32% topline growth with significant profitability improvement, positioning Barco well for long-term profitable growth.
Preliminary notes

The statutory auditor has confirmed that the audit, which is substantially complete, has not to date revealed any material misstatement in the draft consolidated accounts, and that the accounting data reported in the press release is consistent, in all material respects, with the draft accounts from which it has been derived.

Safe harbor statement

This deliverable may contain forward-looking statements. Such statements reflect the current views of management regarding future events, and involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Barco is providing the information as of this date and does not undertake any obligation to update any forward-looking statements contained in this deliverable in light of new information, future events or otherwise.

Barco disclaims any liability for statements made or published by third parties and does not undertake any obligation to correct inaccurate data, information, conclusions or opinions published by third parties in relation to this or any other deliverable issued by Barco.

Glossary

All definitions for alternative performance measures (APM’s) are available in the glossary of the half year report and on the investor portal (www.barco.com/en/about-barco/investors)
Introduction to Barco
Unforgettable moments to amaze and entertain
Breathtaking experiences to rock and shock
Making hybrid meeting seamless
The bigger picture to stay in control
A life-saving perspective
We are **mission critical** to our customers
Niche markets with mission-critical demands

- **Healthcare**
  We help medical professionals enable better health outcomes and work more efficiently in an increasingly complex healthcare enterprise.

- **Enterprise**
  We help professionals in control rooms, classrooms and meeting rooms connect data and images for more informed decisions and smarter collaboration.

- **Entertainment**
  We help roadies, artists, and creatives offer stunning visual experiences in cities, at events, in cinemas or museums.
Leader in advanced visualization and collaboration

Visioneering in healthy markets with a clear purpose

- **Healthcare**: “Diagnose better & save lives”
- **Enterprise**: “Stay in control”
  “Better meetings, better business”
- **Entertainment**: “Compelling experiences”

Based on 2022 sales breakdown

- **Healthcare**: 32%
- **Enterprise**: 30%
- **Entertainment**: 38%
Present around the world

Geographical sales breakdown

- **41%** The Americas
- **38%** EMEA
- **21%** Asia-Pacific

30+ countries

Sites  R&D and/or manufacturing facilities
Operations footprint | focused factories

Kortrijk, BE
Entertainment & Simulation projectors, Healthcare monitors and networking solutions

Saronno, IT
High diversity Modality and Surgical solutions

Noida, IN
Focused factory for Rear Projection Cubes

Suzhou, CN
Focused factory for high volume Healthcare monitors

ChangPing, CN
Entertainment projectors and subassemblies (for the Barco/CFG JV) and videowall LCD solutions

WuXi Campus, CN
Projector factory under construction – operational end 2023.
Barco Vision

a “One Barco” company defined around our “image processing” capability, developing and providing solutions that set the industry standard, and make a visible impact leading to commanding market shares in healthy markets.
A trusted partner

- +80 years of growth
- 70% of Fortune 500 companies
- 3,300 employees at the heart
- NPS - Net Promotor Score 48 (Q2 2023)
- 550+ patents
Focus on the customer, with end-to-end solutions

- **Hardware**
  Displays, video walls, laser projectors, image processors...

- **Software**
  Warping, blending, medical imaging, control software, hybrid training & meeting...

- **Services**
  From onboarding and training to proactive analytics and fleet optimization
Barco is expanding in the entire visual chain

<table>
<thead>
<tr>
<th>ACQUIRE/ CAPTURE</th>
<th>OPTIMIZE/ MANIPULATE</th>
<th>DISTRIBUTE/ TRANSMIT</th>
<th>PROCESS/ RENDER</th>
<th>VISUALIZE/ DISPLAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dermicus Skin Imaging Camera</td>
<td>Light Steering</td>
<td>Nexxis coding &amp; decoding</td>
<td>Media servers</td>
<td>Displays</td>
</tr>
<tr>
<td></td>
<td></td>
<td>ClickShare</td>
<td>Switchers</td>
<td>Projectors</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Controllers</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Videowalls</td>
</tr>
</tbody>
</table>
... based on these competences

ADVANCED DISPLAY & PROJECTION

COMPUTATIONAL OPTICS

IMAGE PROCESSING & INSIGHTS

CONNECTIVITY, DATA ANALYTICS & AI
Barco’s divisions
Our business is centered around 3 core markets:

- **Healthcare**: 32%
  - Diagnostic Imaging
  - Surgical & Modality
- **Enterprise**: 30%
  - Meeting Experience
  - Large Video Walls
- **Entertainment**: 38%
  - Cinema
  - Immersive Experience

Sales per division:
- 30% Enterprise
- 32% Healthcare
- 38% Entertainment
Healthcare

More than 25 years of experience. Recognized **market and technology leader**, with 800k+ installations since start

**Trusted brand**, providing worldclass top-quality healthcare solutions for high-value hospital departments, focusing on clinical outcomes

**Diagnostic Imaging** is leader in radiology and mammography and extending in adjacencies dentistry, pathology, veterinary...

**Surgical & Modality** has a strong position in digital operating rooms (Nexxis) and built-in screens in large medical installations

*Based on 2022 sales breakdown*
### Enterprise

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>30% Enterprise</td>
<td>30%</td>
</tr>
<tr>
<td>58% Meeting Experience</td>
<td>58%</td>
</tr>
<tr>
<td>42% Large Video Wall Experience</td>
<td>42%</td>
</tr>
<tr>
<td>79% ECO score</td>
<td>79%</td>
</tr>
</tbody>
</table>

Based on 2022 sales breakdown

- **30% Enterprise**
- **58% Meeting Experience**
- **42% Large Video Wall Experience**
- **79% ECO score**

**ClickShare** in agnostic **wireless presentation and conferencing**

- Expanding from hardware proposition into **solution leadership in control rooms**
- Extending reach into market of **teaching and learning with weConnect**
In **Cinema**, Barco has a strong portfolio and is well positioned to continue to lead the cinema market across the expansion/upgrade trends and beyond.

In **Immersive Experience**, the market is driven by **strong innovation** both on technology and content and Barco has significantly strengthened its position and value proposition to grasp the growth opportunities.

Ready to launch **HDR Light Steering**

---

Based on 2022 sales breakdown
Strategy for sustainable profitable growth
Barco’s strategy for sustainable profitable growth

- A leaner & more focused organization
- Market growth across all segments, seeking strong leadership positions
- Expand geographically, focus on China
- Drive more speed and impact from our innovation process to set industry standards
- Focused factories
- Decrease footprint of our operations and our customers
- Design and act towards sustainable outcomes for our planet, people and communities

**Ambitions 2023-2025**

- EBITDA in the range of 14-18%
- Long-term high single digit sales growth
Sustainability is essential in Barco’s strategy
Guided by the UN sustainability goals

**Planet**
We will lower our *environmental footprint* and that of our customers

**People**
We will invest in *sustainable employability*

**Communities**
We play an active role in the communities we operate in by upholding the *highest ethical and quality standards* and expecting the same from our *business partners*
With clear targets for 2023 and beyond

Targets 2023

reduce the **carbon footprint** of our own operations by 35%

reduce the **energy footprint** of our products by 25%

ensure that at least **70%** of our revenues comes from products with the Barco ECO label

Targets 2025

**70+% of revenues** from Barco ECO labelled products**

Reduce total **absolute carbon emissions** by 45%
baseline 2015
## Sustainability ratings

Barco scores consistently well above average in ESG ratings

<table>
<thead>
<tr>
<th>Ranking</th>
<th>2022</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top 14% of Electronic Equipment, Instruments &amp; Components industry</td>
<td>A</td>
<td>A</td>
<td>AA</td>
</tr>
<tr>
<td>Top 22% the Electronics Equipment subindustry</td>
<td>13.0 (low risk)</td>
<td>13.2 (low risk)</td>
<td>11.2 (Low risk)</td>
</tr>
<tr>
<td>Top 20% of the Electronic Devices &amp; Appliances Industry</td>
<td>C+ (Prime)</td>
<td>C+ (Prime)</td>
<td>C+ (Prime)</td>
</tr>
<tr>
<td>Top 20% of Electronic Equipment, Instruments &amp; Components industry</td>
<td>55/100 (Robust)</td>
<td>55/100 (Robust)</td>
<td>/</td>
</tr>
<tr>
<td>/</td>
<td>48</td>
<td>45</td>
<td>/</td>
</tr>
<tr>
<td>Top 13% of respondents</td>
<td>B</td>
<td>B</td>
<td>B-</td>
</tr>
<tr>
<td>Top 12% in Technology-Hardware sector</td>
<td>Silver</td>
<td>Gold</td>
<td>Gold</td>
</tr>
</tbody>
</table>

**Source:** 2020-2022 Barco Sustainability Ratings
Supported by our cohesive culture

- We team up to win, globally
- We think with the customer
- We care, we grow
- We look for the better way
- We own our results
Represented by a diverse and international team

**representation by region**

- Americas
- Asia Pacific
- Other

**representation by nationality**

- 48 nationalities employed in our company

**representation by age**

- 10% < 30 year
- 61% 30y-50y
- 29% > 50y

**representation by gender**

- 29% employees
- 19% senior management
- 50% board directors
FY22 results
Financial highlights | Group results 2022

Strong topline growth and profitability improvement

- **Orders** ↑ 8% or ↑ € 80m
  - Orderbook at € 496.5m, ~ vs year-end '21; +54% vs year-end ‘19

- **Sales** ↑ 32% or ↑ € 254m, ↑ 24% excl. FX
  - Sales back at pre-covid levels (-2% vs 2019)
  - Double digit growth across divisions and regions

- **EBITDA at 12%**, ↑ 4.7 ppts
  - Better product mix & improvement actions yield
  - High broker and transport costs in 2022, yet improving in 2H22
  - Operating leverage despite high inflation in EMEA and Americas

- **Free cash flow € 13.1m**, ↓ € 65m
  - High inventory to cover supply challenges, to normalize over 2023
  - Higher trade receivables linked to peak sales in 4Q22

- **Net income € 75.2m**, ↑ € 66m
  - 7% of sales

### Financial Highlights

<table>
<thead>
<tr>
<th>Orders</th>
<th>€ 1,058.4m</th>
<th>vs. 2021</th>
<th>+8%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>€ 1,058.3m</td>
<td>+32%</td>
<td></td>
</tr>
<tr>
<td>Gross profit</td>
<td></td>
<td>+3.3ppts</td>
<td></td>
</tr>
<tr>
<td>% Sales</td>
<td>39%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td></td>
<td>+4.7ppts</td>
<td>+68m</td>
</tr>
<tr>
<td>% Sales</td>
<td>12%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>In euro</td>
<td>€ 126.5m</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>€ 13.1m</td>
<td>-64.9m</td>
<td></td>
</tr>
<tr>
<td>Net Income</td>
<td>€ 75.2m</td>
<td>+66.3m</td>
<td></td>
</tr>
<tr>
<td>EPS</td>
<td>€ 0.84 / Share</td>
<td>+0.74</td>
<td></td>
</tr>
</tbody>
</table>
Looking ahead

All markets in healthy shape and thriving on solid trends

HEALTHCARE

✓ Accelerating demand for Diagnostic Imaging in new and emerging markets
✓ Digitization of operating rooms and minimal invasive surgery are fueling Surgical & Modality

ENTERPRISE

✓ Hybrid video-enabled collaboration is the norm, with growing momentum for ClickShare’s Bring Your Own Meeting proposition
✓ Continued investments in control & monitoring

ENTERTAINMENT

✓ Cinema market driven by superior laser image quality and total cost of ownership
✓ Immersive Experience segment strongly growing with fixed installs and events
Barco joined the BEL 20 and BEL ESG indexes
1H23 results
Financial Highlights

10% sales growth, step up in profitability to 12.5%

- **Double digit sales growth**
  - Sales ↑ €48m, growth in all regions, highest in EMEA; APAC hampered by China
  - Orderbook @ €505.8m, €+9.3m vs year-end '22

- **EBITDA at 12.5%, ↑ 2.7 ppts yoy (€+19m)**
  - Steadily improving gross margins: +3ppts vs 1H22, +1ppt vs 2H22
  - OPEX contained in line with sales growth, managing inflation impact

- **Free cash flow €-24m**
  - Incl €21m capex: Cinema-as-a-service & manufacturing footprint
  - Working capital (inventories) still high, decreasing since 2Q
  - **ROCE at 18%**

- **Net income €33.3m, ↑ €10.9m**
  - Net after €6.6m restructuring cost linked to Large Video Walls
10% sales growth, fuelled by strong performance Entertainment
60% revenue from eco-labelled products
Orderbook @ € 506m ; book-to-bill > 1

EBITDA margin growing to 12.5%, +2.7ppts yoy
Better product mix, yielding from gross profit actions and eased supply chain situation offset the impact from high inflation rates and continued investments
Net earnings at € 33m

Outlook – reconfirming sustainable profitable growth
Expecting high-single digit sales growth y-o-y, with a tempered topline growth in China
EBITDA accretion maintained; Reaffirming EBITDA margin >14% for the full year 2023
Sales growth by division 1H23
Sales growth in all regions, highest in EMEA while APAC is tempered by China

EMEA ↑ 15%
- Growth driven by high demand in Cinema and Immersive Experience
- For Enterprise and Healthcare, slower investments in Western Europe result in some project delays

AMERICAS ↑ 8%
- Solid market demand and eased supply result in strong growth in Cinema and Immersive Experience
- Higher interest rates and uncertain economic climate slowed down investments in Diagnostic imaging and Large Video Walls
- Timing difference phasing in / phasing out of Surgical & Modality projects

APAC ↑ 5%
- Strong recovery and high demand in APAC for Cinema, Immersive Experience and Meeting Experience
- Tempered by slower business pick-up post-pandemic in China

Note: ~No material currency impact versus last year
EBITDA @ € 65m, 12.5% of sales, +2.7ppts

Solid EBITDA margins in all 3 divisions; strong EBITDA accretion in Entertainment

Sales +10%

Improved gross profit margin
thanks to better product mix, improvement actions and eased Entertainment supply chain constraints

Inflation & investments in product portfolio and commercialization
Further improving on our sustainability KPI’s

**PLANT**

**Eco-labelled revenues**

<table>
<thead>
<tr>
<th></th>
<th>1H23</th>
<th>1H22</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>60%</td>
<td>38%</td>
<td>+22 ppts</td>
</tr>
</tbody>
</table>

- **Target 2023**: 70%
- **Improvement in all business units**, with key drivers being:
  - Meeting Experience: all products are A+ labeled
  - Large Video Walls: introduction TruePix & NT series

**COMMUNITIES**

**Net Promotor Score (NPS)**

<table>
<thead>
<tr>
<th></th>
<th>1H23</th>
<th>1H22</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>48</td>
<td>45</td>
<td>+3</td>
</tr>
</tbody>
</table>

- **Target 2023**: 50
- **Improvement across regions and divisions**
  Driven by a clear improvement in our after sales process (ticket resolution, automated service work flows & faster lead time)
Healthcare

Strong sales in radiology and digital pathology, overall lower post-pandemic investments, gap between phasing-out and -in of large surgical contracts

- **Softer performance in orders and sales** compared to 1H22; primarily in the Americas region

- **EBITDA margin of 10%**, including increased investments in product and manufacturing and lower operating leverage due to lower topline

<table>
<thead>
<tr>
<th>Healthcare</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders</td>
<td>141.3</td>
</tr>
<tr>
<td>Sales</td>
<td>147.3</td>
</tr>
</tbody>
</table>

  | EBITDA | 14.7 | (6.9) |
  |% Sales Change (ppts) | 10.0% | -3.2 |

**Diagnostic Imaging**

- **Return to more typical investment patterns** after government supported investments during the pandemic; project delays in Americas due to higher interest rates

- **Radiology** portfolio performed strongly and **digital pathology** showed promising uptake

**Surgical & Modality**

- **Temporary decline in orders and sales** due to a timing discrepancy between the phasing out and phasing in of large contracts, primarily in the Americas region

- **Promising pipeline of confirmed contracts** is expected to start boosting sales growth towards 2024
Enterprise

Winning momentum and gaining share with ClickShare while facing project delays in Large Video Walls due to uncertain investment climate

- **Modest growth in orders and a slight decline in sales;**
  2Q23 sales up 12% vs 1Q23, contributed by both business units

- **Growing momentum for BYOM** and hybrid meetings. Strategic revision of completed with a clear focus on software

- **EBITDA margin at 15.7%**, down 2.7 ppts driven by higher spending in product roadmaps and R&D

**Meeting Experience**

- **Market slowing down** as companies rethink the way they organize their office space and meeting rooms; ClickShare proposition holding strong; high single digit growth in 1H

- ClickShare installed in >1.2 million meeting rooms

- **ClickShare Conference** further expanding to 70+% of volume with CX-50 next gen as latest addition to the portfolio

**Large Video Walls**

- Order growth driven by demand in Europe; Sales hampered by project implementation delays, lower government supported investments and climbing interest rates

- Loss making in 1H23. The strategic review has been completed. Investments in the software portfolio will be accelerated with a clear objective of sustainable profitability

<table>
<thead>
<tr>
<th>(in millions of euro)</th>
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</thead>
<tbody>
<tr>
<td><strong>Enterprise</strong></td>
</tr>
<tr>
<td><strong>1H23</strong></td>
</tr>
<tr>
<td><strong>Δ 1H22</strong></td>
</tr>
<tr>
<td>Orders</td>
</tr>
<tr>
<td>143.0</td>
</tr>
<tr>
<td>3.9%</td>
</tr>
<tr>
<td>Sales</td>
</tr>
<tr>
<td>145.6</td>
</tr>
<tr>
<td>-2.1%</td>
</tr>
<tr>
<td>EBITDA</td>
</tr>
<tr>
<td>22.9</td>
</tr>
<tr>
<td>(4.4)</td>
</tr>
<tr>
<td>% Sales Change (ppts)</td>
</tr>
<tr>
<td>15.7%</td>
</tr>
<tr>
<td>-2.7</td>
</tr>
</tbody>
</table>
Entertainment

Strong demand across markets, despite weak performance in China, allowed for operating leverage and margin accretion in both business units.

- **Very strong growth in all regions despite challenging China market** where post pandemic investments levels restoring slower than expected.

- **EBITDA margin significantly up to 12%**; +13.7ppt vs last year as supply chain constraints are no longer playing and brokerage and transportation costs have come down.

### Cinema

- Continued momentum in the **lamp-to-laser renewal wave** with superior image quality and lower total cost of ownership.

- **Barco laser projectors** installed in **>35k theatres** with only 25% of market converted globally yet.

### Immersive Experience

- **Uptake in sales was fueled by live events** as well as corporate applications; fixed installations (digital museums, theme parks) and simulation showed notable growth too.

- Regionally, the growth was led by the EMEA region, closely followed by Americas. Softer performance in APAC, due to China.

### Orders & Sales

<table>
<thead>
<tr>
<th></th>
<th>1H23 (in millions of euro)</th>
<th>Δ 1H22 % Sales Change (ppt)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders</td>
<td>256.7</td>
<td>23.9%</td>
</tr>
<tr>
<td>Sales</td>
<td>228.0</td>
<td>42.5%</td>
</tr>
</tbody>
</table>

**EBITDA**

- **27.4%**; +13.7ppt vs last year as supply chain constraints are no longer playing and brokerage and transportation costs have come down.

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Further questions?  [www.barco.com/nl/about/investors](http://www.barco.com/nl/about/investors)

Get in touch

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