

SES-imagotag – Q1 2022 Sales: On-going strong growth, in line with expectations

- Q1 2022 sales of €120.2m, up +43% year-on-year, in-line with guidance
- Growth driven by Europe and the Americas
- Q1 order entries at a record level of €170.1m (+53.2%)

Sales in €m	Europe	Rest of the world	Total
Q1 2022	91.4	28.8	120.2
Q1 2021	62.6	21.5	84.1
Change (in %)	+46.0%	+33.9%	+42.9%
2022 Rolling 12-month	345.7	113.0	458.7
2021 Rolling 12-month	230.1	93.5	323.6
Change (in %)	+50.2%	+20.8%	+41.7%

Thierry Gadou, Chairman and Chief Executive Officer stated: “I am pleased to report that 2022 is off to a strong start. The growth momentum we experienced in 2021 has accelerated during the first quarter of this year and the Q1 2022 reported sales have once again set a historical record for our company’s first quarter revenue.

SES-imagotag continued to perform very well despite ongoing complexity in global supply chains, a COVID-related lock-down in China, and growing geo-political crises. Top-line growth was driven primarily by our European and North American markets. The sales growth of our Valued-Added Software, Solutions & Services (VAS) continued to accelerate and increase its contribution to our top-line. And the growth of our order intake during the period reached record levels, underpinning our confidence in the dynamic future of our business.

Further underscoring our growth prospects, we were delighted to announce in mid-March our expanded strategic relationship with Walmart in the United States, following a successful pilot program. As I have said before, the world’s best retailers choose the VUSION platform. SES-imagotag is very grateful to them for their trust in our innovation, products, services, and execution. Of course, our operational excellence would not be possible without our committed and top-notch employees, to whom I am, as always, deeply grateful. We know that there will be challenges to face this year, but we remain confident in our outlook for 2022 and in the growth and profitability objectives of our VUSION-23 plan.”

Continued strong sales growth in Q1 2022, +42.9% to €120.2m

Total sales increased 42.9% year-over-year to €120.2m in the first quarter of 2022, the highest Q1 sales level reached in SES-imagotag’s 30-year history. Europe drove overall growth, with sales reaching €91.4m, an increase of 46% compared to Q1 2021. The growth in Europe was fueled, in particular, by roll-outs in Germany and Italy, and by dynamic sales across the entire region. Growth outside Europe grew by a robust 33.9% to €28.8m versus one year ago. The Group experienced a highly contrasted situation between stellar growth in North America, and a revenue contraction in Asia where our business has slowed due to lock-downs and ongoing travel bans.

Rolling twelve-month sales during the period increased 41.7% versus the previous 12-month period, driven by a strong performance in Europe (+50.2%), and a +20.8% increase in the Rest of the World.

Value-added solutions (VAS) sales were up 65% and accounted for 15.5% of total sales in Q1 2022, up from 13.4% of sales a year ago. The Group continues its strategy toward a diverse product mix, which strengthens the Group's ability to cope with the conjunctural components cost increase.

Order entries increased +53% in Q1 2022, underscoring on-going growth

Order entries totaled €170.1m during the first quarter, constituting a +53.2% increase year-over-year, and underscoring ongoing momentum in future sales growth. On a 12-month rolling view, order entries were up by +33.6% in Q1 2022 to €660.9m, a historical high. Order intakes were particularly high in Germany where retail digitization is accelerating.

Order entries (in €m)	2022	2021	%
Q1	170.1	111.0	+53.2%
Rolling 12-month	660.9	494.7	+33.6%

Outlook

Amidst an ever-evolving complex geopolitical situation and continued stress on the global supply chain, the Group nevertheless remains confident in its strong commercial momentum for 2022 and the continuation of its profitable growth strategy in line with the objectives of its strategic plan.

About SES-imagotag and the VUSION Retail IoT platform

SES-imagotag is a world leader in smart digital labels and IoT solutions for physical retail, serving over 300 large retailer groups around the world in Europe, Asia and North 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 the agility, precision and accuracy of prices, whilst ensuring the omnichannel synchronization of prices, product information and marketing campaigns. The platform developed by SES-imagotag also optimizes in-store order preparation and restocking. 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 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.

SES-imagotag supports the United Nations' Global Compact initiative and has received in 2022 the Gold Sustainability Rating from EcoVadis, the world's reference of business sustainability ratings

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

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