FULL YEAR RESULTS 2023

Solid profitability improvement with stable topline

Kortrijk, Belgium, 8 February 2024, 7:30 am – Today Barco (Euronext: BAR; Reuters: BARBt.BR; Bloomberg: BAR BB) announced results for the six- and twelve-month periods ended 31 December 2023.

Financial highlights fiscal year 2023[1]

- **Orders** € 1,061.6 million, in line with 2022
- **Sales** € 1,050.1 million, -1% versus sales in 2022 (+1% at constant currencies)
- **Orderbook** year-end € 494.8 million, in line with last year

- **EBITDA** € 142.5 million versus € 126.5 million in 2022, for an EBITDA margin of 13.6%
- **Adjusted EBIT** € 102.1 million compared to € 90.1 million in 2022
- **Free Cash Flow** € 38.0 million versus € 13.1 million in 2022
- **Net earnings** € 80.2 million versus € 75.2 million in 2022

- Proposal to increase **gross dividend to € 0.48** per share versus € 0.44 last year

Executive summary

Group topline – orders and sales in line with last year

Order intake for 2023 was 1,061.6 million euro, slightly above 2022. This result was driven by Entertainment, where demand surged for laser projectors for Cinema and other applications, followed by Enterprise. Healthcare declined, mainly in the Americas.

Sales amounted to 1,050.1 million euro, in line with last year. Double-digit growth in Entertainment, mainly driven by Cinema, was offset by a small decline in Enterprise and a more pronounced decline in Healthcare. While sales grew 4% in EMEA, sales were 4% lower year-over-year in the Americas. EMEA and Americas contributed equal percentages of the topline of 2023. Within the APAC region, there was a clear contrast between lower sales in China and double-digit growth in the other countries, resulting in a net decline of 4%.

Book-to-bill remained above 1, resulting in a strong orderbook at the end of December 2023 of 494.8 million euro, with an important uptake for the Entertainment division year-over-year.

[1] All definitions for alternative performance measures (APM's) are available in the glossary on *Barco's investor portal*

Barco nv | Beneluxpark 21 | B-8500 Kortrijk | Belgium
Registered office: President Kennedypark 35 | B-8500 Kortrijk | Belgium
VAT BE 0473.191.041 | RPR Gent, Section Kortrijk
www.barco.com

Division topline – strong sales in Entertainment, Healthcare lagging

In Healthcare, orders and sales declined double-digit versus 2022. Sales for both Diagnostic Imaging and Surgical & Modality were impacted by high channel inventories. This followed a surge in customer orders at the end of 2022, in anticipation of possible component shortages. This was particularly the case in the Americas and for some customers this is continuing into the first half of 2024. Also the soft demand in APAC was hampering the topline for Healthcare, driven by higher customer inventories and anti-bribery actions from the government in China targeting healthcare businesses.

Enterprise had continued strong demand for both its Meeting Experience and Large Video Walls solutions with orders up 8% year-over-year. Sales for the division declined 4%. Meeting Experience almost equaled the strong result of last year by winning market share in a soft corporate market. The Large Video Walls orders and sales grew towards the end of the year. The business unit executed on the new strategy, with a focus on control room installations that are increasingly software-driven.

Entertainment further built on the strong momentum that began in the second half of 2022, when the supply chain constraints eased for the most part. Sales grew 15% year-over-year, with a strong contribution from Cinema. The laser cinema renewal wave is in full swing, with cinemas investing globally in superior image quality while lowering their total cost of ownership. Also Immersive Experience further grew, fueled by simulation, image processing and projectors for fixed installations, leading to record-high sales for this business unit.

Profitability & free cash flow – significant gross margin and EBITDA improvement

In 2023, the gross profit margin improved 2.8 ppts year-over-year to an all-time record of 41.8% as a result of a favorable product mix with more (embedded) software in all product lines. The biggest expansion in gross profit margin was in Entertainment, where the supply chain constraints which hampered the business in 2022 were no longer present.

The EBITDA margin reached 13.6% for the full year, up 1.6 ppts versus last year reflecting the strong improvement in gross profit margin combined with stringent cost control in a macro-economic environment where inflation remained higher than the historical levels over the past decades. The EBITDA margin gradually improved throughout the year from 12.5% in the first half to 14.6% in the second half.

Free cash flow for 2023 was 38.0 million euro compared to 13.1 million euro in 2022. The realized net operating cash flow reached 100.8 million euro versus 31.5 million euro in 2022. Executing on our strategy, capital expenditures doubled versus last year including investments in the new factories and in the Cinema-as-a-Service model. Inventory started to decrease but remains a focus area for 2024.

Barco nv | Beneluxpark 21 | B-8500 Kortrijk | Belgium
Registered office: President Kennedypark 35 | B-8500 Kortrijk | Belgium
VAT BE 0473.191.041 | RPR Gent, Section Kortrijk
www.barco.com

Quote of the CEOs, An Steegen and Charles Beauduin

An Steegen and Charles Beauduin commented: "From a top-line perspective, 2023 was a challenging year. The recovery from the pandemic in China was slower than expected, and the Healthcare markets performed below expectations, partly driven by higher than normal customer inventories. On the other hand, the Entertainment division delivered very strong results, and Meeting Experience gained market share.

Meanwhile, we took important steps on the execution of our strategy: we opened new factories, we established a simplified organization, and we invested further in innovation. It's good to see that Barco is capitalizing on these efforts, demonstrated by the solid gross profit and EBITDA margin improvements.

In a year that was challenging from a top topline perspective, we made significant progress on the execution of our strategy, and capitalized on these efforts and delivered a solid expansion in margins.

We'd like to thank our teams for their contributions to this progress in our journey. In 2024 we will continue to focus on innovation with our ground-breaking visualization and collaboration technologies, and we are looking forward to numerous new product introductions."

Outlook FY24

The following statements are forward looking on a like-for-like basis and actual results may differ materially

For 2024, while the macro-economic and market conditions remain uncertain, we assume a return to normalized customer inventory levels, and we plan for multiple new product launches over the course of the year.

Management expects topline for the year to be in line with 2023, with a gradual year-over-year increase as of the second quarter. From 2025, we expect to resume topline growth on a full year basis.

The EBITDA margin is expected to further improve and be above 14% for the full year 2024.

Dividend

Barco's Board of Directors will propose to the General Assembly to distribute a gross dividend of 0.48 euro per share, up 0.04 euro versus last year's dividend of 0.44 euro.

Barco nv | Beneluxpark 21 | B-8500 Kortrijk | Belgium
Registered office: President Kennedypark 35 | B-8500 Kortrijk | Belgium
VAT BE 0473.191.041 | RPR Gent, Section Kortrijk
www.barco.com

Part 1: Update 4Q23

In the fourth quarter of 2023, orders amounted to 280.7 million euro, with a notable uptake in the Enterprise division, particularly Large Video Walls, leading to a year-end order book of 494.8 million euro, close to the record-high position at year-end 2022. Sales amounted to 299.6 million euro, a decline of 7% year-over-year, mostly driven by the Healthcare division, which continued to be impacted by higher customer and channel inventories. In contrast, Enterprise's sales were flat with last year, and Entertainment reported a 4% decline versus a very strong fourth quarter in 2022 when demand rebounded after the supply chain challenges during the first half of that year.

Quarter-over-quarter orders and sales 2021-2023

Order intake & order book

Order intake year-over-year

(in millions of euro)	4Q23	4Q22	4Q21	4Q20	Change 4Q23 vs 4Q22
Order Intake	280.7	307.2	288.1	189.7	*-9%*

Order intake quarter-over-quarter

(in millions of euro)	4Q23	3Q23	2Q23	1Q23	Change 4Q23 vs 3Q23
Order Intake	280.7	239.9	254.5	286.6	*+17%*

Barco nv | Beneluxpark 21 | B-8500 Kortrijk | Belgium
Registered office: President Kennedypark 35 | B-8500 Kortrijk | Belgium
VAT BE 0473.191.041 | RPR Gent, Section Kortrijk
www.barco.com

Order book

(in millions of euro)	**31 Dec 2023**	**30 Sep 2023**	**30 Jun 2023**	**31 Mar 2023**	**31 Dec 2022**
Order book	494.8	523.4	505.8	530.1	496.5

Sales

Sales year-over-year

(in millions of euro)	**4Q23**	**4Q22**	**4Q21**	**4Q20**	**Change 4Q23 vs 4Q22**
Sales	299.6	323.4	251.6	195.4	*-7%*

Sales by division year-over-year

(in millions of euro)	**4Q23**	**4Q22**	**4Q21**	**4Q20**	**Change 4Q23 vs 4Q22**
Healthcare	77.4	94.4	67.7	64.3	*-18%*
Enterprise	93.6	94.5	77.2	53.9	*-1%*
Entertainment	128.7	134.6	106.7	77.3	*-4%*
Group	**299.6**	**323.4**	**251.6**	**195.4**	***-7%***

Sales by division quarter-over-quarter

(in millions of euro)	**4Q23**	**3Q23**	**2Q23**	**1Q23**	**Change 4Q23 vs 3Q23**
Healthcare	77.4	61.3	73.3	73.9	*+26%*
Enterprise	93.6	64.6	76.8	68.8	*+45%*
Entertainment	128.7	103.7	123.7	104.3	*+24%*
Group	**299.6**	**229.6**	**273.9**	**247.0**	***+30%***

Barco nv | Beneluxpark 21 | B-8500 Kortrijk | Belgium
Registered office: President Kennedypark 35 | B-8500 Kortrijk | Belgium
VAT BE 0473.191.041 | RPR Gent, Section Kortrijk
www.barco.com

Part 2: consolidated results for the fiscal year 2023

2.A. Update financial results

Order intake & order book

Order intake

Order intake was 1,061.6 million euro, flat with 1,058.4 million euro a year ago. The Americas region grew, offset by a decline in APAC due to lower demand in China. All Enterprise and Entertainment business units posted growth in orders while Healthcare declined.

(in millions of euro)	FY23	FY22	FY21	FY20	*Change vs FY22*
Order intake	1,061.6	1,058.4	978.8	746.0	*+0%*

Order book

The order book at year-end was at 494.8 million euro, close to the level of 496.5 million euro at year-end 2022. Orderbook for Entertainment grew; Healthcare declined, while the orderbook for Enterprise was about flat with last year. The book-to-bill ratio for the full year 2023 was above 1.

(in millions of euro)	31 Dec 2023	31 Dec 2022	31 Dec 2021	31 Dec 2020	*Change vs FY22*
Order book	494.8	496.5	487.0	281.5	-0%

Order intake by division

(in millions of euro)	FY23	FY22	FY21	FY20	*Change vs FY22*
Healthcare	254.9	319.7	329.8	262.1	*-20%*
Enterprise	304.9	281.3	262.4	215.2	*+8%*
Entertainment	501.8	457.4	386.6	268.7	*+10%*
Group	**1,061.6**	**1,058.4**	**978.8**	**746.0**	***+0%***

Order intake breakdown by region

	FY23	FY22	FY21	FY20	*Change vs FY22 (in nominal value)*
The Americas	46%	43%	37%	39%	*+3%*
EMEA	36%	37%	37%	35%	*-1%*
APAC	18%	20%	26%	26%	*-2%*
Group	**100%**	**100%**	**100%**	**100%**	

Barco nv | Beneluxpark 21 | B-8500 Kortrijk | Belgium
Registered office: President Kennedypark 35 | B-8500 Kortrijk | Belgium
VAT BE 0473.191.041 | RPR Gent, Section Kortrijk
www.barco.com

Sales

Sales for the year 2023 were 1% below 2022, with a slight headwind from the currency effect. At constant currencies, the sales were 1% higher than in 2022. The Entertainment division delivered significant growth, driven by laser cinema renewal projects. This was offset by a sharp decline in Healthcare, primarily in Surgical and Modality and a modest decline in Enterprise. Regionally, EMEA's contribution to the group topline grew, while the share of the Americas declined, mostly driven by Healthcare. Also APAC's share was smaller, driven by lower sales in China for Entertainment and Healthcare.

Sales

(in millions of euro)	**FY23**	**FY22**	**FY21**	**FY20**	***Change vs FY22***
Sales	1,050.1	1,058.3	804.3	770.1	*-1%*
Sales at constant currencies	1,067.8				*+1%*

Sales by division

(in millions of euro)	**FY23**	**FY22**	**FY21**	**FY20**	***Change vs FY22***
Healthcare	285.9	341.7	261.5	261.9	*-16%*
Enterprise	303.8	317.2	233.1	216.8	*-4%*
Entertainment	460.5	399.3	309.7	291.4	*+15%*
Group	**1,050.1**	**1,058.3**	**804.3**	**770.1**	***-1%***

Sales by region

	FY23	**FY22**	**FY21**	**FY20**	***Change vs FY22*** *(in nominal value)*
The Americas	40%	41%	37%	39%	*-1%*
EMEA	40%	38%	38%	36%	*+2%*
APAC	20%	21%	25%	25%	*-1%*
Group	**100%**	**100%**	**100%**	**100%**	

Barco nv | Beneluxpark 21 | B-8500 Kortrijk | Belgium
Registered office: President Kennedypark 35 | B-8500 Kortrijk | Belgium
VAT BE 0473.191.041 | RPR Gent, Section Kortrijk
www.barco.com

Profitability

Gross profit

Gross margin amounted to 438.5 million euro, up from 412.8 million euro last year. The gross profit margin increased 2.8 percentage points to 41.8% from 39.0% last year, with the biggest increase from the Entertainment business units. This important gain in gross margin reflects both a more favorable product mix with a greater amount of (embedded) software across all product lines and the absence of the exceptionally high costs for brokerage and logistics that were experienced in 2022 due to the supply chain constraints.

Indirect expenses & other operating results

Total indirect expenses grew 5% to 338.1 million euro versus 320.9 million euro for 2022. The cost increase was driven by continued high levels of inflation that were partially offset by stringent cost control in all indirect spend categories, while further investing in visualization and collaboration technologies, product roadmap and go-to-market investments in Entertainment. As a percentage of sales indirect expenses were 32.2% in 2023 compared to 30.3% in 2022.

- Research & Development expenses increased to 132.3 million euro compared to 120.5 million euro last year. As percentage of sales, R&D expenses were 12.6% of sales compared to 11.4% a year earlier.
- Sales & Marketing expenses increased slightly to 145.9 million euro, compared to 142.7 million euro for 2022. As a percentage of sales, Sales & Marketing expenses were 13.9% of sales compared to 13.5% in 2022.
- General & Administration expenses amounted to 59.9 million euro compared to 57.7 million euro last year and were 5.7% as a percentage of sales compared to 5.5% in 2022.

Other operating income amounted to 1.7 million euro versus 1.7 million euro other operating costs in 2022.

EBITDA & adjusted EBIT

The significant increase in gross profit, which was partially offset by higher indirect expenses resulted in an EBITDA of 142.5 million euro, 13% higher than the EBITDA of 126.5 million euro for 2022. The EBITDA margin grew to 13.6% versus 12.0% in 2022.

The EBITDA margin on divisional level was as follows:

- Healthcare's EBITDA margin was 9.7% versus 11.2% a year earlier. A higher gross profit margin driven by a more favorable software-driven product mix was offset by operating deleverage on a reduced topline, mainly in Surgical and Modality.
- The Enterprise EBITDA margin was 18.7%, versus the margin of 2022 of 19.1%. The EBITDA margin saw a notable uptake during the second half of the year due to higher gross profit margins in both business units, and lower indirect costs after the restructuring in Large Video Walls.
- Entertainment's EBITDA margin at 12.5% versus 6.9% in 2022 and surpassing the level of 2019. Gross profit margins were up, as the division was no longer impacted by the supply chain constraints it experienced in 2022. Operating leverage on the higher topline also contributed to the EBITDA margin expansion.

Barco nv | Beneluxpark 21 | B-8500 Kortrijk | Belgium
Registered office: President Kennedypark 35 | B-8500 Kortrijk | Belgium
VAT BE 0473.191.041 | RPR Gent, Section Kortrijk
www.barco.com

FY23 *(in millions of euro)*	**Sales**	**EBITDA**	**EBITDA %**
Healthcare	285.9	27.8	9.7%
Enterprise	303.8	56.9	18.7%
Entertainment	460.5	57.7	12.5%
Group	**1,050.1**	**142.5**	**13.6%**

EBITDA by division 2023 versus 2022-2020 is as follows:

(in millions of euro)	**FY23**	**FY22**	**FY21**	**FY20**	***Change vs FY22***
Healthcare	27.8	38.4	22.4	35.0	*-28%*
Enterprise	56.9	60.7	14.6	18.2	*-6%*
Entertainment	57.7	27.5	21.5	0.3	*+110%*
Group	**142.5**	**126.5**	**58.5**	**53.6**	***+13%***

Adjusted EBIT[2] was 102.1 million euro or 9.7% of sales, compared to 90.1 million euro or 8.5% of sales for 2022.

Barco booked restructuring and impairment charges totalling 10.8 million euro for the full year versus 2.5 million euro the year before, including 9.5 million euro lay-off costs and 1.3 million euro impairments on inventories. The lay-off costs were linked to the Large Video Walls restructuring, as well as several other organizational cost efficiencies. Taking these charges into account, EBIT in 2023 was 91.3 million euro compared to 87.6 million euro in 2022. A notable subsequent event is the closure of the Changping production site, announced in January 2024, whereby the activities will be moved to the new factory in Wuxi with an expected lay-off cost of 1.5 million euro in 2024.

Income taxes

Taxes in 2023 were 17.3 million euro for an effective tax rate of 18%, compared to 15.9 million euro in 2022 for the same effective tax rate.

Net income

Full year net income attributable to the equity holders was 80.2 million euro compared to 75.2 million euro a year ago.

Net income per ordinary share (EPS) was 0.89 euro versus 0.84 euro in 2022. Fully diluted earnings per share were 0.88 euro compared to 0.83 euro in 2022.

[2] Adjusted EBIT is EBIT excluding restructuring charges and impairments, see Glossary in the Annual Report.

Barco nv | Beneluxpark 21 | B-8500 Kortrijk | Belgium
Registered office: President Kennedypark 35 | B-8500 Kortrijk | Belgium
VAT BE 0473.191.041 | RPR Gent, Section Kortrijk
www.barco.com

Cash flow & Balance sheet

Free cash flow and Working capital

Free cash flow for 2023 was 38.0 million euro, up from 13.1 million euro last year. The net operating cash realized reached 100.8 million euro versus 31.5 million euro in 2022. The higher gross operating free cash flow was reduced by higher trade receivables linked to high sales at the end of the year, and lower trade payables linked to decreasing component purchases throughout the year, partially offset by decreased inventory. Capital expenditure more than doubled due to investments in the new factories and in the Cinema-as-a-Service model.

(in millions of euro)	**FY23**	**FY22**	**FY21**	**FY20**
Gross operating Free Cash Flow	**138.3**	**127.0**	**50.5**	**43.9**
Changes in trade receivables	*-18.3*	*-35.6*	*-4.9*	*41.4*
Changes in inventory	*9.6*	*-70.2*	*4.4*	*-12.3*
Changes in trade payables	*-30.3*	*7.4*	*42.8*	*-59.9*
Other Changes in net working capital	*1.6*	*2.8*	*13.2*	*-24.0*
Change in net working capital	***-37.5***	***-95.5***	***55.5***	***-54.8***
Net operating Free Cash Flow	**100.8**	**31.5**	**106.1**	**-10.8**
Interest Income/expense	*4.7*	*0.8*	*-1.1*	*-0.1*
Income Taxes	-13.3	-6.0	-8.4	-10.4
Free Cash Flow from operating activities	**92.2**	**26.3**	**96.6**	**-21.4**
Purchase of tangible and intangible FA	*-54.4*	*-21.2*	*-18.8*	*-15.0*
Proceeds on disposal of tangible and intangible FA	*0.2*	*8.0*	*0.2*	*0.5*
Free Cash Flow from investing	**-54.2**	**-13.2**	**-18.6**	**-14.5**
FREE CASH FLOW	**38.0**	**13.1**	**78.0**	**-35.9**

Barco nv | Beneluxpark 21 | B-8500 Kortrijk | Belgium
Registered office: President Kennedypark 35 | B-8500 Kortrijk | Belgium
VAT BE 0473.191.041 | RPR Gent, Section Kortrijk
www.barco.com

Working capital

Net working capital amounted to 16.6% of sales, up from 14.3% of sales in 2022, and lower than net working capital of 18.3% of sales at mid-year 2023. Higher trade receivables contributed to the increase in working capital, mainly due to strong year-end sales, for which cash will be collected in 2024. Inventory remained at a high level throughout the year but started to decrease over the course of the second half of the year. Trade payables reduced year-over-year, in line with lower component purchases towards year-end, in response to high inventories and lower topline.

(in millions of euro)	FY23	FY22	FY21	FY20
Trade Receivables	208.6	194.6	157.0	146.1
DSO	***63***	***54***	***56***	***67***
Inventory	231.5	245.7	175.5	175.4
Inventory turns	***2.1***	***2.1***	***2.4***	***2.3***
Trade Payables	-89.4	-121.9	-114.0	-70.3
DPO	***50***	***68***	***80***	***53***
Other Working Capital	-176.0	-168.0	-171.7	-170.6
TOTAL WORKING CAPITAL	**174.8**	**150.4**	**46.8**	**80.6**

Capital expenditure

Capital expenditure was 54.4 million euro, significantly higher than 21.2 million euro reported in 2022 due to investment in the manufacturing footprint and financing the Cinema-as-a-Service model.

ROCE

ROCE for the year 2023 was 17% versus 16% last year.

Cash position

The net financial cash position was 241.1 million euro at year-end, compared to 264.0 million euro end of 2022. The main elements contributing to this change were cash in from the free cash flow and the proceeds from the sale of minority investments, offset by cash out for the dividend payments and the share buyback program, and currency translation impacts.

Barco nv | Beneluxpark 21 | B-8500 Kortrijk | Belgium
Registered office: President Kennedypark 35 | B-8500 Kortrijk | Belgium
VAT BE 0473.191.041 | RPR Gent, Section Kortrijk
www.barco.com

2.B. Update Planet - People - Communities

Barco's sustainability program is based on 3 pillars: the planet, our people and the communities we operate in. In this chapter we offer some highlights on the progress we made in 2023 within each of these pillars. For a more comprehensive sustainability chapter please read our Planet – People – Communities report.

Planet

Under the Planet pillar, Barco has set a goal of reducing its environmental footprint and that of its customers.

	FY23	**FY22**	**FY21**	***Change vs FY22***
Greenhouse Gas emissions from own operations reduction, relative to turnover (vs 2015)	-54%	-51%	-33%	*-3 ppts*
% Revenues from ECO-labelled products	65%	50%	31%	*+15 ppts*

Greenhouse Gas emissions from our own operations reduced slightly versus last year, a reduction of 54% versus the base level of 2015, and exceeding the target reduction of 35%. A modal shift from air to sea transport for Diagnostic Imaging and Immersive Experience further reduced the logistics footprint. This was partly offset by increasing business travel by employees.

To reduce the footprint of its products and to improve the eco-friendliness of its solutions portfolio, Barco has rolled out a company-wide ECO-labelled scoring methodology. The target level for 2023 was set at 70% ECO-labelled revenues.[3] In 2023 there was a solid increase in all business units, leading to 65% of the total revenue being ECO-labelled. There was an important uptake for Meeting Experience with the carbon-neutral ClickShare CX-50 next generation, and for Large Video Walls with the fully A-labelled LED portfolio. The higher share of ECO-labelled products contributed to a significant decrease of Barco's total Greenhouse Gas emissions and that of our customers. Further progress against this target will come from new product introductions, of which more than 90% were ECO-labelled in 2023.

[3] For more information about Barco eco scoring methodology, see Barco's latest [Annual report]

People

Barco is committed to fostering sustainable employability by crafting an environment that cultivates engaging and fulfilling careers for our employees.

	FY23	FY22	Change vs FY22
Number of employees at year-end (heads)	3,360	3,302	+2%
Employee Net Promotor Score (eNPS)	13	16	-3

With a voluntary turnover rate that dropped significantly and additional hirings, the number of employees in 2023 grew to 3,360, a net increase of 58 employees year-over-year. Diversity and Inclusion are key elements in our recruitment process and, just like in 2022, Barco made progress on all three diversity dimensions in 2023: age, nationality, and gender.

Since 2022, Barco includes a specific standardized E-NPS (Employee Net Promotor Score) question in its annual employee survey. The E-NPS survey for 2023 resulted in a score of 13, close to the score of 2022 and sorting in the category "good engagement" (0-30) for both years. Based on the results from the employee survey, the existing action plans will be updated, and new actions will be defined for 2024. Our long-term objective remains to bring this score above 30, "great engagement".

Communities

Barco is committed to playing an active role in the communities in which it operates, and our people maintain their focus on a value-add customer experience. Besides gathering continuous feedback via multiple touchpoints during the customer journey, the company receives feedback from end-customers as well as partners twice a year using the relational Net Promotor Score (NPS) as its standard customer experience metric.

	FY23	FY22	FY21	*Change vs FY22*
Customer Net Promotor Score	48	44	47	+4

In 2023, Barco achieved an NPS score of 48, an increase of 4 points versus the previous year. As the supply chain constraints have improved significantly in 2023, this has led to shorter lead times and fewer delays, and an overall better appreciation of Barco's after-sales service by our partners and customers. Also product quality stands out as a key contributor to this score. Regionally, there was progress in all regions. A score above 50 is considered excellent and that is also where we want to steer the company's rating.

Barco nv | Beneluxpark 21 | B-8500 Kortrijk | Belgium
Registered office: President Kennedypark 35 | B-8500 Kortrijk | Belgium
VAT BE 0473.191.041 | RPR Gent, Section Kortrijk
www.barco.com

Part 3: divisional results for the fiscal year 2023

HEALTHCARE division

(in millions of euro)	**FY23**	**FY22**	**FY21**	**FY20**	***Change vs FY22***
Orders	254.9	319.7	329.8	262.1	*-20%*
Sales	285.9	341.7	261.5	261.9	*-16%*
Gross profit	102.9	116.4	87.2	95.7	*-12%*
Gross profit margin	36.0%	34.1%	33.3%	36.6%	*+2.0 ppts*
EBITDA	27.8	38.4	22.4	35.0	*-28%*
EBITDA margin	9.7%	11.2%	8.6%	13.4%	*-1.5 ppts*

Quarter-over-quarter orders and sales 2021-2023

Orders and sales for Healthcare decreased 20% and 16% respectively versus last year. There were important regional differences with growth in EMEA, more than offset by double-digit decline in the Americas. Diagnostic Imaging and Surgical & Modality each accounted for approximately 50% of the divisional sales, while last year the former accounted for 46% and the latter for 54%.

In the Diagnostic Imaging segment, market dynamics remained healthy although the topline was impacted by higher-than-normal inventories at channel partners and customers, after pent-up demand toward the end of 2022, when customers ordered more than usual in anticipation of potential component shortages. In EMEA, radiology and pathology drove growth, including important wins in the UK. Americas declined against very strong results last year, affected by high channel inventories. In APAC, China was faced with lower investments from local governments dampening demand and anti-bribery actions targeting the healthcare markets that started in the second half of 2023 and are continuing into 2024. In contrast, the rest of the APAC region saw growth.

Surgical & Modality was hampered by a timing difference between the phasing-out of an unusually large contract that ended at year-end 2022, and the phasing-in of orders under confirmed new contracts for new platforms from the end of 2023 onwards. Orders for these new contracts were delayed over the course of the year, as customers were reducing inventories. This affected primarily the Americas region. EMEA grew, fuelled by good results for the Nexxis product. APAC sales declined, as China was hampered by low government investments, anti-bribery actions and high inventory levels. Overall, surgical products performed better than modality, and the share of software-related revenue increased significantly.

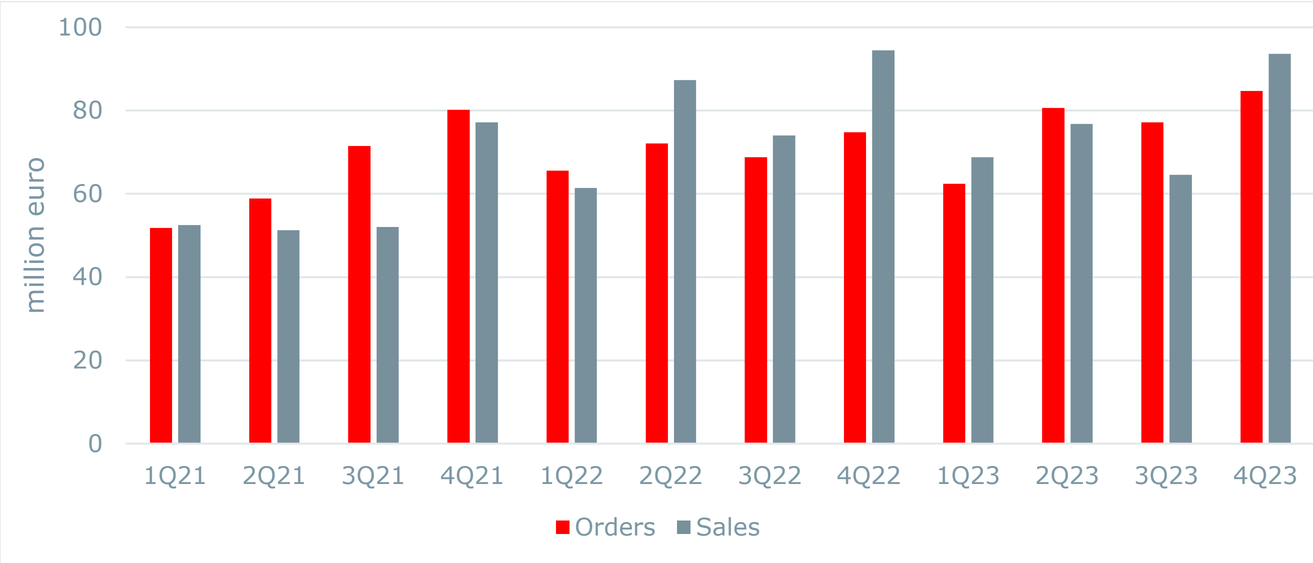
The gross profit margin for Healthcare increased to 36.0%, versus 34.1% one year earlier. This reflects a favorable product mix with proportionally more (embedded) software products, partially offset by temporary transfer and costs associated with ramping up the new factory. Although indirect spending increased less than the general inflation rate, operating deleverage on the lower topline resulted in an EBITDA margin of 9.7%, a decline of 1.5 ppts versus last year.

Barco nv | Beneluxpark 21 | B-8500 Kortrijk | Belgium
Registered office: President Kennedypark 35 | B-8500 Kortrijk | Belgium
VAT BE 0473.191.041 | RPR Gent, Section Kortrijk
www.barco.com

ENTERPRISE division

(in millions of euro)	FY23	FY22	FY21	FY20	Change vs FY22
Orders	304.9	281.3	262.4	215.2	*+8%*
Sales	303.8	317.2	233.1	216.8	*-4%*
Gross profit	162.9	172.4	108.6	105.2	*-5%*
Gross profit margin	53.6%	54.3%	46.6%	48.5%	*-0.7 ppts*
EBITDA	56.9	60.7	14.6	18.2	*-6%*
EBITDA margin	18.7%	19.1%	6.3%	8.4%	*-0.4ppts*

Quarter-over-quarter orders and sales 2021-2023



In the Enterprise division, orders increased 8% year-over-year, with growth in both business units but more pronounced in Large Video Walls. Sales were slightly down versus last year in EMEA and the Americas but grew in APAC.

Meeting Experience delivered sales in line with the year before, despite difficult market conditions as of the second quarter of 2023, with companies delaying investments as they reconsidered their flexible office and meeting room requirements. In the face of these circumstances, ClickShare won market share against competitive offerings. From a regional perspective, sales in Americas declined, APAC showed substantial growth, while EMEA sales were essentially flat year-over-year. The sell-in volumes exceeded sell-out for this region, triggered by specific changes in partner programs. ClickShare has now been installed in more than 1.2 million meeting rooms globally. ClickShare Conference accounted for slightly less than 65% of ClickShare's volume for the full year, more so in value. The installed base of ClickShare Conference approached 240,000 units since it was launched in 2020. Meeting Experience accounted for about 60% of Enterprise sales in 2023, versus 58% in 2022.

Barco nv | Beneluxpark 21 | B-8500 Kortrijk | Belgium
Registered office: President Kennedypark 35 | B-8500 Kortrijk | Belgium
VAT BE 0473.191.041 | RPR Gent, Section Kortrijk
www.barco.com

For the Large Video Walls segment, orders were higher in all regions, most pronounced in EMEA. Sales started soft at the beginning of the year but improved throughout the second half, and reached a quarterly record in the fourth quarter. Sales for the Barco CTRL software platform, which offers customers a scalable and integrated solution with market-leading security features, go off to a strong start after its launch in the second quarter. The hardware portfolio is fully up to date, with the UniSee II upgrade launched in the third quarter. Large Video Walls is executing on their new strategy, and the share of software in the product mix increased throughout the year, with further shift expected in the next years.

Enterprise delivered an EBITDA margin of 18.7%, essentially in line with last year, and showing a significant increase from the first to the second half of 5.8 percentage points. This was driven by an increase in the Meeting Experience margin and the cost and margin benefits of the restructuring of the Large Video Walls segment, where an EBITDA loss of the first half was followed by a positive EBITDA in the second half, leading to a result close to breakeven for the full year.

Barco nv | Beneluxpark 21 | B-8500 Kortrijk | Belgium
Registered office: President Kennedypark 35 | B-8500 Kortrijk | Belgium
VAT BE 0473.191.041 | RPR Gent, Section Kortrijk
www.barco.com

ENTERTAINMENT division

(in millions of euro)	**FY23**	**FY22**	**FY21**	**FY20**	***Change vs FY22***
Orders	501.8	457.4	386.6	268.7	*+10%*
Sales	460.5	399.3	309.7	291.4	*+15%*
Gross profit	172.6	124.1	91.7	82.8	*+39%*
Gross profit margin	37.5%	31.1%	29.6%	28.4%	*+6.4 ppts*
EBITDA	57.7	27.5	21.5	0.3	*+110%*
EBITDA margin	12.5%	6.9%	6.9%	0.1%	*+5.6ppts*

Quarter-over-quarter orders and sales 2021-2023

The Entertainment division delivered 10% growth in order intake and 15% growth in sales versus last year. Book-to-bill was positive for the 3rd year in a row, further strengthening the orderbook, especially for Cinema.

Cinema built on the strong momentum that started in the second half of 2022 with double-digit sales growth in all regions. Global demand for Cinema was driven by the ongoing renewal of aging lamp-based cinema projectors to Barco's laser technology, which offers superior image quality to viewers and a lower total cost of ownership to cinema operators. The roll-out of Cinema-as-a-Service continued in 2023, which increased the contribution of recurring revenues to the sales mix. Cinema accounted for approximately 54% of the divisional sales in 2023, compared to 48% last year. By the end of 2023, the sales and marketing activities from Cinionic were fully integrated into the Cinema business unit, providing future additional operational efficiencies.

Barco nv | Beneluxpark 21 | B-8500 Kortrijk | Belgium
Registered office: President Kennedypark 35 | B-8500 Kortrijk | Belgium
VAT BE 0473.191.041 | RPR Gent, Section Kortrijk
www.barco.com

Immersive Experience delivered solid topline growth, especially in the first half of the year, leading to record sales for the second year in a row. In all regions, except APAC, sales grew solidly against a very high comparison base, with the Middle East and Southeast Asia standing out as best performing areas. China did not contribute to the growth as demand has not yet recovered from the pandemic due to a sluggish real estate market and reduced funding of entertainment projects by local governments. Simulation showed the highest growth in all regions both for flight and driving simulators, followed by image processing and projectors for fixed installations in museums, immersive art experiences, attractions, and corporate applications. Sales to the rental market for live events were softer, as some customers are anticipating the new product launches that are expected in 2024. Immersive Experience accounted for approximately 46% of the divisional sales in 2023, compared to 52% last year.

With supply chain challenges resolved and on the strength of a more favorable product mix, with more (embedded) software and services revenues, the gross profit margin for Entertainment grew to an all-time high of 37.5%, up 6.4 percentage points versus last year. Operating leverage on the double-digit topline growth resulted in an EBITDA margin for the division that jumped from 6.9% in 2022 to 12.5% in 2023.

Part 4: consolidated results for 2H23

Financial highlights

- Order intake was 520.6 million euro, down 5% from 549.2 million euro from the same semester last year
- Sales were 529.2 million euro compared to 585.7 million euro for 2H22, a decrease of 10%
- Gross profit margin was 42.6% compared to 39.9% in 2H22
- EBITDA was 77.5 million euro versus 80.3 million euro in 2H22. EBITDA margin was 14.6% compared to 13.7% in 2H22

Order intake & order book

Order intake for 2H23 decreased 5% compared to 2H22, reflecting mixed results by division. Healthcare decreased the most due to higher customer inventories in the Americas. Enterprise grew in both business units, most prominently for Large Video Walls. Entertainment fell slightly with growth for Cinema offset by a decline for Immersive Experience, that had a very high comparison base in 2022.

Order book

(in millions of euro)	**31 Dec 2023**	**30 Jun 2023**	**31 Dec 2022**	**30 Jun 2022**	**31 Dec 2021**	**30 Jun 2021**
Order book	494.8	505.8	496.5	537.7	487.0	391.4

Order intake

(in millions of euro)	**2H23**	**1H23**	**2H22**	**1H22**	**2H21**	**1H21**
Order Intake	520.6	541.1	549.2	509.2	513.2	465.6

Order intake by division

(in millions of euro)	**2H23**	**2H22**	**2H21**	**2H20**	***Change vs 2H22***
Healthcare	113.6	155.4	161.2	119.2	*-27%*
Enterprise	161.9	143.6	151.7	100.7	*+13%*
Entertainment	245.1	250.2	200.3	127.4	*-2%*
Group	**520.6**	**549.2**	**513.2**	**347.3**	***-5%***

Barco nv | Beneluxpark 21 | B-8500 Kortrijk | Belgium
Registered office: President Kennedypark 35 | B-8500 Kortrijk | Belgium
VAT BE 0473.191.041 | RPR Gent, Section Kortrijk
www.barco.com

Order intake by region

	2H23	2H22	2H21	2H20	***Change vs 2H22*** *(in nominal value)*
The Americas	48%	43%	38%	36%	*+5%*
EMEA	38%	37%	40%	34%	*+1%*
APAC	14%	20%	22%	30%	*-6%*

Sales

Sales in 2H23 were 10% lower than a strong 2H22, when the Entertainment division in particular experienced a sales catch-up in the delivery on orders after the supply chain challenges from 1H22.

Sales

(in millions of euro)	2H23	1H23	2H22	1H22	2H21	1H21	2H20
Sales	529.2	520.9	585.7	472.6	438.3	366.0	362.9

Sales by division

(in millions of euro)	2H23	2H22	2H21	2H20	***Change vs 2H22***
Healthcare	138.6	177.8	129.1	123.6	*-22%*
Enterprise	158.2	168.5	129.2	103.9	*-6%*
Entertainment	232.4	239.3	179.9	135.3	*-3%*
Group	**529.2**	**585.7**	**438.3**	**362.9**	***-10%***

Sales by region

	2H23	2H22	2H21	2H20	***Change vs 2H22*** *(in nominal value)*
The Americas	41%	42%	38%	35%	*-1%*
EMEA	40%	38%	39%	37%	*+2%*
APAC	19%	20%	24%	28%	*-1%*

Barco nv | Beneluxpark 21 | B-8500 Kortrijk | Belgium
Registered office: President Kennedypark 35 | B-8500 Kortrijk | Belgium
VAT BE 0473.191.041 | RPR Gent, Section Kortrijk
www.barco.com

Profitability

Gross profit

Gross profit was 225.5 million euro for the second semester of 2023 compared to 213.0 million euro for the first half and 233.8 million euro for the second semester of 2022.
Gross profit margin was at 42.6% for the second half of 2023 compared to 40.9% for the first half of the year and 39.9% for the second half of 2022. The gross profit margin improvement was in large part driven by a more favorable product mix, due to more (embedded) software and services.

Indirect expenses & other operating results

Total indirect expenses were 171.6 million euro or 32.4% of sales compared to 171.2 million euro or 29.2% of sales for the second half of last year. The nominal value increased 1% compared to last year, reflecting the focus on cost control across the board, and absorption of inflationary cost pressures.

- Research & Development expenses were 68.6 million euro compared to 64.7 million euro last year. As a percent of sales, R&D expenses amounted to 13.0% compared to 11.1% for 2H22.
- Sales & Marketing expenses increased in to 72.1 million euro compared 77.5 million euro in 2H22. As a percentage of sales, Sales & Marketing were 13.6% of sales in 2H23 compared to 13.2% in 2H22.
- General & Administration expenses were 31.0 million euro or 5.8% of sales, compared to 29.0 million euro or 5.0% of sales in 2H22.

Other operating income amounted to 0.8 million euro versus 0.7 million euro other operating income in the same semester of 2022.

EBITDA & adjusted EBIT

EBITDA was 77.5 million euro compared to 80.3 million euro for the prior year second semester as a result of operating deleverage on the lower topline. EBITDA margin in the second half was 14.6% versus 13.7% for the second half of 2022.

By division, EBITDA and EBITDA margin was as follows:

2H23 *(in millions of euro)*	**Sales**	**EBITDA**	**EBITDA %**
Healthcare	138.6	13.1	9.5%
Enterprise	158.2	34.0	21.5%
Entertainment	232.4	30.4	13.1%
Group	**529.2**	**77.5**	**14.6%**

Barco nv | Beneluxpark 21 | B-8500 Kortrijk | Belgium
Registered office: President Kennedypark 35 | B-8500 Kortrijk | Belgium
VAT BE 0473.191.041 | RPR Gent, Section Kortrijk
www.barco.com

EBITDA by division 2H23 versus 2H22 is as follows:

(in millions of euro)	**2H23**	**2H22**	**2H21**	**2H20**	***Change vs 2H22***
Healthcare	13.1	16.8	6.6	12.9	*-22%*
Enterprise	34.0	33.4	9.0	4.5	*+2%*
Entertainment	30.4	30.2	15.5	-4.6	*+0%*
Group	**77.5**	**80.3**	**31.0**	**12.9**	***-3%***

Adjusted EBIT was 54.7 million euro or 10.3% of sales compared to 63.4 million euro, or 10.8% of sales for the same period last year.

Net income

Net income attributable to the equity holders for the second semester was 46.9 million euro or 8.9% of sales, compared to 52.9 million euro in 2H22, or 9.0% of sales.

Barco nv | Beneluxpark 21 | B-8500 Kortrijk | Belgium
Registered office: President Kennedypark 35 | B-8500 Kortrijk | Belgium
VAT BE 0473.191.041 | RPR Gent, Section Kortrijk
www.barco.com

Conference call

Barco will host an earnings video call with investors and analysts on 8 February 2024 at 9:00 a.m. CET (3:00 am EST), to discuss the results of 2023. Barco's CEO, CFO and IRO will host the call.
An audio cast of this event will be available on the Company's website www.barco.com by 12:30 p.m. CET (6:30 a.m. EST).

Additional information

Auditor's report

The statutory auditor, PwC Bedrijfsrevisoren BV represented by Lien Winne, has issued an unqualified audit report on the consolidated accounts, and has confirmed 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.

Request more information

Willem Fransoo, Director Investor Relations
+32 56 26 23 22 or willem.fransoo@barco.com

Financial calendar 2024

Tuesday 23 April	Trading update 1Q24
Thursday 25 April	Annual general shareholders meeting
Wednesday 17 July	Announcement results 1H24
Thursday 17 October	Trading update 3Q24

More information? Please visit our webpage *https://www.barco.com/en/about/investors*

Barco nv | Beneluxpark 21 | B-8500 Kortrijk | Belgium
Registered office: President Kennedypark 35 | B-8500 Kortrijk | Belgium
VAT BE 0473.191.041 | RPR Gent, Section Kortrijk
www.barco.com

Disclaimer

This press release 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 in this press release as of this date and does not undertake any obligation to update any forward-looking statements contained in this press release 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 press release issued by Barco.

About Barco

Barco is a global company with headquarters in Kortrijk (Belgium). Our visualization and collaboration technology helps professionals accelerate innovation in the healthcare and enterprise and entertainment markets. We count over 3,300 visioneers, whose passion for technology is captured in over 900 unique patents.
Barco is a listed company (Euronext: BAR; Reuters: BARBt.BR; Bloomberg: BAR BB) and realized sales of 1,050 million euro in 2023.
Interested to connect? www.barco.com or on X (@Barco), LinkedIn (Barco), YouTube (BarcoTV), Instagram (barco_nv) and Facebook (Barco).

Barco. Visioneering a bright tomorrow.

Barco nv | Beneluxpark 21 | B-8500 Kortrijk | Belgium
Registered office: President Kennedypark 35 | B-8500 Kortrijk | Belgium
VAT BE 0473.191.041 | RPR Gent, Section Kortrijk
www.barco.com