Q1 2023 Results Conference Call

MAY 12, 2023

Q1 2023 Results

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€m

| REVENUES	GOM*	Adj. EBITDA	NET RESULT
€149.7	**€62.4**	**€13.5**	**€3.2**
+8.5%	41.7% (+1.5 pp)	9.0% (+0.5 pp)	2.1% (+1.2 pp)

Net Debt at €31.7M (-€10.3 vs Dec '22)

* GOM 2023 affected by reclassification of certain cost items mainly from S&D to COGS. Comparative 2022 figures consistently restated

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Q1 2023 Highlights: Revenue growth, whilst improving profitability and cash flow generation

- ❑ **Revenue growth** at high single digit (+8.5%) with strong performance of EMEAI

- ❑ **A new Operating Model with two new Market Segments,** to enhance strategy execution

- ❑ **Gross Operating Margin** at **41.7%** compared to 40.2% in Q1 2022 (**+1.5 pp**) mainly thanks to price/mix offsetting decline in volumes, in an eased environments on the procurement side

- ❑ **R&D Cash Out at €15.8M,** steady at around 10.6% on revenues, **executing technological roadmap**

- ❑ **Adj EBITDA margin at 9.0%** (8.5% in Q1 2022), mainly due to improving Gross Margin

- ❑ **Net Debt down at €31.7M**, thanks to operating cash generation in the quarter, fueled by tight control on Net Working Capital

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Group Revenues by Geography

€m	Q1 2023	Q1 2022	Var %
EMEAI	86.6	75.6	14.5%
Americas	41.8	40.6	2.9%
APAC	21.3	21.7	(1.9%)
Total Datalogic	**149.7**	**137.9**	**8.5%**

**% on Group Revenues**

APAC
14,2%

Americas
27,9%
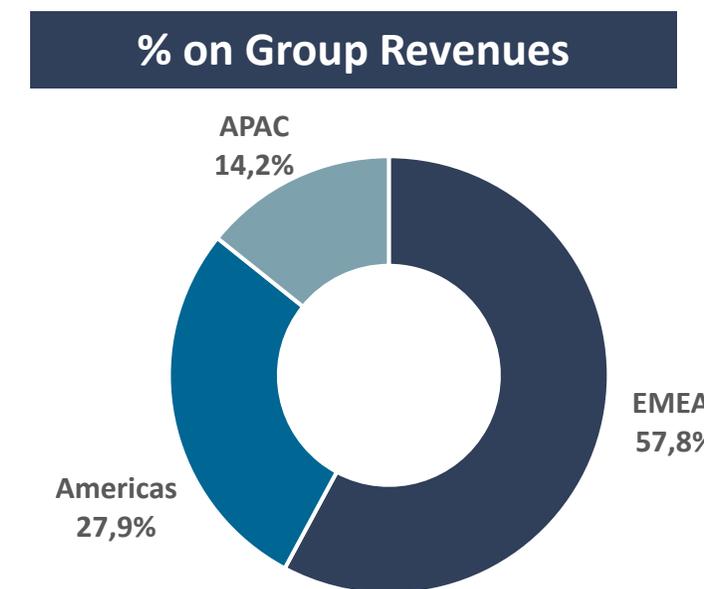
EMEAI
57,8%

❑ **EMEAI: Group's first market up by 14.5%,** led by DACH, Italy & Middle East

❑ **AMERICAS:** Group's second-largest market with an **overall growth at +2.9%,** driven by double digit growth in logistic and manufacturing applications

❑ **APAC: -1.9% YoY,** despite double-digit growth in China

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Group Revenues by Market Segment*

€m	Q1 2023	Q1 2022	Var %
Data Capture	91.3	83.5	9.3%
Industrial Automation	54.5	50.6	7.7%
Total DL Business	**145.7**	**134.0**	**8.7%**
Informatics	4.1	4.1	(0.3%)
Intra division	(0.1)	(0.2)	
Total Datalogic	**149.7**	**137.9**	**8.5%**

% on DL Business Revenues

Industrial Automation 37,4%
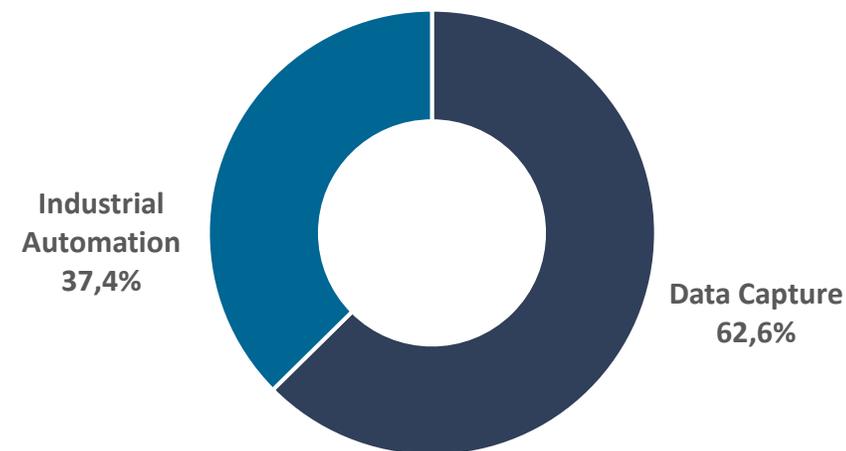
Data Capture 62,6%

❑ **Data Capture: +9.3%,** led by a double digit EMEAI growth (+20.3%)

❑ **Industrial Automation: growth across all geographical areas:** double digit growth in Americas and APAC

* With the aim of better aligning the operating model with its strategic goals and prioritizing product and solution offerings, Datalogic introduced two new Market Segments which operate with distinct sales models, and liaise with different representatives and purchasing needs of the client: Data Capture and Industrial Automation. Consistently with that, starting from 2023 revenue breakdown for the Datalogic Division is presented by Market Segment, which replaces previous breakdown by Industries

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New Product Launches and Innovation

Mobile Computer	Hand Held Scanners	Sensors, Safety & Machine Vision

Memory 11 Family

Powerscan 9600 Bluetooth

SVS-Vistek Cameras

Quickscan 2200 Series

S3N-T

❑ **R&D Cash Out**[*]at 10.6% in line with the Q1 2022 (10.5%). Commitment to Product Development Roadmap continues

❑ **Vitality Index** at 6.3%
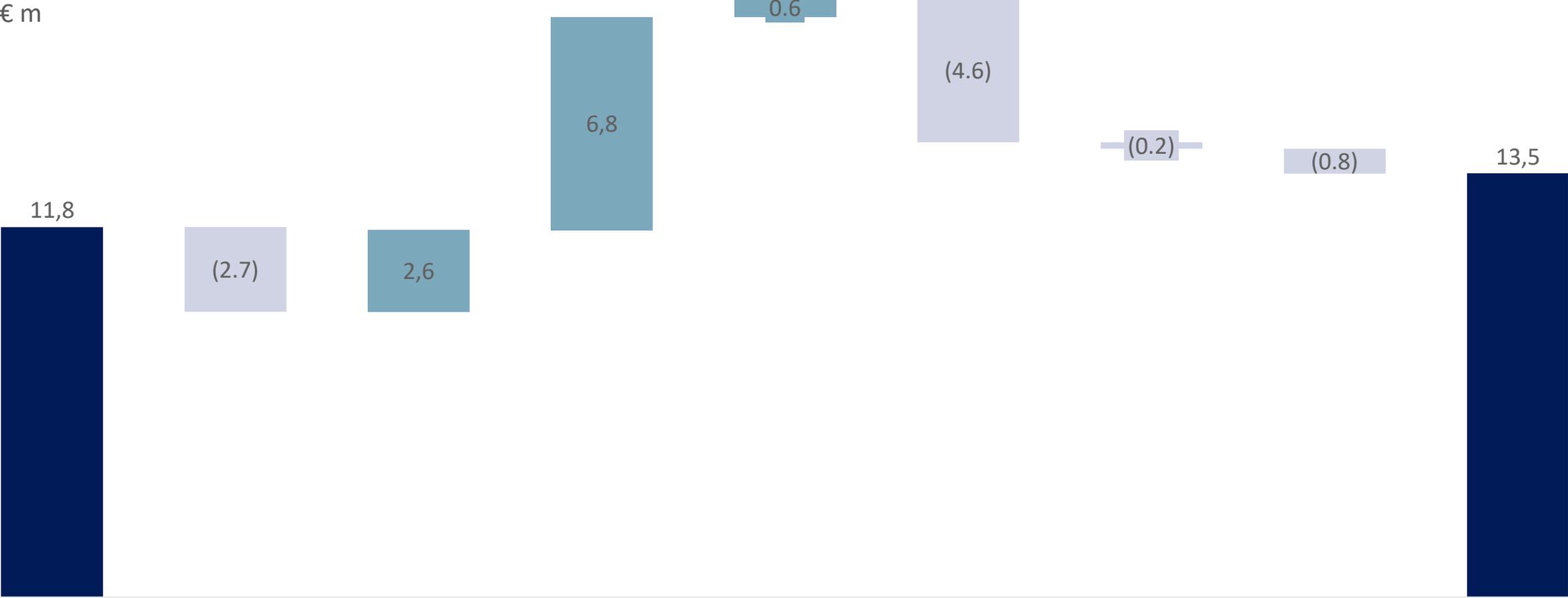
*Including capitalized R&D expenses and excluding D&A

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Q1 2023 P&L

€ m	Q1 2023	Q1 2022 restated*	Var %
Revenues	**149.7**	**137.9**	*8.5%*
Gross Margin	62.4	55.4	
% on Revenues	*41.7%*	*40.2%*	*+1.5 pp*
Operating expenses	(57.0)	(50.9)	
% on Revenues	*(38.1%)*	*(36.9%)*	*-1.2 pp*
Adjusted EBITDA	**13.5**	**11.8**	
% Adj. Ebitda margin	*9.0%*	*8.5%*	*+0.5 pp*
Adjusted EBIT	**5.4**	**4.5**	
% Adj. Ebit margin	*3.6%*	*3.2%*	*+0.3 pp*
EBIT	**3.9**	**2.3**	
% Ebit margin	*2.6%*	*1.7%*	*+1.0 pp*
Net Result	**3.2**	**1.3**	
% on Revenues	*2.1%*	*1.0%*	*+1.2 pp*

- **Gross Margin at 41.7%: +1.5 pp** YoY . Improvement in Q1 compared to previous year thanks to **positive pricing** and **mix** offset by volumes' decrease

- **Operating expenses at** €57.0m, mainly due to an increase in R&D and personnel costs, normalized marketing and commercial activities

- **Adj EBITDA margin** at **9.0%** (+0.5 pp YoY), mainly due to improved industrial profitability, partially offset by higher operating expenses

- **Net Result** at **€3.2m** vs €1.3m in Q1 2022

Restatement mainly due to reclassification of some installation costs from S&D to COGS. GOM 2023 before reclassification equal to 43.8%, GOM 2022 before restatement equal to 42.0%.

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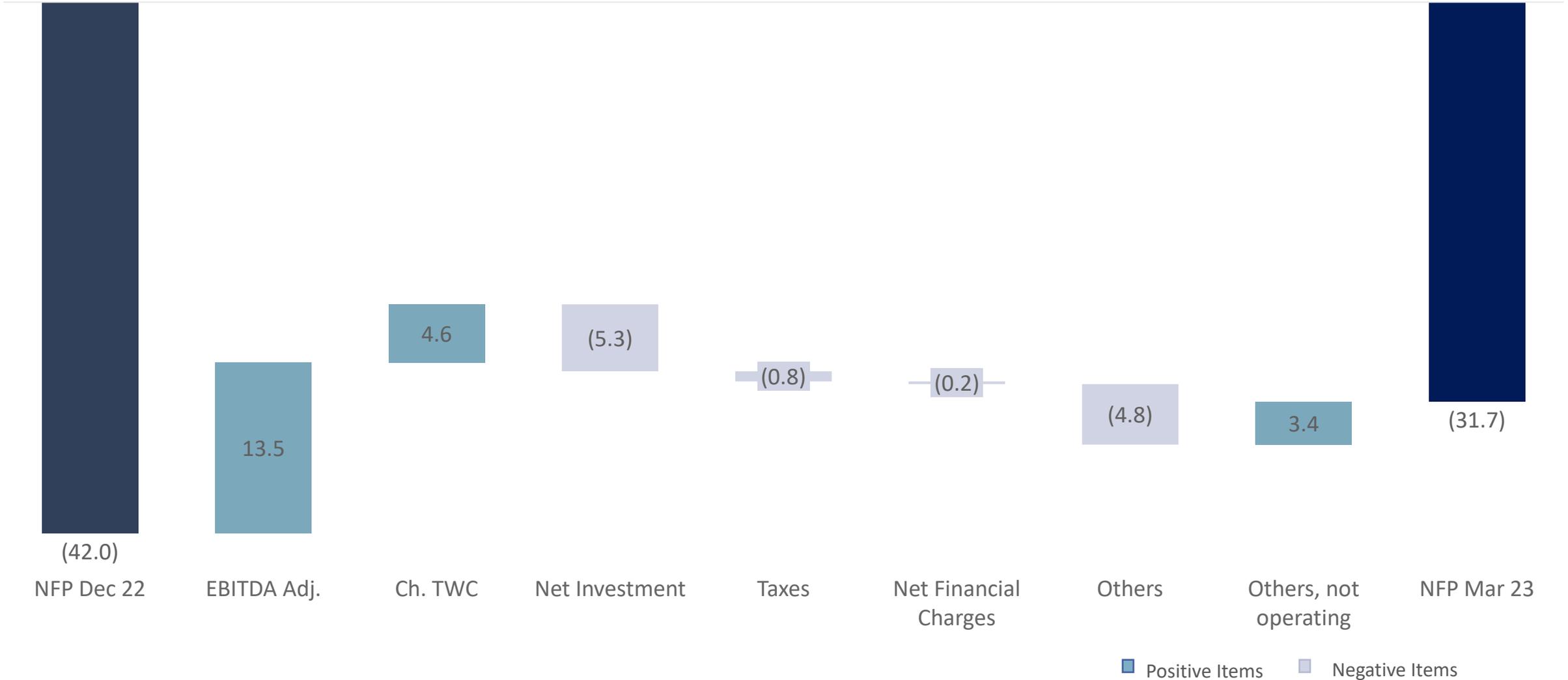
EBITDA Adj: actual vs last year

€ m

Q1 2022	Volume	Price	Mix	Productivity	Structure	Others	FX Effect	Q1 2023
11,8	(2.7)	2,6	6,8	0.6	(4.6)	(0.2)	(0.8)	13,5

8.5% on Group Revenues

9.0% on Group Revenues

■ Positive Items   ■ Negative Items

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Net Debt & Cash Flow Analysis : Dec'22 – Mar'23

€ m

	NFP Dec 22	EBITDA Adj.	Ch. TWC	Net Investment	Taxes	Net Financial Charges	Others	Others, not operating	NFP Mar 23
Value	(42.0)	13.5	4.6	(5.3)	(0.8)	(0.2)	(4.8)	3.4	(31.7)

■ Positive Items   ■ Negative Items

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May 25, 2023

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THANK YOU

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