA / Sales %

8.9%   +2.8 pts   - 0.3 pt   11.4%

Driven by improving margins on ESL and VAS

H1 2022	volume impact	VCM rate impact	€/$ impact	HR	non-HR Opex	H1 2023
25.3	20.3	10.8	0.2	-7.2	-5.8	43.5
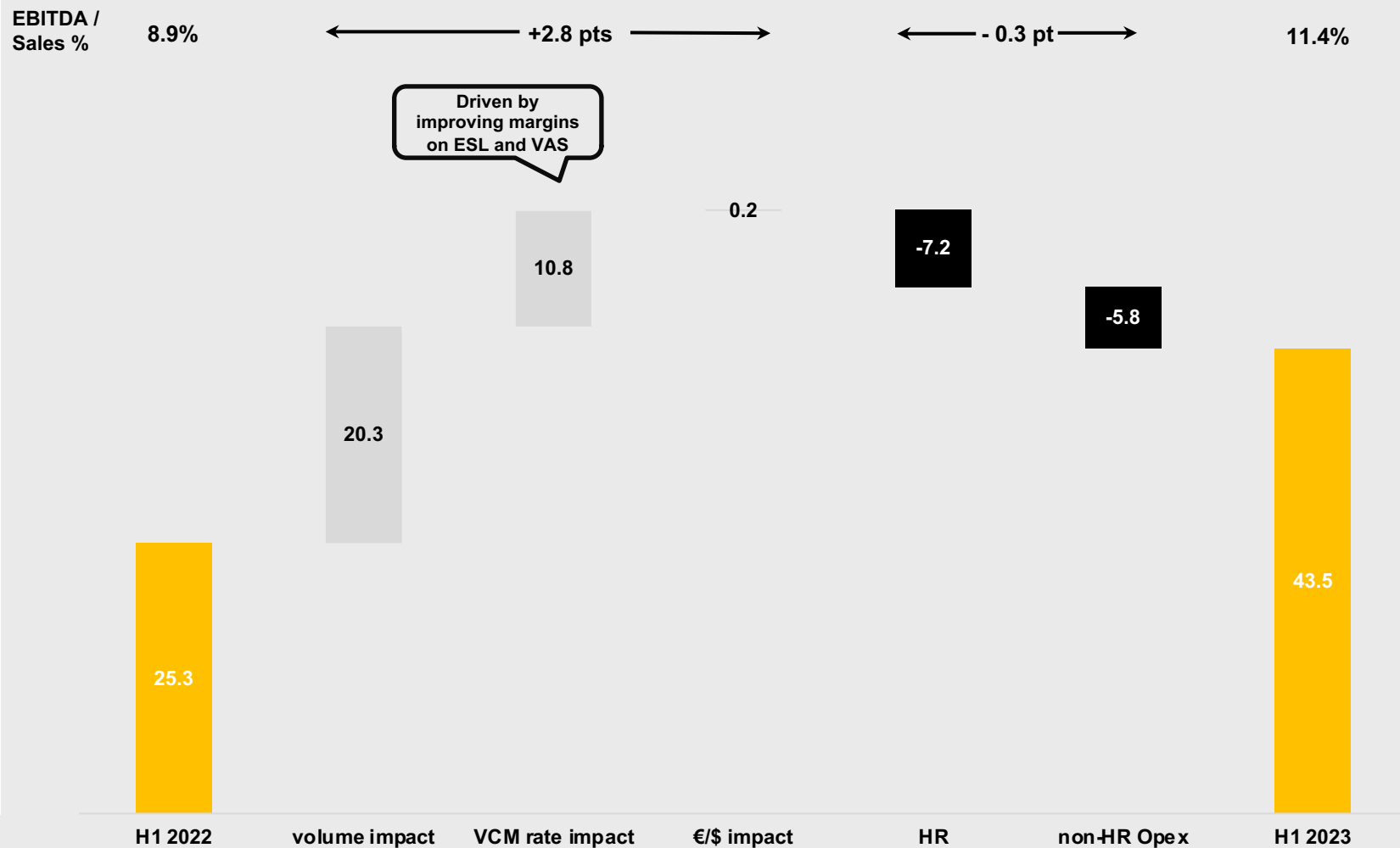
> EBITDA increase from €25.3m to €43.5m at 11.4% of sales (+2.5pts vs. H1 2022)

> EBITDA margin improves thanks to VCM rate increase mainly driven by the improvement on ESL and VAS margins

> In H2'23, the EBITDA margin improvement will mainly come from the ESL margin increase

CAPEX

€m	H1 2023	H1 2022
R&D	39.6	9.0
R&D (mainly VAS related)	*7.7*	*5.7*
Digital Shelf System	*31.9*	*3.3*
IT	5.3	3.8
Industrial investments	1.6	1.4
Others	1.6	1.7
TOTAL CAPEX	**48.0**	**15.8**

> **H1 Focus: completion of the development, industrialization and large-scale testing of the next gen Digital Shelf System***

> **IT main focus in H1 '23:**

> > ***Extend the SAP scope to additional entities***

> > ***Cyber-risk (ISO 27001 certified)***

> **8% to 9% Capex to sales ratio expected on FY '23 (as on FY '22)**

> **Lower ratio expected in 2024 onwards in line with the CMD guidance (5% to 7% of sales)**

* Bluetooth smart rail based ESL system (first roll-out : Walmart US)

Working Capital continuous improvement

in million €	June 30 2023	Dec. 31 2022	Δ
Accounts Receivables	**127**	**111**	**17**
Days of Sales (DSO)	*47*	*60*	*-13*
Inventories	**168**	**173**	**-5**
Days of Sales (DIO)	*68*	*100*	*-32*
Accounts Payables	**177**	**156**	**21**
Days of Purchase (DPO)	*75*	*82*	*-7*
Operating Working Capital	**118**	**128**	**-9**
Days of Sales	*48*	*79*	*-31*

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+€35m Positive Free Cash-Flow in H1

> **Positive Free Cash-Flow in H1 impacted by:**
>   > Improving profitability and operating WC
>   > Large down-payments from significant OE
>   > One-off DSS-related Capex payment
>   > Memory and Belive acquisitions
> **Proforma one-off cash items (down-payments, one-off DSS-related Capex and the acquisitions of Memory and Belive) the Group generated approx. 20M€ net cash over H1**
> **Acquisition of Memory and Belive paid at a lower EBITDA multiple (EV / EBIDTA H1 '23 x 2) before synergies compared to the Group**

	H1 2023	H1 2022	
EBITDA	42.0	24.2	
Capex	(48.0)	(15.8)	
Change in Working Capital	128.8	(21.6)	
Operational Cash-Flow	*122.7*	*(13.2)*	
Financial result	(1.1)	(0.8)	
Tax	(0.9)	(0.3)	
Others	0.6	2.4	
Financial Investments	(91.5)	(1.7)	
Impact of the changes in consolidation scope	4.7		*FY 2022*
Change in Net Debt *(before IFRS16 and IFRS9)*	**34.5**	**(13.7)**	*(48.8)*
Net Cash / (Debt) *before IFRS16 and IFRS9*	**(6.0)**	**(5.4)**	*(40.5)*
Cash	193.4	75.7	*33.9*
Debt (before impact of IFRS16 and IFRS9)	(199.4)	(81.1)	*(74.4)*

EBIT to EBITDA Reconciliation (€m)

in M€	As of, June 30, 2023
Operating Income (EBIT)	**22.7**
- Equity / debt / M&A related fees	(0.9)
- Performance Shares Plan (IFRS2)	(4.4)
= Current EBIT	**28.0**
- Fixed & Intangible Asset Depreciation Expense	(15.5)
= EBITDA	**43.5**

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Walmart warrants IFRS accounting treatment (€m)

H1'23 impact   **Future impact**

> On June 2, 2023, Walmart US was granted 1,761,200 warrants. These warrants will vest prorata the payments collected from Walmart US up to $3bn (if they exceed $700m) Such a right to buy SES-imagotag shares at a pre-determined price for a certain period of time is assessed at the fair value as of June 2, 2023.

> Valuation was performed by a third-party ; it generated a €163m financial debt and contract asset in the balance sheet.

€163m
(balance sheet)

> The financial debt is revalued at every closing and the change in valuation is impacting the P&L

> due to the share price decrease between June 2 and June 30, the value of this right was revised down at €87m. The difference vs. €163m ie.€76m is impacting the P&L

€76m
(P&L / Fin. Income)

Revaluation of the right to buy
(P&L / Fin. Income)

> The contract asset was determined once and will never be revalued. It will be amortized in the P&L against the revenues generated by Walmart in the roll-out (no impact in H1 2023)

Contract asset amortized prorata to Walmart revenues
(P&L / Revenues)

> Full disclosure will be made on both impacts in the P&L

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Outlook in line with guidance

› For the second half of 2023, SES-imagotag anticipates revenue in line with the annual target of €800m - with a strong Q4 both in sales and order entries - and continued profitability growth.

› For 2024, the company anticipates ongoing strong growth, driven in particular by an acceleration of sales in the United States, and further growth in profitability.

H1 key achievements

Revenue grew by +33% at €380m

Order Entries grew by +35% at €518m

New blue-chip customers signed

Finalised the development of our next generation shelf digitization system (DSS)

Largest ever contract with Walmart, thanks to DSS

Completed 2 strategic VAS acquisitions in Data Analytics and CV/AI

Increased profitability by +72%

Delivered +€35m positive free cash-flow

H1 key figures
(€m)

	H1 2023	H1 2022	%
Revenue	380.7	285.9	+33%
EBITDA	43.5	25.3	+72%
%	*11.4%*	*8.9%*	*+2.5pts*
Free Cash-Flow	34.5	(13.7)	+48.2

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H1 2023 RESULTS

September 11, 2023