VusionGroup

Technologies for
Positive Commerce

FY 2024 Results

February 26, 2025

Agenda

Introduction	**Olivier Gernandt** – Investor Relations Officer
Business Highlights	**Thierry Gadou** – Chairman & CEO
Financial Highlights	**Thierry Lemaitre** – Deputy CEO Corporate & Finance
Outlook	**Thierry Gadou** – Chairman & CEO
Q&A	**Thierry Gadou & Thierry Lemaitre**

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FY 2024 Results

February 26, 2025

Record 2024 sales and order entries

- €1 billion adjusted sales (+25%)
- €1.6 billion order entries (+71%)

Improvement in profitability and free cash flow

- Adjusted VCM at €297m (+44%; 29.3% of sales)
- Adjusted EBITDA at €161m (+51%; 15.9% of sales)
- €391m Free Cash-Flow Generation

FY 2025 Outlook

- +40% Adjusted Group Revenue Growth
- +80% VAS Revenue Growth
- +100 to +200bps Adjusted EBITDA margin improvement

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Business Highlights

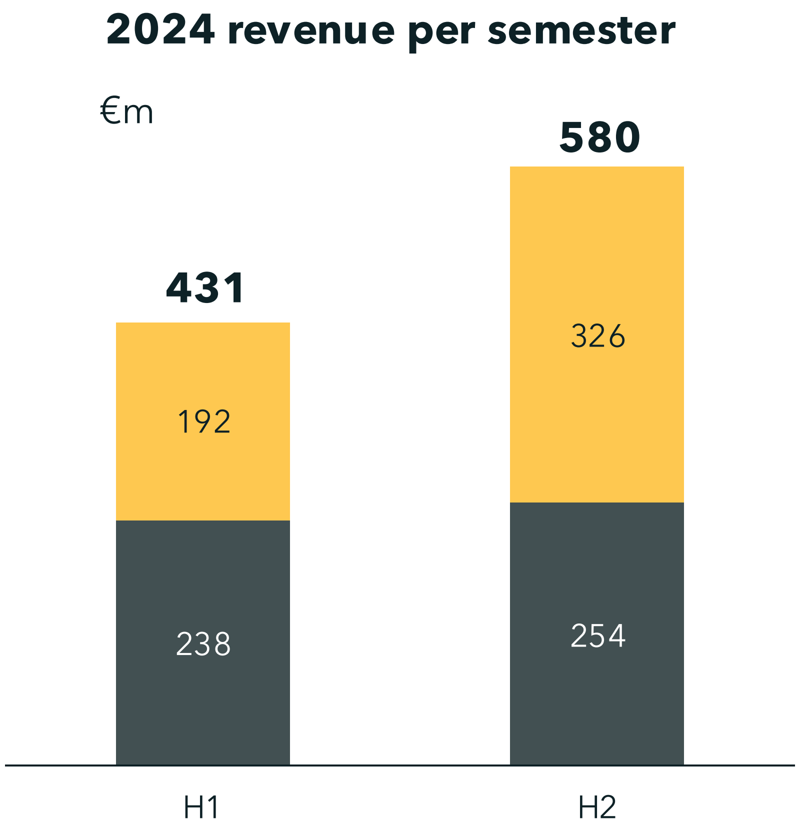
Thierry Gadou – Chairman & CEO

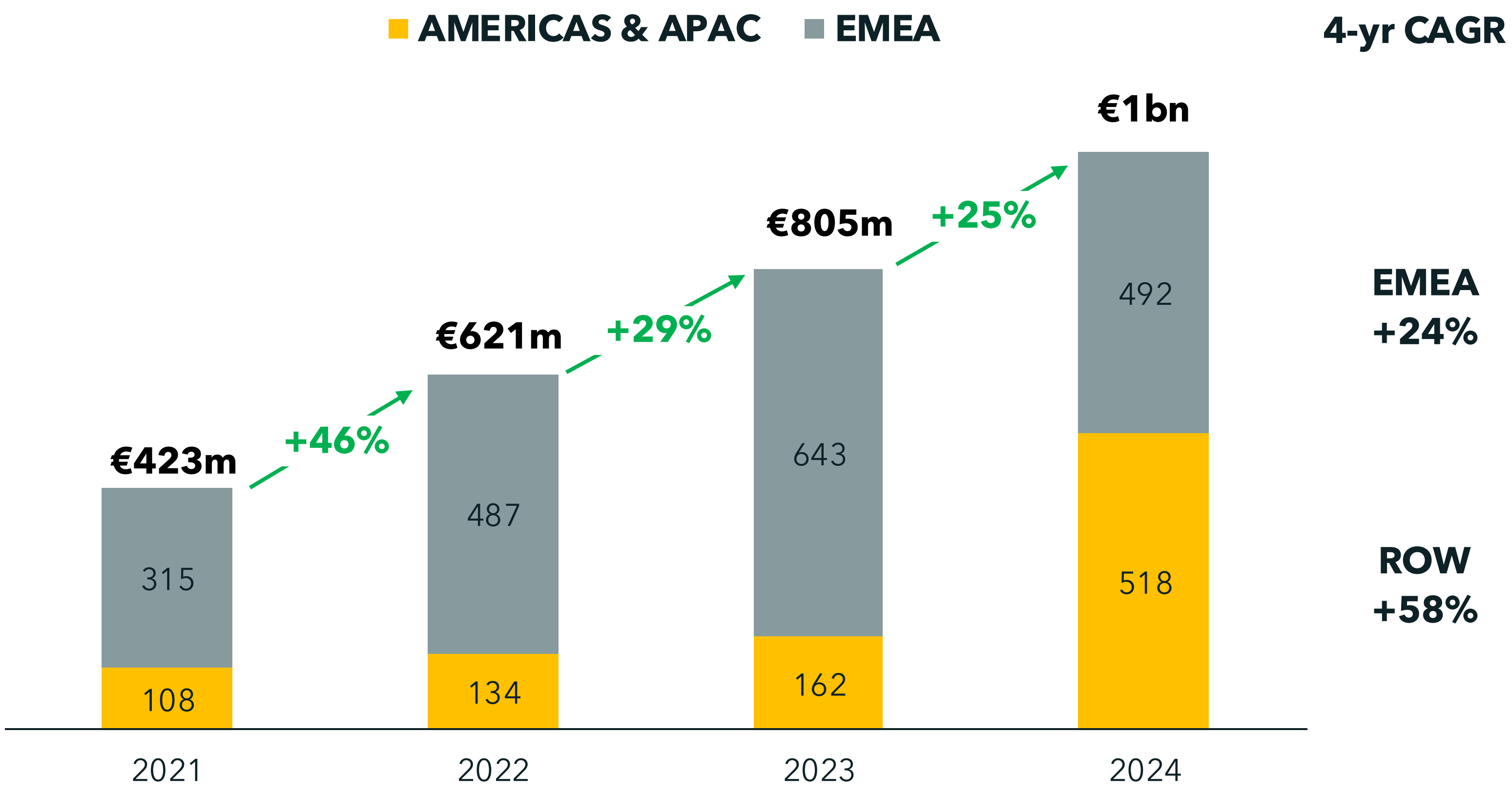
FY 2024 Results Conference Call – February 26, 2025

Continued strong revenue growth in 2024

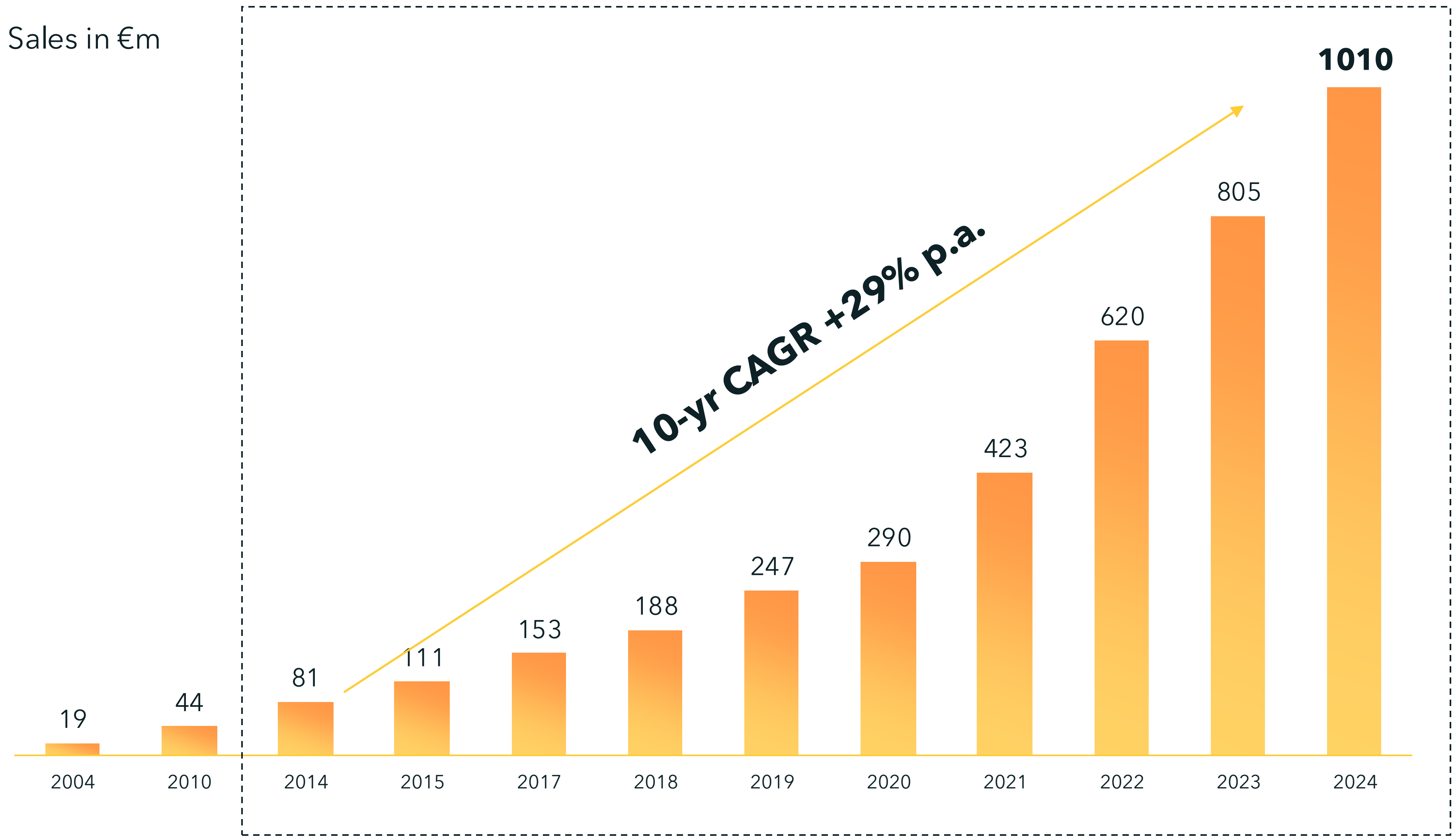
Overall ~25% growth expected globally

Americas acceleration

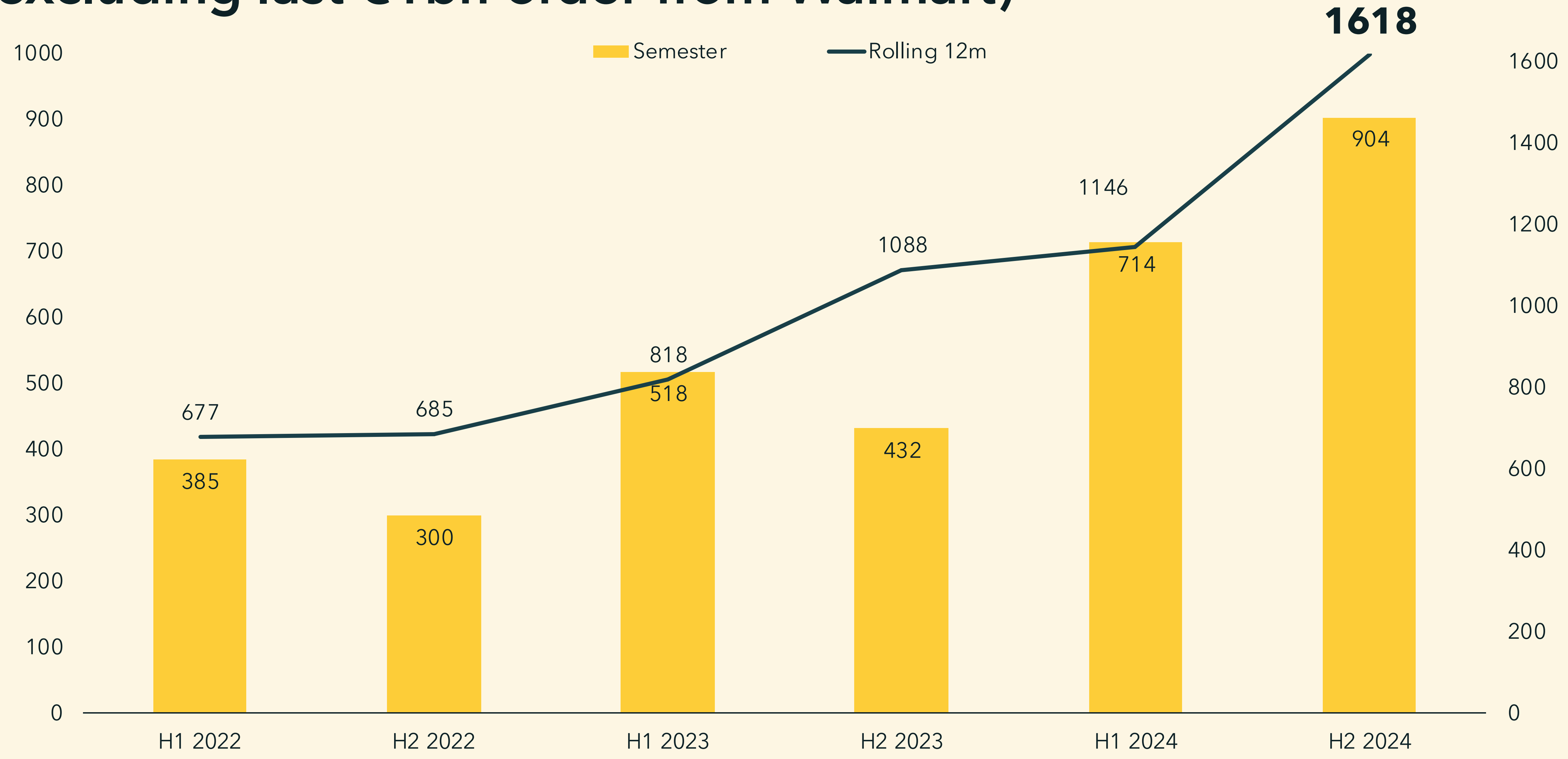




A decade of strong growth and global leadership



Record order entries level in H2 ’24 and FY ’24 (excluding last €1bn order from Walmart)



Some of our key wins in 2024

Walmart
HyVee EMPLOYEE OWNED
Sonae
DARTY
ACE Hardware
SPAR
Netto
PHOENIX group
MATCH
E.Leclerc
coop
THE FRESH MARKET

Pharmacy

Gas stations

Sport

Travel Retail

Cosmetics / H&B

Consumer Electronics

Food

Home improvement

DIY

The fastest and largest Retail IoT roll-out ever

Pilot Expansion & Strategic Partnership

2022

Walmart and SES-imagotag Expand Strategic Relationship Across the U.S.

1st Wave
500 stores

2023

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

2nd Wave
2,300 stores

Apr. '24

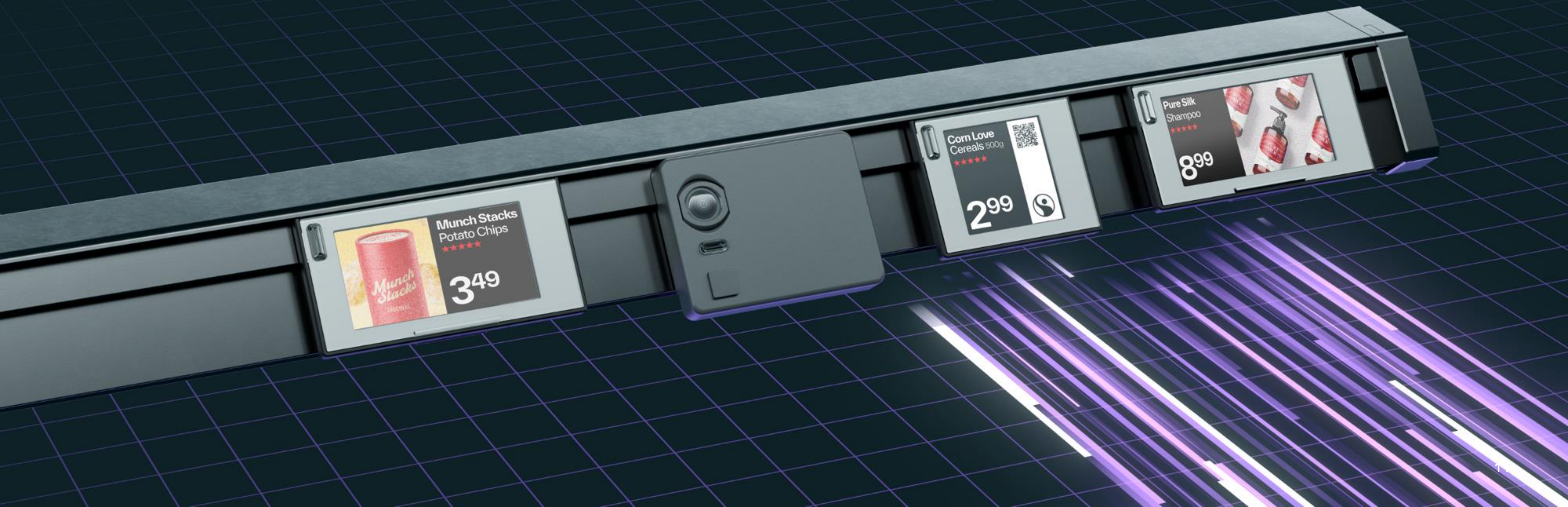
VusionGroup Secures Contract Amendment for Accelerated Deployment of EdgeSense and VusionCloud Solutions

3rd Wave
4,600 stores
Full Fleet

Dec. '24

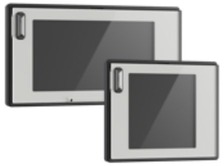
VusionGroup to Expand Digital Solutions across All Walmart U.S. Stores

Reinventing the Shelf Edge with EdgeSense™



2024: year 1 of the EdgeSense and VusionOX revolution

Turning the store into a smart grid where products, associates and customers can be located and connected



Battery-less / Radio-less Displays

Powered and connected through the rail, labels are battery-free and radio-chip free

Pick-to-Light / Stock-to-Light

Guiding associates in stores to improve their efficiency

Intelligent Rail providing Connectivity (BLE) and Power (replaceable long-lasting battery)

Click-in / Click-out instant identification, set-up, location

Connecting customers, associates and products

Embedded Centralized Connectivity & Security

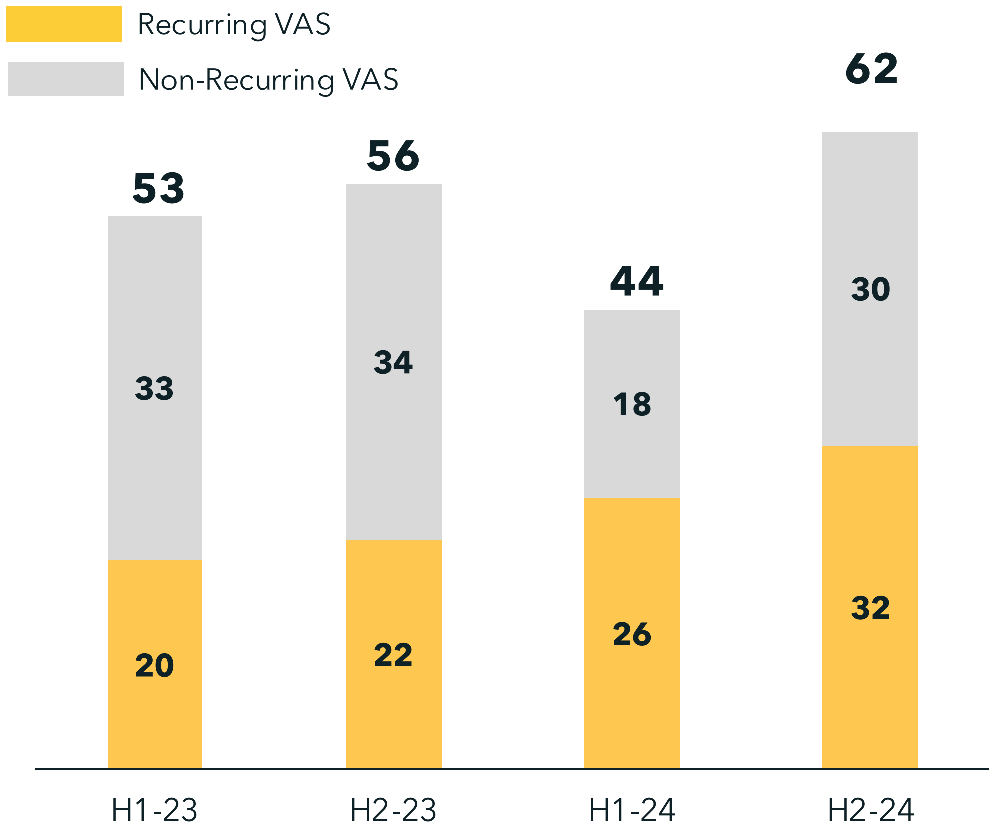
Secure cloud-to-edge data connectivity

running VusionOX

New IoT operating system powering EdgeSense

Strong Q4 and H2 in VAS revenue - both recurring and non-recurring

VAS revenue - Last 4 semesters in €m

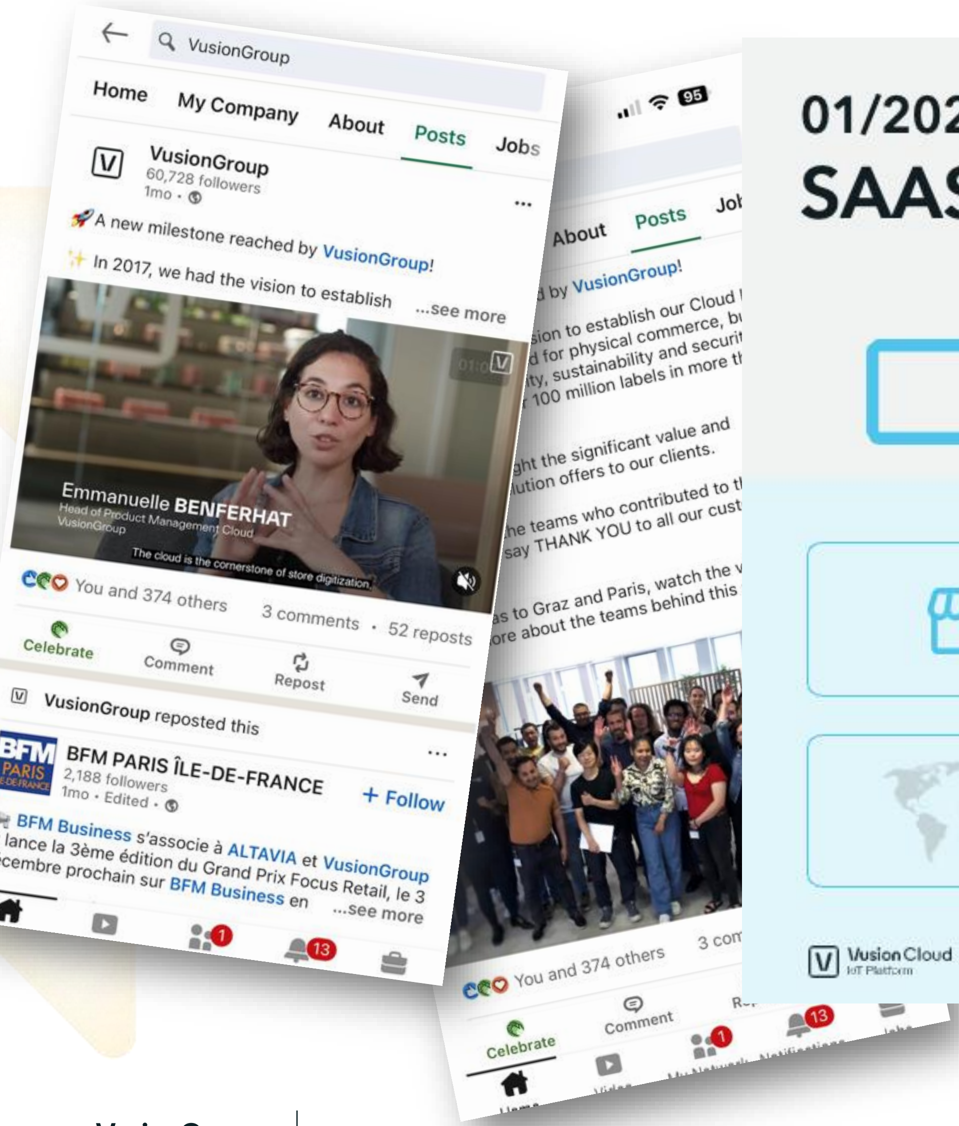


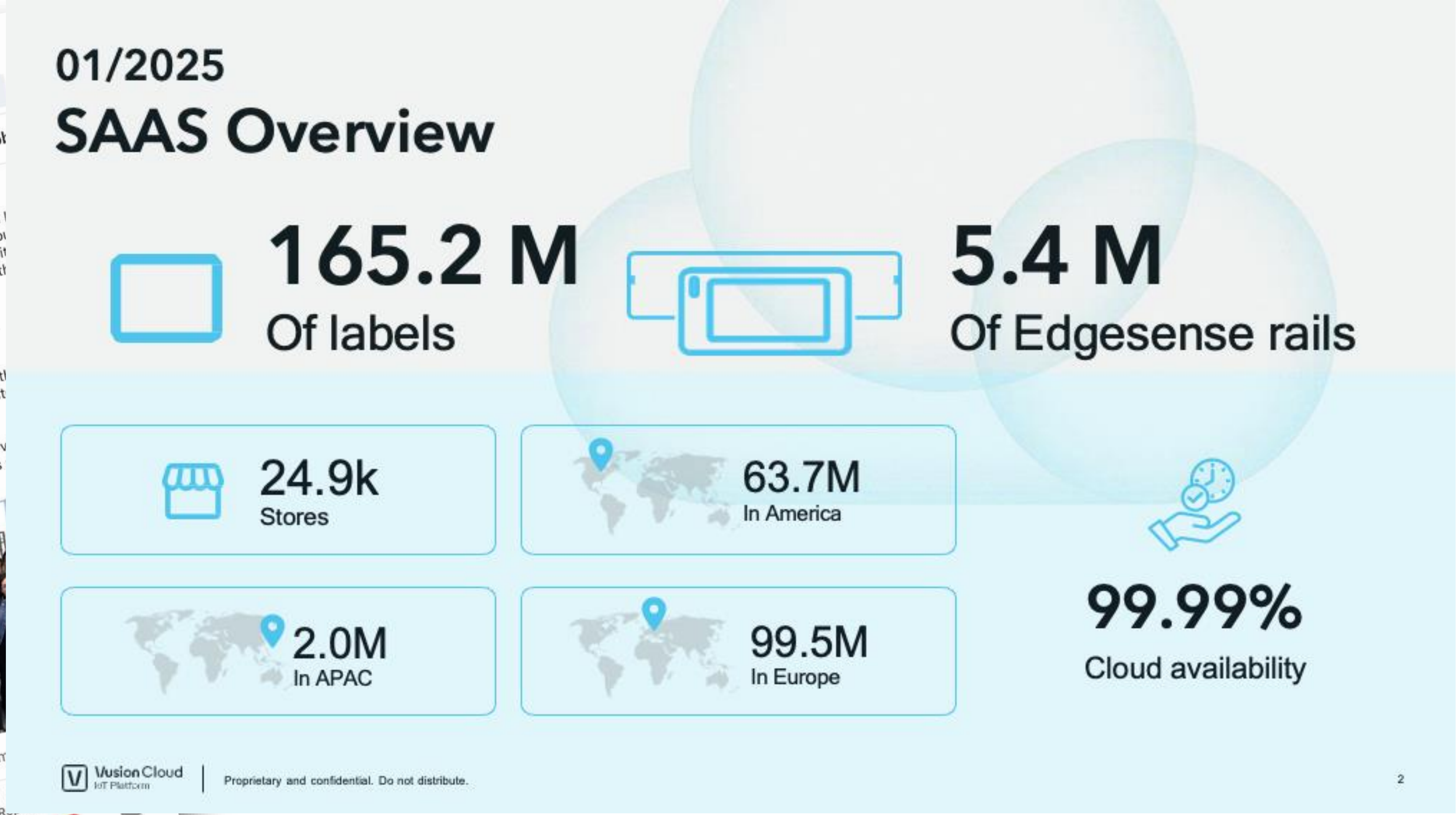
	FY23	FY24	YoY
Total FY	€109m	€106m	-3%
Rec. FY	€42m	€58m	+38%

- Strong Q4 in overall VAS revenues
- Annualized recurring VAS reached 65m+ in Q4
- Overal in FY24, Rec. VAS grew by +38% while total VAS decreased by -3%
- Many retailers reduced Spend and Capex → projects postponed or slowed down, resulting in one-off VAS temporary decline
- Several VAS solutions were launched in 2024 which will ramp-up in the coming years
- Strong growth of VAS revenue expected in 2025 (x2 the Group's revenue growth)

VusionCloud continued its exponential growth in '24

VusionCloud
IoT Platform





Simultaneous rollout of ESL, Data & AI solutions with The Fresh Market

NRF 2025

The showcase of major 2024 R&D developments

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Financial Highlights

Thierry Lemaitre – Deputy CEO Corporate & Finance

FY 2024 Results Conference Call – February 26, 2025

VusionGroup – FY 2024 Results
Significant Profitability Improvement and Free Cash-Flow Generation

- FY revenue of €1bn on an adjusted basis[1] (+25%).
- VCM of €296m on an adjusted basis[1] (+44%); VCM margin of 29.3% (up 3.8 pts vs. FY 2023)
- Adjusted EBITDA of €161m (+51%); Adjusted EBITDA margin of 15.9% up 2.7pts vs. FY 2023
- Free Cash Flow generation of €391m with a net cash position of €366m

KEY FINANCIAL HIGHLIGHTS

In €m*	**FY 2024 Adjusted**	FY 2023 Adjusted	***FY24 / FY23***	FY 2024 IFRS	FY 2023 IFRS	*FY24 / FY23*
Revenue	**1,011**	805.6	***+25%***	954.7	802.0	*+19%*
EBITDA % of revenue	**160.5** ***15.9%***	106.0 13.2%	***+51%*** ***+2.7pts***	104.7 11.0%	102.3 12.8%	*2%* *-1.8 pts*
Change in Net Cash (before IFRS16)	**+365.6**	+67.7	***+297.9***	+365.6	+67.7	*+297.9*

(*) Audit procedures in progress

[1] Adjusted sales incorporate IFRS standards before adjusting for certain non-cash IFRS adjustments related to the Walmart US contract, which began in Q4 2023. These adjustments only impact the Americas & Asia-Pacific region. Please see the detailed explanatory note at the end of this presentation.

Strong Increase in Profitability

- **IFRS FY24 revenue at €955m**
- **FY24 adj. revenue at €1,010m i.e. +25% yoy growth (in line with guidance)**
- **Adjusted VCM margin up 3.8pts reaching 29.3%**
- **€105m Ebitda / €160m adjusted Ebitda +51% vs. FY 2023 showing +2.7pts vs 2023**

In €m*	**FY 2024 adjusted[1]**	**FY 2023 adjusted[1]**	**FY24 / FY23**	**FY 2024** IFRS	**FY 2023** IFRS	**FY24 / FY23** IFRS
Revenue	**1,010.5**	**805.6**	**25%**	**954.7**	**802.0**	**19%**
Variable Costs Margin	**296.5**	**205.5**	**44%**	**240.7**	**201.9**	**19%**
% of revenues	*29.3%*	*25.5%*	*+3.8 pts*	*25.2%*	*25.2%*	*-0.1 pts*
Opex	(135.9)	(99.5)	37%	(135.9)	(99.5)	37%
% of revenues	*-13.5%*	*-12.4%*	*-1.1 pts*	*-14.2%*	*-12.4%*	*-1.8 pts*
EBITDA	**160.5**	**106.0**	**51%**	**104.7**	**102.3**	**2%**
% of revenues	*15.9%*	*13.2%*	*+2.7 pts*	*11.0%*	*12.8%*	*-1.8 pts*
Depreciation	(57.5)	(36.5)	58%	(57.5)	(36.5)	58%
Non-recurring / non-cash items	(23.9)	(14.3)	67%	(23.9)	(14.3)	*67%*
EBIT	**79.1**	**55.1**	**43%**	**23.3**	**51.5**	**-55%**
% of revenues	*7.8%*	*6.8%*	*+1 pt*	*2.4%*	*6.4%*	*-4 pts*
Financial Income / (Loss)	(15.7)	(5.6)	179%	(50.0)	43.0	-216%
Tax	(10.0)	(14.9)	-33%	(2.2)	(14.9)	-85%
Net Income / (Loss)	**53.4**	**34.6**	**54%**	**(28.9)**	**79.6**	**-136%**
% of revenues	*5.3%*	*4.3%*	*+1 pt*	*-3.0%*	*9.9%*	*-12.9 pts*

(*) Audit procedures in progress

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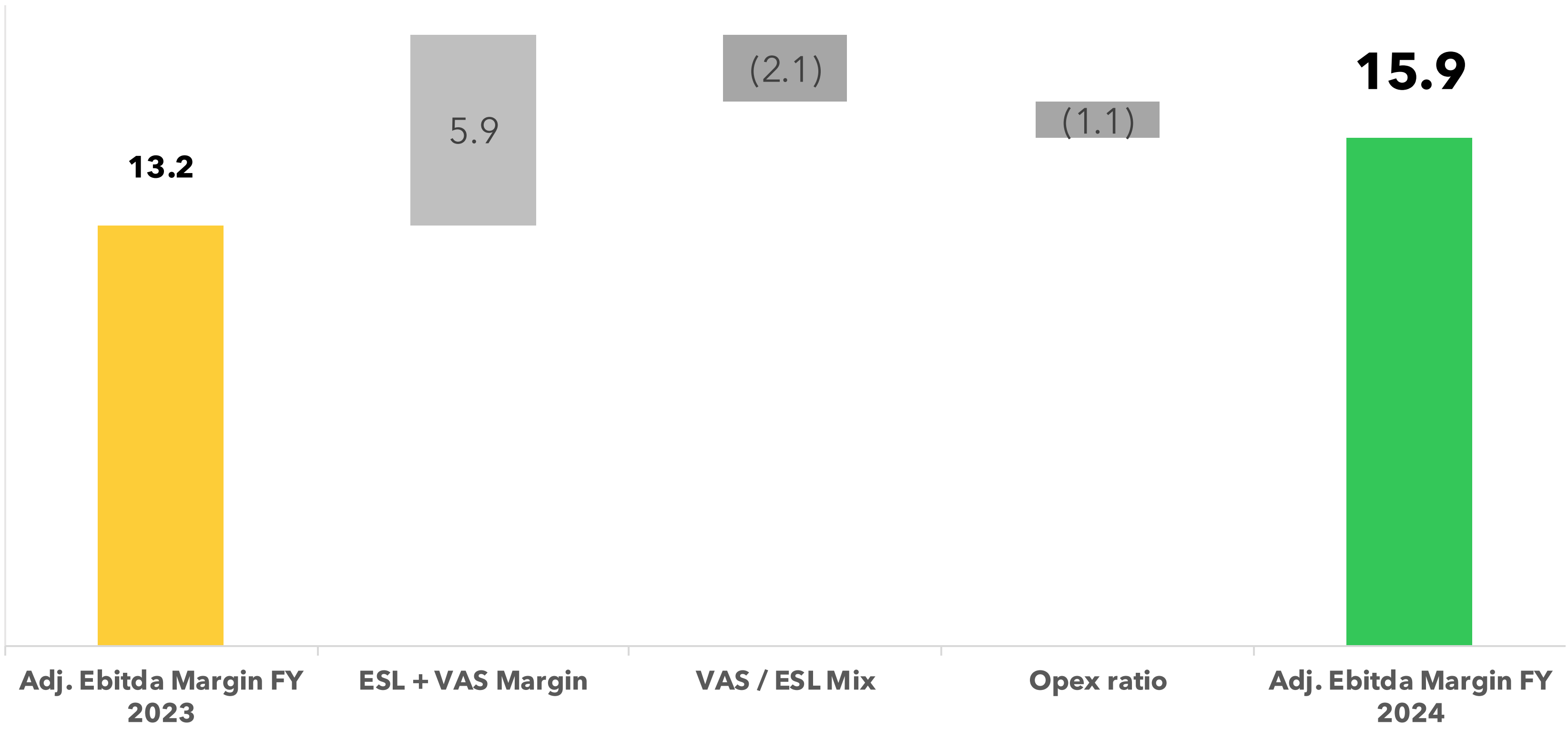
VCM improvement drives increase in EBITDA margin

In % of sales



- **Strong EBITDA growth in € value and % sales, driven by IoT innovation, industrial scale and efficiency, and recurring VAS growth**
- **EUR/USD exch. rate flat in H1 2024 vs. H1 2023 at 1.081**
- **Opex ratio increase due to recruitments to support strong momentum in the US with higher cost / FTE and VAS future growth.**

From EBITDA to EBIT

in million euros	FY 2024	FY 2023
EBITDA	**104.7**	**102.3**
Adj. EBITDA	***160.5***	***106.0***
- Equity / debt / M&A related fees		(1.9)
- Earn-out Memory	(5.0)	
- Performance Share Plans (IFRS2)	(18.9)	(12.5)
Sub-total Non recurring / non-cash items	***(23.9)***	***(14.3)***
- Fixed & Intangible Asset Depreciation	(57.5)	(36.5)
= Operating Income (EBIT)	**23.3**	**51.5**
= Adj. EBIT	***79.1***	***55.1***

Financial Income and Expenses

*in €m**	2024 cash	2024 non-cash	2024 total	2023
- Bank interest expenses	*(11.5)*		(11.5)	(12.4)
- Financial Income from cash investments	*4.7*		4.7	
- Financial instruments gains / (losses)				3.6
- Exchange gains / (losses)	*(7.1)*		(7.1)	3.8
- Leasing related interest expenses (IFRS16)		*(0.5)*	(0.5)	(0.4)
- Other financial expenses	*(0.8)*	*(0.4)*	(1.2)	(0.4)
Sub-total « adjusted »	***(14.7)***	***(0.9)***	**(15.7)**	**(5.6)**
- IAS 21		*(12.5)*	(12.5)	
- Revaluation of the warrants granted and not exercised		*(21.9)*	(21.9)	48.5
= TOTAL	***(14.7)***	***(35.3)***	**(50.0)**	**43.0**

(*) Audit procedures in progress

Cash CAPEX below 5%

In €m*	**FY 2024**	**FY 2023**
R&D & IT	33.3	64.2
o/w EdgeSense Project (HW)		37.2
Industrial	118.5	19.1
o/w Customer-financed Manuf. Lines	117.3	16.5
Others	6.2	4.1
TOTAL CAPEX	**158.0**	**87.5**
o/w customer-financed CAPEX	117.3	16.5
o/w CAPEX financed by the Group	**40.7**	**71.0**
% adj. sales	4.0%	8.8%

(*) Audit procedures in progress

Strong operating cash-flow and conversion rate before down-payments and Capex financing

in €m*	FY 2024		Normative FCF excluding down-payments and CAPEX financing
Adjusted EBITDA	160.5		160.5
IFRS 16	(3.6)		(3.6)
Capex	(158.0)	Excluding 117.3 M€ Manuf lines in FY24	(40.7)
Change in Working Capital	396.0	Adj. Revenue growth (+€205m) x 12%[1] (WC/sales)	(25.0)
Corporate Tax	(4.7)		(4.7)
Free Cash-Flow	***391.1***		**+86.5**

(*) Audit procedures in progress

Adj. Ebitda / FCF conversion **54%**

AR	329	
Inventory	147	
AP	(214)	
Op. Working Cap	**262**	= last 44 days of revenues = 12% [1] of FY 2024 revenues

Strong cash-flow generation

In €m*	FY 2024	FY 2023
EBITDA	160.5	106.0
IFRS 16	(3.6)	(3.8)
Capex	(158.0)	(87.5)
Change in Working Capital	397.1	155.9
Corporate Tax	(4.7)	(13.2
Free Cash-Flow	**391.1**	**157.4**
Cash-settled incentive plan	(14.8)	
Financial income / (loss)	(14.7)	(6.0)
Share buy-back		(5.0)
Financial Investments (inc. M&A)	(0.5)	(91.5)
Impact of the changes in consolidation scope		4.7
Dividend	(4.8)	
Others (mainly non cash provisions in Ebitda + cash non rec items e.g. social charges on AGA)	9.3	8.2
Change in Net Cash	**365.6**	**67.7**
Net Cash / (Debt) before IFRS16	**392.8**	**27.2**
Cash	535.6	199.9
Debt (before impact of IFRS16)	(142.8)	(172.7)

(*) Audit procedures in progress

- Strong €391m Free Cash Flow generation
- Based on this cash flow generation, the Group decided to settle a share-based incentive plan in cash (€14.8m) instead of equity and avoid dilution for shareholders
- Net Cash position of €392.8m increasing by €366m from €27m at the end of 2023
- Based on FY 2024 and projected future cash flows, a €0.60 / share dividend payment will be proposed at the next shareholders' meeting

Strong net cash position

The Net Cash position has evolved as follows over 2024:

in €m*	Net Cash as of Dec. 31, 2023	increase	decrease	Net Cash as of Dec. 31, 20234	Maturity
Cash	199.9	335.7		535.6	
EuroPP 10M€	(10.0)			(10.0)	July 2025
Term-loan 90M€ *(amortizable from June 2025)*	(90.0)			(90.0)	Dec-2028
EuroPP 2023 40M€	(40.0)			(40.0)	Dec-2030
PGE	(8.7)		8.7	-	Repaid in Jul-2024
RCF (drawn)	(20.0)		20	-	3+1+1 years
Bank debt and TIE amort.	(4.0)		1.2	(2.8)	
Reported Net Cash / (Debt) ***before IFRS 16***	**27.2**	**335.7**	**29.9**	**392.8**	
Adjusted 12-m Ebitda (excl. IFRS16)	**102.2**			**156.9**	
> Covenant ***(Net Debt / LTM Ebitda)***	**-0.27x**			**-2.5x**	
IFRS16 restatement	(10.5)			(9.9)	
Net Cash / (Debt) after IFRS16	**16.8**			**147.0**	

(*) Audit procedures in progress

IFRS Restatements

*effect in €m**	**2024**	**2023**
Revenues	**(55.8)**	**(3.7)**
warrants initial fair value "amortization" + averaged price including future volume-based price decrease	*(55.8)*	*(3.7)*
EBITDA	**(55.8)**	**(3.7)**
warrants initial fair value "amortization" + averaged price including future volume-based price decrease	*(55.8)*	*(3.7)*
Financial Income / (loss)	**(34.4)**	**48.6**
IFRS 21 on US / France IC	*(12.5)*	
warrants FV revaluation	*(21.9)*	*48.6*
Net Income / (loss)	**(82.3)**	**44.9**
warrants initial fair value "amortization" + averaged price including future volume-based price decrease	*(55.8)*	*(3.7)*
IFRS 21 on US / France IC	*(12.5)*	*0.0*
warrants FV revaluation	*(21.9)*	*48.6*
Deferred tax on these restatements	*7.9*	

(*) Audit procedures in progress

- **Warrants initial fair value "amortization" + averaged price including future volume-based price decrease**
  -55.8M€ in 2024.
- **Warrants Fair Value revaluation:**
  -21.9M€ in 2024
- **IFRS21 on US / France intercompany:**
  -12.5M€ in 2024
  exchange difference on IC transactions booked in the P&L although the underlying transactions are eliminated…
  - no cash impact
  - temporary item
  - the reciprocal receivable and liability will settle with no impact on the cash

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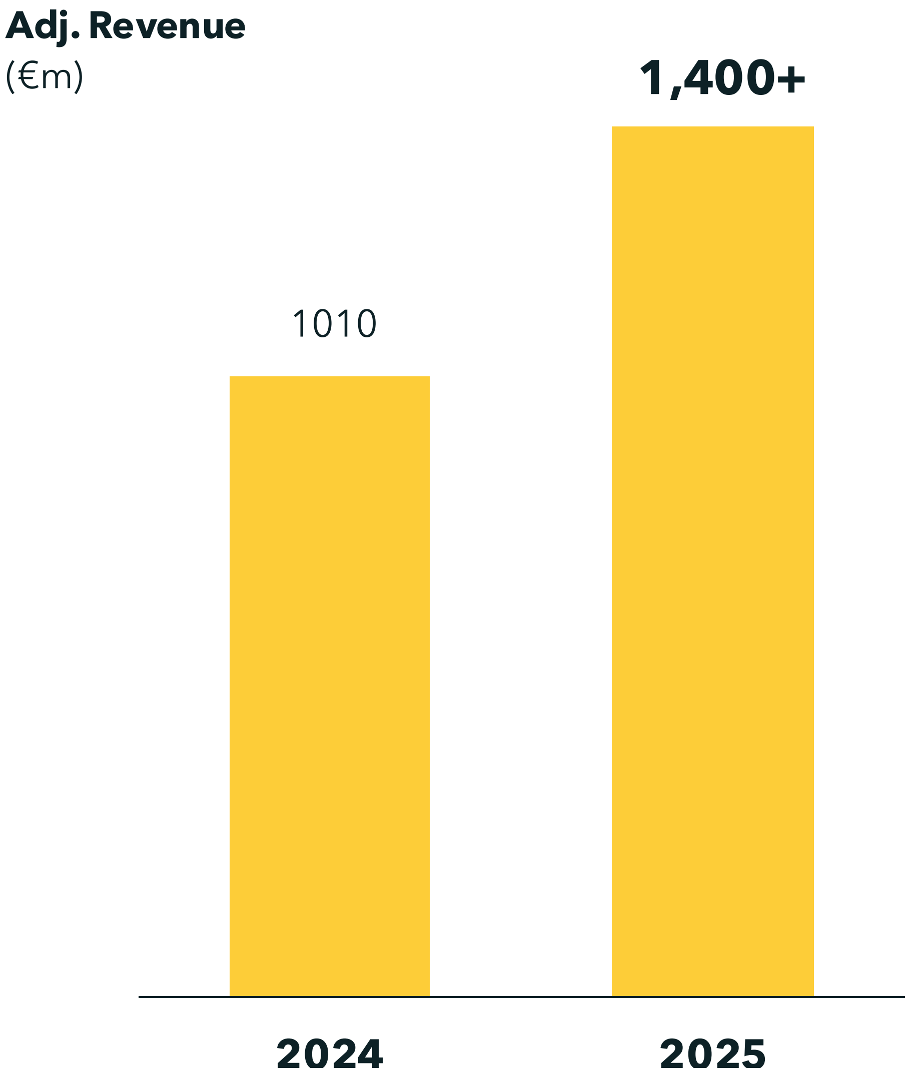
Outlook

2025 Outlook



- **+40% adj. revenue growth expected** in FY 2025
  - ~€600m in H1, with ~25% growth in Q1
  - ~€800m in H2
- **VAS to grow 2x faster** than total group revenue
- Profitability improvement with adjusted **EBITDA margin[1] growing by +100 to +200 bps**
- Continued **positive cash flow** generation

Adjusted sales incorporates IFRS standards before adjusting for certain non-cash IFRS 15 adjustments related to the Walmart US contract, which began in Q4 2023. These adjustments only impact the Americas & Asia-Pacific region. Please see the detailed explanatory note at the end of this presentation.

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€391m Free Cash-Flow Generation

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- +80% VAS Revenue Growth
- +100 to +200bps Adjusted EBITDA margin improvement

Note on the IFRS Adjustments related to the Walmart contract:

- Four IFRS adjustments related to the Walmart contract impact 2024 financial disclosures:
  - On June 2, 2023, at their Annual General Meeting, the Group’s shareholders approved a grant to Walmart of 1,761,200 of stock warrants on the Group’s shares. According to IFRS standards, the fair value of these warrants should be calculated. On June 2, 2023, the fair value of the warrants was established at €163m. A contract asset and a financial debt were thus recorded in the consolidated accounts for this amount. The contract asset, which is a fixed amount, is amortized in proportion to the projected revenue generated by Walmart over the estimated period necessary for Walmart to reach a level of spending of $3 billion with the Group. This impact in terms of reduced turnover is conventional because the only potential effect of the BSAs will be a dilution that has already been simulated and communicated when these BSAs are granted at the beginning of June 2023; it does not impact the turnover invoiced to Walmart. This restatement has no effect on the Group's cash position. It has an impact on revenue and also on all the aggregates of the Group's income statement, in the same proportions. This negative impact will continue to have an impact on the Group's IFRS accounts until Walmart has spent $3 billion with the Group and in proportion to the revenue generated by this contract. Financial debt is subject to a revaluation at each closing date depending in particular on the number of exercisable warrants and the stock market price of the VusionGroup share. Any variation is recorded in the Group's consolidated financial statements. The Group will continue to communicate the impact of this IFRS restatement on revenue and net income at each closing.
  - The impact of future price reductions indexed to the volumes agreed upon with Walmart from the first deliveries of electronic shelf labels (ESLs): The cost of the Group’s hardware solutions is a function of the volume manufactured. A significant increase in volume might thus lead to lower cost. Therefore, it has been agreed with this customer that they will be granted price reductions in relation to the future sales volume to which they contribute. The IFRS standard (IFRS 15) requires prices to be averaged over the life of the contract. The application of this restatement in 2023 impacts reported revenue (IFRS) and the margin compared to the revenue invoiced, even though price reductions will only be granted if and when volumes will have reached certain thresholds. The application of this standard has a negative impact on revenue and all income statement lines, down to net profit.
  - The impact of the application of IAS 21 to the reciprocal debt and receivables between the parent company and its US subsidiary related to the financing of production lines for Walmart.
  - The effect of deferred taxes relating to these adjustments.