

SES-imagotag Q1 2020 Sales

- 2020 Q1 Sales at €50.8m, down -2.7% vs. Q1 2019 (€52.2m)
- Activity impacted by production delays and postponed projects due to the Covid-19 crisis
- Order entries up by +51.6% at €71.8m
- Rolling 12-month Sales and Order Entries up by +15.7% and +38.2%
- Return to growth expected in H2
- Contingency plan to control costs and limit the impact of the Covid-19 crisis

Thierry Gadou, SES-imagotag Group Chairman and CEO commented: "In these challenging times, I would like to extend my gratitude to our teams, our partners and our customers who are ensuring the continuity of essential services around the world. Our top priority is and will continue to be to protect the health and safety of all those who are assuring the smooth maintenance and operations of grocery stores and pharmacies under these unprecedented conditions.

As experienced by other corporations throughout the world, our growth has been impacted in the first quarter by the Covid-19 crisis, which affected our production capacities and caused a slowdown and delays in projects. Our order entries remained dynamic until the implementation of lockdown measures, and they recorded solid growth that reflects the growing importance of digital transformation for retailers. This crisis will reinforce this sense of urgency, beyond the operational paralysis it caused in the short term.

Production in China is now back to normal, but activity will stay impacted in Q2 due to accumulated delays and a slowdown in projects. In this tough context, the Group has put in place a strong contingency plan to prevent health risks and to control costs as well as investments to preserve our financial situation.

Thanks to the gradual lifting of lockdowns, we expect a return to growth in H2."

Sales (€m)	France	International	Total
Q1 2019	14.7	37.5	52.2
Q1 2020	12.0	38.8	50.8
Change (%)	-18.4%	+3.5%	-2.7%
Rolling 12 months 2019	61.8	150.8	212.7
Rolling 12 months 2020	64.8	181.4	246.1
Change (%)	+4.7%	+20.3%	+15.7%

NB: Please note sales performance are presented in €M in the table above, while ratios are based on euro amounts.

Sales

Sales in Q1 were €50.8m, slightly down (-2.7%) from Q1 2019. Over the first three months of the year, the Group's activity has been impacted by production delays and postponed projects due to the Covid-19 crisis, which are reflected both in the sales figures for France and internationally.

The rolling 12-month sales however are still up +15.7%, confirming the Group's positive long-term momentum.

Order entries

Order entries stood at €71.8m, up by +51.6% following a record 2019 year, thanks to solid International performance.

Order entries (€m)	2020	2019	%
Q1	71.8	47.3	+51.6%
Rolling 12 months	360.9	261.2	+38.2%

NB: Please note sales performance are presented in €M in the table above, while ratios are based on euro amounts.

Outlook and Covid-19 crisis management

The Group's production capacity came back to normal in April, as anticipated, even if some delays will still occur. Global demand is affected in all geographies and industries due to lockdown measures and many stores' closures. Several orders and projects have been postponed without dates. Yet, the Group should be able to maintain a slightly decreasing activity in H1 before seeing a return to growth in H2.

In this still unpredictable climate, SES-imagotag has introduced a contingency plan to protect its employees, partners and customers, and imposed strict control over costs and investments in order to maintain operational expenses at the level of 2019 and pursue the profitability improvement efforts.

The Group is also actively working with its financial partners to preserve its financial capacity and the resources for future growth.

About SES-imagotag and the VUSION Retail IoT platform

SES-imagotag is a fast-growing retail tech company, listed on the Euronext Paris stock exchange, with revenues around €250 million. The company is the world leader in smart digital labels and IoT solutions for physical retail, serving over 300 large retailers around the world in Europe, Asia and America.

SES-imagotag has developed the VUSION Retail IOT technology platform to help retailers transform their physical stores into high value digital assets, more automated, data-driven, and connected in real-time to suppliers and consumers. VUSION improves pricing agility, accuracy and integrity; enables omni channel synchronization of prices, product information and marketing content; and increases the productivity of shelf replenishment and in-store picking for online orders. VUSION improves employee satisfaction by freeing up time from cumbersome low value-added tasks and allowing them to focus on customer service and merchandizing tasks. VUSION connects shelves to the cloud, providing real-time accurate information on product availability and location, allowing for reduced inventory, out-of-stock and waste, as well as improved on-shelf availability and merchandizing compliance. VUSION empowers consumers with better product, nutritional and traceability



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information at the shelf and enables a frictionless in-store shopping experience with features such as product search, pathfinding and cashier-less scan & pay features.

www.ses-imagotag.com

SES-imagotag is listed in compartment B of the Euronext™ Paris

Ticker: SESL – ISIN code: FR0010282822 – Reuters: SESL.PA – Bloomberg: SES

Contact

Shan – Investor Relations & Financial Communications

Sarah Levy-Quentin - Tel: +33 (0)1 44 50 03 84 / sesimagotag@shan.fr