



## BALYO announces its annual results for 2018

- 42% growth in sales revenue to €23.3 million, and a 14% increase in order intake, reaching €20.1 million
- Changes in the Company's Board of Directors

Ivry-sur-Seine, France, March 27, 2019, 7:30 AM – **BALYO** (FR0013258399, Ticker: BALYO, eligible for the PEA-PME plan), a technological leader in the design and development of innovative robotic solutions for material handling trucks, announces its annual results today for 2018, as approved by the Board of Directors on March 25, 2019.

**Fabien Bardinnet, Chairman and Chief Executive Officer of BALYO**, stated: *“The past year was a turning point in BALYO’s history, with major operational progress made in the industrial development of our solutions. Our teams have grown, and we have renewed our strategic partnership with Hyster-Yale Group for 10 years. These successes illustrate the soundness of our strategy, supported by major investments in technology. Positioned in a sector in the midst of a revolution at the heart of the stakes facing by major industrial groups, we are approaching 2019 with confidence and ambition. We intend to accelerate this positive business dynamic and significantly reduce our operating losses.”*

### 2018 annual results\*

In millions of euros	December 31, 2017	December 31, 2018
<b>Sales revenue</b>	<b>16.41</b>	<b>23.26</b>
Cost of sales	-10.98	-16.98
<b>Gross margin</b>	<b>5.44</b>	<b>6.28</b>
<b>Gross margin ratio</b>	<b>33.1%</b>	<b>27.0%</b>
Research and development	-5.67	-5.74
Sales and marketing	-4.05	-4.64
Overhead	-4.83	-6.80
Payments in shares	-1.09	-1.25
<b>Operating loss/gain</b>	<b>-10.10</b>	<b>-12.14</b>
<b>Financial income</b>	<b>-0.52</b>	<b>0.24</b>
<b>Net income</b>	<b>-10.63</b>	<b>-11.89</b>
<b>Cash position</b>	<b>30.68</b>	<b>14.93</b>

\*The consolidated financial statements were audited. The certification report will be issued once the management report has been verified and the requisite procedures have been finalized.



As announced when the sales revenue for 2018 was published, revenue grew significantly - by 42% - compared to 2017, reaching €23.3 million. The dynamic performance is illustrated by the 14% increase in our order intake in 2018, totaling €20.1 million.

During the past year, the gross margin ratio reached 27% as a result of difficulties encountered in the deployment of latest-generation solutions, with onsite installation cycles that were longer than expected. The problems have now been corrected thanks to a restructuring of the teams and reinforced expertise.

The increase in operating expenses mainly results from a 41% rise in general and administrative expenses. For the most part, this increase is due to expenses incurred for the new head office in Ivry-sur-Seine and market listing costs. R&D, and Sales and Marketing expenses, for their part, rose respectively by 3% and 15%.

In 2018, the operating loss totaled -€12.14 million after taking into account the IFRS2 charge, compared to -€10.10 million in 2017, and results from BALYO's investments during the year. During this period, the Company hired 48 new employees, boosting all of its strategic departments and bringing its total workforce to 206 as at December 31, 2018, compared to 158 at the end of 2017.

After taking into account financial income of €0.24 million, attributable to exchange gains, the net result is -€11.89 million for 2018, compared to -€10.63 for 2017.

Cash available at 31 December 2018 amounted to €14.9 million compared with €30.7 million for the same period in 2017.

### **Changes in the Board of Directors**

Seventure Partners informed the company it wished to resign from the Board of Directors on 20 March 2019. Balyo's Board of Directors acknowledges this decision and thanks Sébastien Groyer, Seventure Partners' representative, for his exceptional contribution to the Company's development since he joined the Board in 2010.

### **Significant events in 2018 and post-closing**

At the end of 2018, BALYO and NORCAN signed a strategic partnership agreement for the co-development of a smart collaborative robot, SHERPA<sup>®</sup>. Thanks to this product, BALYO is now positioned in the order picking sector, extending its coverage of the logistics chain, and can provide its customers with end-to-end integrated solutions embedded with BALYO's technology. This strategic alliance offers high growth potential thanks to the complementarity of the two companies throughout all of the project stages, from technological development to global distribution.



## Strategy and outlook

In 2018, BALYO continued to restructure its teams with a view to reducing deployment time lines for its robotic solutions on its customers' sites. Furthermore, the Group focused on consolidating its technological advances with the inauguration of the Advanced Perception Lab in Singapore. Thanks to this research laboratory located in the heart of the world's autonomous mobility ecosystem, BALYO counts on integrating the latest developments in robotic perception, such as the ability to move in unpredictable environments, into its solutions.

Based on all the technological development achieved, the order intake, and the support of industrial and commercial partners, the Group is ideally positioned to achieve solid growth in 2019.

In this favorable environment, the Company reaffirms its sales revenue objective of over €200 million by 2022.

The annual financial report will be available soon on the Company's website under the "Investors" heading: <https://www.balyo.fr/Societe/Investisseurs>.



Organized by Investir and NewCap, Direct Dirigeants is a key event to meet top executives of listed companies.

BALYO will be participating at the Groupe Les Echos auditorium on Wednesday, April 10, 2019. For more information, contact Balyo at [balyo@newcap.eu](mailto:balyo@newcap.eu)

**Next financial release:** sales revenue for the first quarter on April 17, 2019, after the market closes.

## ABOUT BALYO

BALYO transforms standard forklift trucks into standalone intelligent robots thanks to its breakthrough proprietary Driven by Balyo™ technology. The geoguidance navigation system developed by BALYO allows vehicles equipped with the system to locate their position and navigate autonomously inside buildings. Within the automated handling vehicle market, BALYO has entered into two strategic agreements with Kion Group AG (Linde Material Handling's parent company) and Hyster-Yale Group, two major operators in the material handling sector. BALYO is present in three major geographic regions (Americas, Europe and Asia-Pacific). Its sales revenue reached €23.3 million in 2018. For more information, please visit our website at [www.balyo.com](http://www.balyo.com).





## CONTACTS

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