



BALYO presents its strategy for 2020 and beyond

- **Strengthening of the two historical partnerships for greater industrial and commercial efficiency**
- **Launch of sales of robotic solutions to independent intralogistics integrators**
- **Testing of a Pallet-movement "As a Service" offering**
- **2020 revenue target of more than €30 million**

Ivry-sur-Seine, France, January 8, 2020 - 07:30am - **BALYO** (FR0013258399, Mnemonic: BALYO, eligible PEA-PME), a technological leader in the design and development of innovative robotic solutions, announces an evolution of its strategy in order to renew a commercial dynamic in line with the potential and added value of its solutions.

Pascal Rialland, CEO of BALYO, comments: *"The efforts and operational progress made by BALYO's teams and its historical partners over the last six months have enabled to establish the framework for a more efficient and balanced commercial strategy. Its execution will be organized around our historical partners as well as new system integrators. Progress has materialized in significant order commitments for the year 2020, providing the necessary visibility for the successful execution of our business plan. Finally, in accordance with the Group's DNA, BALYO continues and will continue to place innovation at the heart of its strategy as evidenced by the development of Pallet-movement "As a Service" offering. I have full confidence in our teams and in the relevance of our strategic choices which will have a positive impact on our growth and profitability from 2020".*

Strengthening historical partnerships for greater industrial and commercial efficiency

The order commitment announced in December 2019 reflects the operational achievements made by BALYO and its partners over the last six months, particularly through the strengthening of installation teams and increase in quality control.

BALYO is entering a new phase of collaboration with its partners to accelerate the deployment of its robots via their sales networks. This indirect distribution channel should remain a major sales channel for BALYO over the next few years.



The efficiency of partnerships will be improved by simplifying the operational model, i.e. a stronger involvement of partners in the assembly and installation of robots for orders placed in 2020.

Each party will thus focus on its area of excellence, strengthening the overall effectiveness of the partnerships.

Launch of sales of robotic solutions to independent intralogistics integrators

From this year, BALYO launches the marketing of its robotic solutions to independent intralogistics integrators. These players have assets in selling turnkey projects which integrate BALYO's innovative technologies. Their market approach is complementary to our historical partners in responding to end customers needs. The launch of this second business line of our sales strategy complements BALYO's historical partnerships, particularly in the Asia Pacific region. Its gradual ramp-up should significantly support BALYO's commercial dynamics in the years to come.

Testing of a Pallet-movement "As a Service" offering

BALYO has just launched the preliminary phases of a fully integrated solution enabling it to operate the robots remotely on behalf of its customers. This is a third potential area of development, a pay-per-use pallet-movement solution. This offering, on which BALYO has been working for a year, is a unique response to certain constraints linked to the robotization of material flows at customers' sites:

- Eliminate the need for capital for customers, by offering a service instead of an investment and pay-per-use billing;
- Increase the performance of robotic solutions by integrating a teleoperator capable of taking control of the robot remotely;
- Simplify the adoption of technology by offering a packaged and operated solution for customers who do not have the required skills.

The contribution of this activity to BALYO's turnover will remain limited in 2020 and 2021.

2020 revenue target of more than €30 million

Taking into account the difficulties encountered during the previous financial year, 2019 sales are expected to be around €21 million.



BALYO has received minimum order commitments from its two industrial partners for the current financial year. These cumulative order commitments represent a total of 394 robots, i.e. more than twice the volumes recorded in 2019.

The various levers of BALYO's new strategy, the signing of commercial commitments, the sale of turnkey projects to system integrators and the completion of the backlog at December 31, 2019 should enable the Company to achieve 2020 with revenues higher than €30 million, a growth of approximately +50% compared to 2019.

The Company has a potential for profitable growth that should materialize during the second half of 2020, reflecting the first effects of the new strategy and the transition that has taken place over the last few quarters.

The Company also expects to be closer to the break-even point over the year 2020.

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.



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