

Covid-19 Update

Recovery in orders in Q4

- > **Customer confidence returning in anticipation of the launch of mass vaccination programmes around the world**
- > **Several major contract wins secured in Q4**
- > **Q4 orders expected to reach a record €160-200 million (over €400m in FY 2020)**
- > **COVID impact likely to be limited to approximately one year delay on the VUSION 2022 strategic plan targets**

The strength of the recovery in orders in Q4 2020 indicates that customer confidence is returning, after the relative slowdown in activity in the previous quarters.

Several major contracts have been signed during recent weeks in North America and Northern Europe. Orders for Q4 alone should be in the region of €160-200 million, compared with order entries of €119m in Q4 2019, a record quarter for the company. This puts full year order entries on track to reach more than €400m, versus the €336.5m recorded in FY 2019.

Taking into account the range of projects underway and the tenders already in progress or about to be launched, this positive momentum is expected to continue into 2021, thanks to the much-improved outlook regarding COVID-19.

Given the high levels of infection remaining in most SES-imagotag markets, it is still too early to reach a full assessment of the COVID-19 impact. Nonetheless, there are two conclusions that can already be drawn. The first is that activity has proved extremely resilient in the face of this crisis which should accelerate the drive to digitalize physical retail operations; the second is that it is highly likely that the impact of the COVID-19 pandemic on the VUSION 22 plan will be limited to a delay of approximately one year in delivery on the objectives announced in May 2018.

Thierry Gadou, Group Chairman and CEO commented: *“The major contracts that we have won during the past few weeks combined with the sharp rebound in activity we are seeing, are excellent signals for 2021. While Covid-19 has led to an unprecedented growth in online sales, it has also underlined the limitations of e-commerce, particularly in food retail, and has demonstrated the importance of physical retail. Consumers value physical stores, and more and more a significant share of e-commerce is passing through last-mile “pickup” and “curb side” online order delivery centers at physical outlets. With hopes rising that the pandemic will shortly be brought under control, we are seeing a resumption of the race to digitalize physical retail, which at a global level has only just started. As this difficult year draws to a close, we are wishing all our clients and partners, a safe, healthy and prosperous New Year 2021.”*



About SES-imagotag and the VUSION Retail IoT platform

SES-imagotag is a fast-growing retail tech company, listed in 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, 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 products availability and location, allowing for reduced inventory, of-stock and waste, as well as improved on-shelf availability and merchandizing compliance. VUSION empowers consumers with better product, nutritional and traceability 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

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