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ALL definitions for alternative performance measures (APM’s) as used in this report are available in the Glossary as available on Barco’s investor portal and in Annex of the Annual Report.

This financial report in pdf format is only a supplementary document. The official ESEF (European Single Electronic Format) version prevails.

This is the core section of Barco’s 2022 integrated annual report. Other sections are available via the download center at ir.barco.com/2022.

CORE

MORE
• Governance & risk report
• Report on planet - people - communities
• Financial report

ANNEX
• Integrated Data Pack
• Glossary
• GRI Content index
• Assurance report
'Visioneering a bright tomorrow', highlights our belief that truly great engineering starts with a clear vision — a vision of a better, smarter, healthier world. We are constantly thinking about how we can help and transform the quality of life of our customers, our employees and the world around us – not only today, but also in the next 10 or even 20 years.

The concept of integrated reporting, which we launched in 2020, aligns perfectly with that vision. Integrated reporting focuses on how a company creates long-term value, and effectively tells the story of how value is created, both internally and externally.

By sharing that story, openly and transparently, with our investors, employees and all other stakeholders, we can win their trust, which we need to achieve our ‘visioneering a brighter tomorrow’ mission.
Interview with our CEOs

While the world economic outlook is shaky, our co-CEOs Charles Beauduin and An Steegen look back upon 2022 with satisfaction – and even a sense of pride. During their first full year at the helm of Barco, they have been able to turn the tide and steer the business forward. More than that, they’re confident the future looks good for Barco, even in today’s uncertain economic climate.

Barco endured some rough times during the pandemic. Last year, you anticipated that 2022 would be a year of transition. Did this turn out to be true?

Charles: I’d call 2022 a year of recovery. The engine picked up speed and kept accelerating as the year progressed. Barco met or maybe even exceeded expectations; both our sales and share price went up, which are clear tokens of market confidence.

An: What’s just as important – or even more so – is the renewed dynamics in our teams. We managed to bring back a positive vibe, which became really apparent to us at our Capital Markets Day in September 2022. We gave our different teams the stage to talk about their performance, vision and strategy, and they did so with enormous enthusiasm. Our brand-new experience center, by the way, was a fantastic setting for showcasing the power of Barco technology.
Looking back: keys to our 2022 success

So, what is the secret behind that recovery and the new vibe?

Charles: When we came on board, we immediately decided to simplify our organization. The structure had become too complex, at the cost of efficiency, accountability, innovation and customer intimacy. While there was some skepticism about the reshuffle in the beginning, I’m pretty sure that everyone will now agree that this was a smart thing to do.

An: Indeed, that is one of the keys to our success. On top of that, we keep highlighting all the opportunities that Barco has in its markets and invest intensely, up to 11% of our sales, to accelerate innovation. Of course, we know that we won’t reap all the fruit of those investments immediately, but they are an absolute must for a successful future.

Charles: We shouldn’t forget our investments in our manufacturing capabilities. The focused factories that are underway will be largely automated and state-of-the-art, which will boost efficiency, quality and agility. I’m sure these investments inspire trust as well, among all our stakeholders.

China strategy

China plays a leading role in Barco’s plans, yet 2022 hasn’t been the best year for the Chinese economy. Does that impact your China strategy?

An: We can’t ignore the fact that it’s been a difficult year to conduct business in China. The covid lockdowns have really burdened the economy. Still, the foundations remain unshaken and we are hopeful that the economy will recover in 2023.

Charles: Let me highlight that there are multiple reasons for us to strengthen our foothold in China. Sure, we are expanding our manufacturing footprint there, but not for mere cost-saving reasons. China is the world’s second largest economy and our market potential there is huge, especially in entertainment and healthcare. In our Chinese factories, we research, design and produce solutions for both local and global markets, and our on-site sales team understands the needs like no other.

Looking forward: challenges along the way

Looking forward, what do you consider to be Barco’s biggest challenges?

An: Accelerating innovation, for sure. Image processing is part of everything we do at Barco and we’ve always been a visualization champion, but we need more groundbreaking, value-added solutions that ultimately set us apart. And we need them quickly, in order to keep ahead of our competitors. That does require a different mindset and new skills. We’ve taken great leaps forward in the field over the past year.

What about the looming recession. Are you afraid it might impact Barco’s business?

Charles: Most economists and other experts predict a mild recession in Europe and the Americas, and we hope they are right. Our portfolio is strong enough to weather a recession. Just look at today’s major market trends: images take center stage, hybrid is the new normal, big data is on the rise … Barco has the solutions to meet those exact needs.
ESG: more than Environmental, also Social

Sustainability is also one of the mega trends. Barco has set the tone in that field for years. Can you retain that frontrunner position?

Charles: Sustainability has been in Barco’s roadmap for years and we keep sharpening our focus in that field. Besides boosting the sustainability of our own operations, we also help our customers cut CO₂ emissions, by providing them with increasingly modular, energy-efficient and circular solutions.

An: What’s more, some Barco products are really part of the sustainability solution, like our ClickShare tools for hybrid meetings. When looking at the Social pillar of our ESG approach, we decided to put diversity and inclusion high on the agenda. It’s apparent even at the very top of Barco how diversity spurs dialogue, discussions and, therefore, creativity and innovation – and that’s just what we need as a global technology company.

2023 and beyond

In conclusion, what are your expectations for 2023 and beyond?

Charles: To continue along the path that we have been busy paving. Barco has tons of experience and expertise in visualization, which is a field with huge potential these days. And we have diverse, smart and ambitious teams. I’m positive about what’s coming.

An: I can’t agree more. And let’s not forget our customers, partners and investors who help us shape our story. Thanks to every single stakeholder for their continued support.
A word from our chairman
Frank Donck

Barco delivered strong results in 2022. We managed to reconnect with our long-term strategic growth ambitions. Thanks to the entrepreneurship and creativity of all our teams, we reached our financial targets, in spite of the supply chain constraints and unstable macro-economic context.

2022 was the first full year under the leadership of CEOs An Steegen and Charles Beauduin. The new organization they put in place has spurred the entrepreneurship, customer intimacy and focus in every single team. Together with the reopening of many of our markets, this has definitely accelerated our growth.

Looking ahead, we remain vigilant about the macro-economic situation, but we are confident that Barco has laid solid foundations for further growth. We are expanding our markets and product portfolio and accelerating our innovation efforts to continue setting the standard in visualization and collaboration technology in the years to come.

Looking ahead, we are confident that Barco has laid solid foundations for further growth.

Frank Donck
1. How does the recession impact Barco?

After two challenging years due to the pandemic, the world looks a lot brighter for Barco today. Our activities are well spread geographically across the globe, and the end-markets where our products are sold are very diverse. This provides a natural balance and buffer. Although the recession and inflation are impacting many people and businesses around the world, Barco is resilient, as the underlying growth trends in its business areas are strong and sustainable: hybrid working, digitization of healthcare and an increasing demand for compelling entertainment experiences.

» Read more

2. Is ClickShare ready to thrive on the hybrid meeting trend?

2022 has proven that hybrid office working – and, consequently, hybrid meetings – are here to stay. Yet, 71% of meeting participants complain that it’s hard to truly collaborate and interact in hybrid meetings. ClickShare’s wireless conferencing room solutions are agnostic, utterly user-friendly and super secure. In this way, they ensure meeting equity: they make sure that everyone in a hybrid meeting is valued and heard, whatever platform and device they are using.

» Read more

3. What is the future of cinema?

Cinema is alive and kicking. Throughout 2022, the box office has improved significantly and is expected to continue its recovery in 2023. What is changing, however, is the need for premium experiences. More than reliving a great story, movie-goers want to enjoy a real night out – something they can’t experience from their couch at home. Cinionic and Barco are perfectly positioned to deliver that experience with the all-laser portfolio. By replacing the first generation of lamp-based digital projectors, exhibitors get absolute peace of mind, while reducing operational costs and lowering energy consumption.

» Read more
Key figures

**Ecoscore**

50%

% revenues from products with Barco ECO label

**Customer NPS**

(Net Promoter Score)

44

Barco’s standard customer experience metric, measured quarterly (upper quartile industry performance)

**Employees**

Reported in heads, excluding temporary workforce

<table>
<thead>
<tr>
<th>Year</th>
<th>Count</th>
</tr>
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<tbody>
<tr>
<td>2020</td>
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</tr>
<tr>
<td>2021</td>
<td>3,141</td>
</tr>
<tr>
<td>2022</td>
<td>3,302</td>
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(Database Corporate Associates per 31/12/2022)

**Sales**

In millions of euro

- 2020: 770
- 2021: 804
- 2022: 1,059

**Gross profit**

In millions of euro

- 2020: 284
- 2021: 288
- 2022: 417

**EBITDA**

In millions of euro

- 2020: 54
- 2021: 59
- 2022: 127

**Gross profit margin**

37% 36% 39%

**EBITDA margin**

7% 7% 12%
Highlights

FEBRUARY
Dubai's new Museum of the Future celebrates the power of technology
Crafted by visionary designers, artists and engineers, Dubai's Museum of the Future is the pinnacle of interactivity and immersion. It features the very latest technology, including an impressive range of Barco solutions.
» Read more

FEBRUARY
Expanding our single-chip projector range to meet every need and budget
Our successful family of single-chip projectors keeps growing. With 3 new G62 projectors launched in February and September 2022, we offer the fixed install market an ever-larger range of solutions for every budget.
» Read more

APRIL
Ensuring a premium cinema experience in 3,500 AMC theaters
AMC, the world’s largest theatrical exhibitor, goes laser. Thanks to Cinionic’s Cinema-as-a-Service program, they will be able to elevate the cinema experience with minimal upfront investment.
» Read more

MAY
Wireless conferencing made easier with ClickShare smart meeting flows
The 2022 software update to our ClickShare range takes our meeting solution to the next level of simplicity. New meeting flow features make hosting hybrid meetings from a laptop as simple as making a phone call.
» Read more

MAY
The most reliable LED solution in the market? TruePix ticks all the boxes
From the installation through to after sales support: our new TruePix LED video wall was designed from the ground up to ensure a seamless experience in control rooms, broadcasting and any other enterprise environment.
» Read more

JUNE
weConnect makes healthcare training more accessible and sustainable
The weConnect virtual classroom that we set up with Nipro Medical Europe in 2020 won a Life Sciences Trainers & Educators Network Excellence Award for providing the highest-standard virtual and hybrid training in the sector.
» Read more
SEPTEMBER
Introducing Dermicus, a new digital health skin solutions company
Our healthcare incubator Demetra merged with the teledermatology platform of Gnosco to become Dermicus. The new company will help clinicians transform the way they diagnose and manage skin conditions.
» Read more

SEPTEMBER
ITEA Innovation Award of Excellence for healthcare-related project IMPACT
How can data intelligence help optimize patient treatment and clinical workflows? Together with 13 other firms, Barco researched the topic in the IMPACT project. It led to several breakthroughs – and an ‘innovation award’.
» Read more

NOVEMBER
Giving Schiphol operators a shared view on airport operations
Thanks to the Barco OpSpace workstations, control room operators at the brand-new Schiphol Airport Operations Center now have all the information they need to plan, monitor and control the entire airport logistics, at the moment they need it, 24/7.
» Read more

NOVEMBER
Healthcare team launches new diagnostics and surgical displays
In the course of 2022, our diagnostics and surgical teams extended their portfolios with the high-brightness Nio Gray 5.8MP display specially for breast imaging and the MDSC-8532 and MDSC-8527 4K UHD surgical displays, which ensure excellence in surgical precision.
» Read more

NOVEMBER
Lightweight, compact and designed with the planet in mind
When designing the UDM projector in 2019, we made zero concessions. As technology evolves, we keep raising the bar. The result: 2 new 30K projectors, a brightness upgrade path and an A+ ECO label.
» Read more

NOVEMBER
Standing ovation for Barco HDR Lightsteering at Asian World Film Festival
Our innovative HDR Lightsteering technology dropped jaws during the Asian World Film Festival in LA. The moviemakers and audience were impressed with the bright highlights, black levels and the high dynamic range in the images.
» Read more
Our company
Introduction to Barco

About Barco

Barco. Visioneering a bright tomorrow.

Barco is a global company with headquarters in Kortrijk (Belgium). Our visualization and collaboration technology helps professionals accelerate innovation in the healthcare, enterprise and entertainment markets. We count over 3,000 visioneers, whose passion for technology is captured in over 500 unique patents. Our company is listed on the Brussels Stock Exchange.

Our purpose: visioneering a bright tomorrow

At Barco, we believe truly great engineering starts with a clear vision. A vision of a better, smarter, healthier world.

With technology, we accelerate the brightest minds in entertainment, enterprises and healthcare to create a bright tomorrow.

To touch people’s hearts and minds. To work better together. To transform the quality of life.
Our organization

A focused organizational structure

When our new leadership team came on board in 2021, they decided to overhaul Barco’s organizational structure. The matrix organization was replaced by a more focused model with six global business units. Every business unit handles sales, product management and R&D, while more general functions (services, sales support, operations, digitization, finance, HR, legal and Barco Labs) are managed on a global level.

It is clear that the new structure has boosted agility, market responsiveness as well as accountability and has been the perfect stepping-stone to get Barco’s business back to pre-covid-19 levels and ready for further growth.

It makes so much business sense to bring R&D, supply chain, product and sales together in one team. More than accountability, this has truly fostered customer intimacy. It’s hard to prove but I’m sure our solid customer bonds helped grow our business in 2022.

Johan Fornier
EVP Surgical & Modality
Barco has sites in nearly 30 countries and R&D and/or manufacturing facilities in 10 countries.

**Geographical breakdown of sales**
- 41% The Americas
- 38% EMEA*
- 21% APAC

* EMEA: Europe & Middle East & Africa

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

* Breakdown based on sales 2022

**The people of Barco**
Our people are the driving force to our success. A team of over 3,000 employees, located around the globe, all join forces to enable bright outcomes.

**Number of employees**
- 2020: 3,303
- 2021: 3,141
- 2022: 3,302

**Gender**
- 71% male
- 29% female

**Geographical**
- 12% The Americas
- 33% Asia-Pacific
- 55% EMEA

**Per functional group**
- 40% Operations
- 31% Research & development
- 21% Sales & Marketing
- 8% General & Administration

Figures reported are in heads (not FTE). For definitions on indicators: see glossary. We refer to note 4 in the financial chapter for more information on the headcount evolution.
Leadership

Barco believes that the role of its leadership team and its Board of Directors is not only to protect the corporation but also to ensure that Barco is able to create value for society at large.

While the Board of Directors sets, steers and monitors our strategic direction, our Core Leadership Team (CLT) is responsible for implementing our group strategy and policies and achieving our objectives and results. In this way, all governance bodies contribute to value creation at Barco.

Board of Directors

The composition of the Board of Directors meets the gender diversity requirements. All directors hold or have held senior positions in leading international companies in organizations. The Board of Directors remained unchanged in 2022.

Check the CGR report for more 2022 details. Biographies are available on our corporate website.
Our Core Leadership Team

The CLT, which operates under the chairmanship of the CEOs, comprises key officers from various functions, businesses and regions. Two new CLT members came on board in 2022.

Check the CGR report for an overview of the changes in the CLT in 2022. Biographies are available on our corporate website.
Culture & ethics

Every organization has a culture; implicit or explicit. It is its personality – a set of unwritten rules on how an organization behaves. And it reveals itself in many different forms. Our corporate culture, which we rejuvenated in 2019, defines the cultural traits that we must embrace to continue leading in our dynamic markets. In 2022, we took a next step in our culture journey.

Barco culture: how we live our DNA

Corporate culture is everywhere. It comes alive in how we act towards our customers and how we talk and listen to them. It becomes visible in the way we design our processes: have we designed them from our perspective or from the perspectives of those who are affected by them? It guides us in creating teams, but also in how we treat each other as team members. Culture even comes alive in our decision of how to greet each other in the morning. And above all, it defines how we execute our strategy. Culture is how we live our DNA.

> Learn more about our corporate culture

The importance of ethics and compliance

Barco’s reputation and continued success depend on the conduct of its employees as well as its business partners. That’s why we put great emphasis on ethics and compliance: we continuously invest in building a company culture in which ethical conduct and compliance with our policies and the applicable regulations are at the core of how we do business.

We team up to win globally

In 2022, we took the next step in our culture journey, organizing workshops to make sure that everyone at Barco understands and lives and breathes our culture. The focus in 2022 was on the building block: ‘We team up to win, globally’, as it highlights our growing commitment to diversity and inclusion.

> Learn more in the ‘people’ chapter of our PPC report

We build the best team to take the leap from ideas to proof points, to execution. We truly understand what it is we want to achieve together. We regard diversity of background, experience and skills as our strength. We focus on helping each other, across regions & functions, to reach our goals. We celebrate success together and have fun while getting there. That’s how we live our DNA.
Planet, people and communities

At Barco, we firmly believe that sustainable business is good business – and vice-versa. To that end, we are committed to taking ownership of a sustainable future. Our sustainability strategy (‘Go for Sustainable Impact’) has been an integral part of our corporate strategy for quite some years now and we are constantly accelerating our efforts.

More than safeguarding the future of our planet, sustainability at Barco also incorporates responsibility to our employees and to the communities in which we operate. For each of our three sustainability pillars – Planet, People, and Communities – we defined an overall ambition statement as well as medium- and short-term targets that guide and motivate us to infuse sustainability across the organization.

It is our ambition to fully integrate sustainability in our corporate DNA, the design of our products and solutions and the way we act and operate. We want to take the lead in topics that are real value drivers, like product security, lower energy consumption and employee engagement.

Ann Desender
CFO

Our ambitions and targets are linked to the sustainability areas that matter most to our stakeholders and where we can achieve the greatest impact: our material topics.

We will lower the environmental footprint of our customers and further reduce our own footprint.

We invest in sustainable employability by creating the right conditions for our employees to have an engaging, enriching and healthy career at Barco. We do this by encouraging our people to learn and develop themselves and by ensuring a healthy working environment – both physically and mentally. We engage in building an inclusive workplace that embraces the diversity of our people as this boosts our innovation capacity.

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. We always aim to deliver added value to our customers through our solutions, services and capabilities. In addition, we help ensure more people can participate in and benefit from Barco’s innovation.
Diversity and inclusion at Barco

As markets are evolving strongly and customer demands are changing, diversity and inclusion (D&I) is more important than ever. Barco is committed to becoming a truly diverse and inclusive organization. To achieve that aim, we consider diversity and inclusion not as a standalone project, but work hard to fully embed it in our Barco culture.

Why is diversity and inclusion so key to Barco?

• **It drives our innovation**: Innovation is at the core of what we do at Barco. Every day, our people collaborate closely to come up with the brightest ideas to solve customer problems. By actively bringing together people with diverse perspectives we are able to face the most complex challenges.

• **Serving world markets requires having world leaders**: We are a global company that serves markets all over the world. We believe it is essential to represent the same diversity internally as the diversity present in the markets we serve.

• **It sparks employee engagement**: An inclusive culture where different perspectives are welcomed and actively encouraged has a positive impact on employee engagement. We believe diversity and inclusion are key to ensure that we nourish the potential every employee brings.

How we fully embed diversity and inclusion in our culture

We have defined a D&I strategy in line with our business goals that outlines what steps we want to take in the next three years to embed D&I into our culture. Creating ‘awareness’ is the starting point. In addition, we have also defined actions to take throughout our employee journey to ensure we can attract, grow and retain diverse talent. All these actions gradually drive change, putting D&I top of mind in our daily operations.

Every person in our company has a role to play to ensure people are given equal opportunities and are well accepted for their differences. We embrace one and another’s uniqueness to become a more diverse and inclusive organization.

Erdem Soyal
Program sponsor Diversity and Inclusion
How we create value
The concept of ‘value creation’ fits perfectly with our mission of enabling bright outcomes. The value creation model on the right describes how we create value to all our stakeholders in the short, medium and long term. The model articulates the mission of our company and links it to our strategy and the markets we cover. The horizontal layers represent the six capitals in which we group the respective KPIs.*

* Together these 6 capitals represent stores of value that are the basis of an organization’s value creation. See background paper of International Integrated Reporting Council (IIRC).

The capitals and underlying KPIs remained the same in the annual report of 2022 compared to 2021 and aligned with the recommendations of IIRC. Only the KPIs with ‘materiality’ and ‘value driver’ properties for Barco were selected for reporting in the value creation model.
Financial

Orders
(in millions of euro)

Sales
(in millions of euro)

EBITDA
(in millions of euro)

Net earnings
(in millions of euro)

% growth

% growth

EBITDA margin

% growth
Manufactured

**Capex** (millions of euro)

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<th>Year</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
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<tbody>
<tr>
<td>Value</td>
<td>15</td>
<td>19</td>
<td>21</td>
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**Product revenues inhouse manufactured** (over hardware revenues)

<table>
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<tr>
<th>Year</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
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<tr>
<td>Value</td>
<td>70%</td>
<td>66%</td>
<td>62%</td>
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**Inventory value** (millions of euro)

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<th>2022</th>
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<tbody>
<tr>
<td>Value</td>
<td>175</td>
<td>176</td>
<td>246</td>
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**% of sales**

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<tr>
<td>Value</td>
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**Inventory turns**

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<tr>
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**ROCE (%)**

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<th>2021</th>
<th>2022</th>
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<tbody>
<tr>
<td>Value</td>
<td>3%</td>
<td>4%</td>
<td>16%</td>
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</tbody>
</table>
Intellectual R&D spend (in millions of euro)

Employees in R&D

# of new patent filings

# of patents at year-end

% of sales

% of total employees
Planet

**Energy consumption in own operations**
(MWh/mio € revenues)
TARGET 2023: 38

**Greenhouse gas emissions from own operations**
(tonnes CO₂e/mio € revenues)
TARGET 2023: 52

**Energy footprint of sold products**
(relative reduction vs base year 2015)
TARGET 2023: -25%

**% of revenues* from products with ECO label**
TARGET 2023: 70%

---

* Product and project revenues as reported in Note 3 of the financial chapter of our integrated report
People

****Total number of employees (\# heads)****

- 2020: 3,303
- 2021: 3,141
- 2022: 3,302

****% women overall & senior management****

- 2020: Overall: 28%, Senior management: 26%
- 2021: Overall: 27%, Senior management: 27%
- 2022: Overall: 27%, Senior management: 28%

****Average training hours/employee****

- 2020: 11.3
- 2021: 10.5
- 2022: 12.3

****Employee Net Promoter Score****

- Target: 30
- 2022: 16
Communities

**Customer Net Promoter Score**  
(Relationship NPS)

**Average cybersecurity maturity score**  
(NIST CSF)  
TARGET 2025: 3.4

**ISO 27001 certification (security)**  
(# of product lines in scope)  
TARGET: +1 YEARLY

**Suppliers scored on sustainability performance**  
(% of production spend)  
TARGET 2023: 70%
Shaping our strategy
Stepping up for the next episode

At Barco, our strategy acts as a guiding light: it defines how we play to win in our markets. While the foundations of a corporate strategy should remain unaltered, the strategy itself needs to be dynamic and agile, particularly in today’s disruptive, volatile markets. Over the past few years, we have continuously refined our approach and priorities to keep them in line with changing dynamics, including relevant market trends, material topics and risks.

In the post-covid year 2022, we decided to review our strategy more thoroughly. Our revamped, three-levered strategy will help us gear up to set the visualization industry standard and capture commanding market shares in our markets.

Our vision

To be a ‘One Barco’ company defined around our ‘image processing’ capability. The solutions that we develop and provide are to set the industry standard and make a visible impact. In this way, we are able to seize commanding market shares in healthy markets.
Three strategic levers

To accelerate progress towards our vision, we redefined our strategic levers in 2022. Our renewed strategy now comprises three levers: capture profitable and efficient growth, innovate for impact and go for sustainable impact. These are the priorities we want to focus on to remain relevant and flourish in the short-, mid- and long-term. They help us prioritize our business activities.
Lever 1: Capture profitable and efficient growth

Barco has been a global technology leader for decades. Just look at our massive expertise and experience, and smart, committed teams. We are active in markets with solid foundations, where we offer mission-critical solutions. In order to optimally seize all the market opportunities ahead and further strengthen our leading role in our markets, we are determined to exploit our strengths to the fullest, and even more than we’ve done in the past.

To achieve that aim, we set a number of short- and mid-term strategic objectives:

• reshuffle our organization into 6 business units (BUs) in order to step up accountability, entrepreneurship, and customer intimacy;
• increase operational effectiveness through digital transformation and standardization;
• grasp our market potential by broadening our geographic coverage with a focus on China and by developing adjacent markets.

Assessment

Overall, we score between 2 and 3 out of 4 on the ‘Capture profitable and efficient growth’ focus areas. The reorganization positively impacted accountability, customer intimacy and entrepreneurship in 2022 and we continued investing in our business in China, despite the covid hurdles. In the field of ‘developing new market segments’, several initiatives have been taken, but with plenty of potential remaining.

<table>
<thead>
<tr>
<th>Focus areas</th>
<th>Status</th>
<th>Proof points in 2022</th>
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<tbody>
<tr>
<td>Organizational redesign to enhance customer intimacy, end-to-end accountability and entrepreneurship</td>
<td></td>
<td>• Roll-out of simplified organization with 6 BUs and global support services • Integrated BU teams with sales, product development and R&amp;D all in close contact with the customer</td>
</tr>
<tr>
<td>Commercial and operational effectiveness through digital transformation</td>
<td></td>
<td>• Global roll-out of Salesforce CRM for sales and customer service • Launch of new services e-portal for customer service • Strengthening platform strategy for major IT applications • Finance functions and processes are certified future-proof</td>
</tr>
<tr>
<td>Seize the China opportunity with stronger local presence</td>
<td></td>
<td>• New healthcare plant in Suzhou operational since December 2021 and ramping up throughout 2022 • Start of construction Wuxi plant, focused on the projection technology market • STEP talent development program for Chinese healthcare team, embedding strong local presence for product development and sales</td>
</tr>
<tr>
<td>Develop new market segments and expand in healthcare, control rooms and immersive entertainment</td>
<td></td>
<td>• Broadening the Immersive Experience portfolio with mid-market products • Expanding expertise in digital immersive art experiences into Asia • Strengthening our business in the digital pathology segment (Healthcare) with the world’s first FDA approved pathology monitor • Launch of TruePix, a gamechanger in LED video walls, offering a premium visualization experience • LTEN Excellence award for Barco and partner Nipro as provider of highest-standard virtual and hybrid training in life sciences sector • New Dermicus digital health skin solutions company combines the strengths of Barco Demetra and Gnosco Dermicus • New collaboration with Strategic Radiology, an association of 1,500+ private radiology practices in the USA</td>
</tr>
</tbody>
</table>

Related to these highly material topics: Customer engagement // Product quality, safety & security // Information security & data protection // Financial resilience // Sustained profitable growth // Product stewardship
Lever 2: Innovate for impact

We are determined to retain our position as a technology leader and further differentiate ourselves from our competitors. To achieve that aim, we will continue to accelerate our innovation and technology capabilities. While innovating, we always keep in mind that innovation at Barco should deliver impact, i.e. add value for all our stakeholders, including the broader communities in which we operate.

Innovating for impact is about more than mere technology innovation. It includes:
- enhancing and extending our product portfolio
- increasing the efficiency of our operations with focused factories and a stronger supply chain
- creating new business models to strengthen our downstream value chain.

**Assessment**
Overall, we score between 2 and 3 out of 4 on the focus areas in the 'Innovate for impact' lever. In 2022, we were successful in minimizing the supply-chain constraints caused by the pandemic. We managed to instill a stronger innovation governance, which will help us achieve more breakthrough innovation in the mid to long term. The focused factories strategy, for its part, has just been launched and will help us optimize the manufacturing footprint in the coming years.

<table>
<thead>
<tr>
<th>Focus areas</th>
<th>Status</th>
<th>Proof points in 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Focused factories</td>
<td>3</td>
<td>Kick-off of focused factories approach: create factories that produce a limited set of products, for a particular business unit.</td>
</tr>
<tr>
<td>Strengthen downstream value chain</td>
<td>3</td>
<td>Roll-out of OPEX business models (Cinema-as-a-Service, weConnect, Dermicus), focusing on customer experience and full lifecycle management of products</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Addition of new distribution and channel partner agreements</td>
</tr>
<tr>
<td>Strengthen supply chain, reducing component dependency through redesign and bringing critical components in-house</td>
<td>3</td>
<td>Reduction of dependency on critical components (semiconductor and other) through product redesigns that allow for more flexibility to change components during the products' lifecycle.</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Bringing production of critical subassemblies in-house (e.g. optical components for projectors or bonding glass for healthcare displays)</td>
</tr>
<tr>
<td>Rebalance R&amp;D investment portfolio</td>
<td>3</td>
<td>11% of turnover spent on R&amp;D, with a more balanced R&amp;D pipeline focusing more on new growth investments</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Strengthened patent management with 13 new patent filings and holding 550 patents at year-end 2022</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Global platforms software development strengthened under cross-divisional management in SWIT (Software and IT) organization</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Barco selected as Euronext Tech Leader, among Europe’s top innovative high-growth companies</td>
</tr>
<tr>
<td>Develop adjacencies and new solutions based on core technologies</td>
<td>3</td>
<td>HDR Lightsteering, for the next-gen laser cinema projector piloted and presented to cinema industry professionals.</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Expanding ClickShare proposition with new functionalities on a continuous basis, such as smart meeting flows and digital signage.</td>
</tr>
<tr>
<td>Enhance ROI in innovation combining entrepreneurship and financial discipline</td>
<td>3</td>
<td>R&amp;D managed in the business units, close to customer, enhancing market effectiveness</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Strengthened innovation governance, led by CEO An Steegen, with frequent innovation boards and fast-fail principles</td>
</tr>
</tbody>
</table>

Related to these highly material topics: Product quality, safety & security // Innovation management // Product stewardship
Sustainable business is good business. Barco has been convinced of that for many years. When first deciding how to execute our strategy, we chose to operate with respect for the planet, our people and the local communities. Year after year, that commitment has become more deeply embedded in our corporate DNA. That’s why, ‘Go for sustainable impact’ remains a key lever for our long-term success.

To remain the sustainability frontrunner we’ve been in our sector for years, we keep:
• refining and strengthening our sustainability governance and organization
• reinforcing our sustainability strategy
• improving the sustainability performance of our operations and our products

Assessment
Overall, we score between 2 and 3 out of 4 in the field of ‘Go for sustainable impact’. In 2022, we kept strengthening our governance and organization, and reinforcing our sustainability strategy. Improving our sustainability performance in all fields – planet, people and communities – remains an ongoing commitment in everything we do at Barco.

<table>
<thead>
<tr>
<th>Focus areas</th>
<th>Status</th>
<th>Proof points in 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strengthen governance and organization</td>
<td></td>
<td>• Strong ESG governance in place, under the leadership of CEO An Steegen as chair of the executive sustainability steerco, and workstream leads for every highly material topic</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Bottom-up operator engagement strengthened with iGemba program taking further momentum in Kortrijk, Suzhou and Noida plants</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Raising continuous internal and external awareness and communication about sustainability, e.g. in our Bright Insights magazine</td>
</tr>
<tr>
<td>Reinforce our sustainability strategy</td>
<td></td>
<td>• Next milestone reached in Barco’s wind turbine project, with the environmental permit granted (pending on further appeal)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Further electrification of the company car fleet: 100+ charging stations installed at HQ</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Diversity and inclusion launched as a global workstream, with senior sponsorship and dedicated ambassador group</td>
</tr>
</tbody>
</table>
| Improve our sustainability performance in the fields of planet, people and communities |        | • On track with our main planet sustainability goals for 2022:
|                                              |        |  - Greenhouse Gas emissions from own operations at -51% versus 2015
|                                              |        |  - 50% of revenues from products with ECO label
|                                              |        |  - Broadening limited assurance audit to include ECO labelled products and emissions of own products, first time taxonomy-aligned reporting with 27.0% aligned revenues
|                                              |        |  - Acknowledgements for increased transparency and improved performance:
|                                              |        |  - Barco recognized by The Financial Times and Statista as one of Europe’s climate leaders, companies that contributed the most to the prevention of global warming
|                                              |        |  - ESG ratings: consistently scoring in top-20% among Electronics Industry sector peers with a score upgrade to AA for MSCI in 2022 (see external evaluations)
|                                              |        |  - ISO 45001 Health and Safety certification for sites in Beijing, Tai Yang Gong and Chang Ping |

Related to these highly material topics: Information security & data protection // Business ethics // Employee engagement // Diversity & inclusion // Product stewardship // Climate change & energy
Managing our strategy in a changing world

Even the best plan must be adapted continuously. The global pandemic, the Ukraine war, the persistent inflation and the accelerating climate crisis that have been impacting our business in the past few years, all highlight the need for agility and resilience. That is why we constantly question, fine-tune and even reimage our strategy to ensure that it remains anchored in the realities of our business and the rapidly changing world around us.

In order to keep our strategy in shape, we look at it through different lenses. We monitor relevant market trends, keep track of evolutions in the material topics and closely follow up on the risks that could affect our business.
5 relevant market trends

Our customers, our markets and even our world are changing faster than ever. As these changes largely impact our business, we keep a close eye on trends and act upon them when going forward. The following shortlist of five market trends is not exhaustive but is considered as really relevant for the business that we’re active in. They are shaping our solution portfolios and strategy.

TREND #1

We live in a visual world.

YouTube, TikTok, marketing videos, infographics, large billboards, digital signage: images are anywhere these days. As technology evolves, so does the way we process information and even the way we interact with our environment. On laptops and smartphones, in meeting rooms and boardrooms, in hospitals as well as in museums, movie theaters and during events: images always say more than a thousand words. Crisp, clear, high-quality visuals are a must to meet the needs of users and audiences.

» Get wowed by the ultimate visual experience: projection mapping
TREND #2

The continuing rise of all things hybrid

Meetings, seminars, training courses and even surgeries are no longer fully in-person or fully virtual. Hybrid collaboration has become the new normal. The big challenge for organizations, universities and hospitals is creating equity for participants, no matter where they are. Technology that connects people and makes collaboration truly flow while keeping it secure will lead to success in the new, hybrid world.

» Discover how to optimize your digital meeting experience

TREND #3

Customer is king

A familiar adage, the ‘Customer is king’, remains relevant in the 2020s, as savvy consumers demand flexible, personalized, customer-centric services. More than ever, in fact, consumers want to feel a strong connection with brands and be part of a community. Organizations that manage to ensure customer intimacy, listen and respond to customer needs, and provide outstanding customer services throughout the customer lifecycle are set for success.

» Read all about our efforts to boost customer intimacy
TREND #4
The need for insights

Whether in boardrooms, control rooms, radiology or operating rooms: everyone generates astronomical volumes of digital data these days. A massive amount of computing power, smart visualization solutions and intelligent software are needed to collect, store, process, distribute and retrieve this data to then distill insights from it. Organizations that invest in solid, reliable solutions for data processing, analysis and visualization are sure to enhance decision-making and gain an edge over their competitors.

» Read how Barco provides the right perspective on data in control rooms

TREND #5
The world wants genuinely sustainable outcomes

Authorities, investors, customers, suppliers and employees are all challenging companies to set more ambitious environmental, social and governance (ESG) targets. Greenwashing, however, will no longer do. They demand genuine commitments to reduce CO₂ emissions, embrace diversity and ensure sustainable employability. Organizations that have the courage to embrace ESG targets beyond box-ticking will be rewarded and win in their markets.

» Check out Barco’s carbon emission reduction commitments
Materiality

Continuous monitoring of material issues is critical to staying on top of emerging risks and opportunities. A materiality assessment helps organizations understand what topics matter most to their businesses and stakeholders and where to focus the attention. We regularly update our materiality assessment to make sure it reflects changes in our business and the external environment.

Linking our materiality matrix to the UN SDGs

Our last extensive materiality assessment was done in 2020, in close cooperation with a broad group of stakeholders. It remains relevant, as stakeholder interactions in 2022 did not reveal major changes. Our Board of Directors decided to raise the topic ‘Diversity and inclusion’ from medium to highly material in 2021. In 2022, we started accelerating our efforts to create a more inclusive workplace that embraces the diversity of our people.

In the table, we link the highly material topics to the six UN SDGs that best fit our materiality matrix and our own corporate strategy.

» Read all about our materiality assessment, the UN SDGs and our stakeholder engagement on our corporate website
Within the context of its business operations, Barco is exposed to a wide variety of risks that can affect its ability to achieve its objectives and to execute its strategy successfully. To anticipate, identify, prioritize, manage and monitor the risks that impact its organization, we put a sound risk management and control system into place, which is actively supported by the Board of directors.

Risk management process

Risk management is firmly embedded into our processes, at all levels. For every key management, assurance and supporting process, Barco has a systematic risk management approach that consists of five steps: identification, analysis, evaluation, response and monitoring.

2022: main risks

Every year in the fourth quarter, Barco performs a company-wide risk assessment and compliance gap analysis. In 2022, that led to a slight reclassification and renaming of certain risks, leading to the following overview.

<table>
<thead>
<tr>
<th>Risk</th>
<th>Trend</th>
<th>Material topics</th>
<th>Strategic levers</th>
</tr>
</thead>
</table>
| 1 Innovation, new technologies & product portfolio | 🚀 | • Innovation management  
• Market reach  
• Product stewardship  
• Customer engagement | • Innovate for impact  
• Capture profitable and efficient growth |
| 2 Supply chain & ‘Nth’ party risk | 📉 | • Responsible supply chain management  
• Sustainable profitable growth  
• Product quality, safety and security | • Capture profitable and efficient growth  
• Go for sustainable impact |
| 3 Human capital & talent management | 🚴 | • Employee engagement  
• Learning and development  
• Employee health, safety and wellbeing  
• Diversity and inclusion | • Capture profitable and efficient growth  
• Go for sustainable impact |
| 4 Product quality | 🚀 | • Product quality, safety and security  
• Customer engagement  
• Brand | • Innovate for Impact  
• Capture profitable and efficient growth |
| 5 Macroeconomic & geopolitics risk | 📉 | • Market reach | • Capture profitable and efficient growth |
| 6 Information security risk | 🚀 | • Information security and data protection  
• Product quality, safety and security | • Innovate for impact  
• Go for sustainable impact |
Innovation and technology
Visioneering a bright tomorrow

Barco can build on decades of engineering excellence in visualization and imaging technologies to realize its purpose of ‘visioneering a bright tomorrow’.

In the last years, we invested on average 11% to 13% of our turnover in R&D in order to meet – or, rather anticipate – the rapidly evolving market demands. Since 2022, we have been strengthening, sharpening, and accelerating our innovation efforts, with more focus on breakthrough, disruptive solutions – primarily for our core and adjacent markets but also in totally new domains.

While we are reinforcing our teams with visioneers who spark innovation, we retain a disciplined approach to innovation, with a dedicated budget. Every new product, solution or service is the result of extensive market research, and stems from dialogue with our customers and partners, together with internal teams. Moreover, exceptional product performance and quality, not forgetting security, stewardship and sustainability are all deeply embedded in our solution design processes.

The challenge is to innovate radically – and dare to fail.

Charles Beauduin
Barco CEO, in Trends Magazine

Mastering the entire visual chain

Innovation has always been the lifeblood of Barco. Ever since our company was founded back in 1934, we have been pioneers. While displays and visualization hardware were our initial focus in our earlier days, we now master the entire visual chain, from acquisition through to the display of images, adding all the capabilities that help bring the image to the screen.

Key examples

- Acquire / Capture
  - Dermicus, skin imaging camera

- Optimize / Manipulate
  - HDR Lightsteering

- Distribute / Transmit
  - Nexxis coding & decoding
  - ClickShare

- Process / Render
  - Media servers
  - Switchers
  - Controllers

- Visualize / Display
  - Displays
  - Projectors
  - Video walls
Our innovation approach

Successful innovation creates both value for the customer and true business benefit. To ensure that our ideas are tightly connected to our strategy and purpose, and can be turned into revenue growth potential, we adopt a disciplined approach to innovation:

- Balancing start-up dynamics with fast-fail principles
- Focus on early customer involvement
- Governance: disciplined management with dedicated budget

Sustainable, high-quality product innovation

Barco products stand for top quality, safety, reliability – and increasingly also for sustainability. To make sure that every new Barco solution exceeds the most stringent sustainability criteria, we take sustainability into account in the earliest phases of our innovation and design processes. Before any prototype is conceptualized and presented, we estimate the impact of the materials, its energy consumption, packaging, shipping, etc., so that we can still adjust the design if needed.

Our innovation process

1. FUNNEL ENTRY GATE
   - Business unit-related breakthrough & differentiating innovation
   - Breakthrough idea not related to business unit

2. SEED FUNDING GATE
   - Idea is feasible with a promising business case.

3. PROOF OF CONCEPT
   - Proof of concept becomes a viable product/solution

4. BREAK-EVEN GATE
We’ve found a new innovation cadence

Things have changed significantly at Barco, since Gerwin Damberg came on board as CTO in 2020 – not least in the field of innovation and technology. The start-up like approach, that he dreamt of instilling, got an extra impulse when An Steegen and Charles Beauduin became CEO.

“Ramping up over two years, we now have the right mindset, people and processes in place to innovate successfully,” says Gerwin. “And we can be proud of our first results already. Some early products, like Dermicus, weConnect and our HDR Lightsteering projection technology, proceeded from early seed into the growth phase. Many new ideas make it into the seed funnel. Successful entrepreneurship however also requires having the courage to stop, if an idea is not viable or cannot add enough value. That’s painful, yet it’s good to understand it won’t work, sooner than later. That too, is key in an innovation mindset.”

Innovation board
Decisions on whether a new innovation idea will receive funding, are made in the innovation board that meets three times a year. The board comprises our co-CEOs, Gerwin himself and stakeholders from BarcoLabs and the business units. “This is where new ideas are pitched and assessed, where we discuss the progress of ongoing projects, exchange ideas and provide advice,” Gerwin explains.

I’m happy to see that we’re no longer innovating in a vacuum.

Gerwin Damberg
CTO

These meetings are a source of inspiration for everyone involved. As are the demo sessions that our BarcoLabs teams organize for everyone at Barco. On top of that, BarcoLabs increasingly collaborates with people from the business units, which creates a new, dynamic vibe. I’m happy to see that we’re no longer innovating in a vacuum.”

Entrepreneurial spirit
“Now that we’ve built a strong foundation for execution, we have to keep going beyond 9 to 5, to get our seed ideas to the next level. That’s not always easy in a corporate environment but it is great to get clear, authentic sponsorship from our CEOs and we are progressing really well. We’ve definitely found a new innovation cadence,” Gerwin concludes.
Creating big sparks: how BarcoLabs truly visioneers the future

How can we, as a company, remain relevant in today’s – and tomorrow’s – global, tech-driven world? By developing disruptive solutions that add value to our customers’ lives – and doing it quickly. A growing group of visioneers is helping us to achieve that objective. Peru Dharanipathy is one of them. He joined our central R&D group, BarcoLabs, in early 2022 to head our Advanced Displays X team.

If you ask Peru, the sky is the limit when it comes to innovation. Or, rather, there are no limits: Peru loves to shoot for the stars. “These are such extraordinary times to be active in technology,” he starts. “Still, for a tech company to remain meaningful, being disruptive is a must.”

Dirty prototypes: choose progress over perfection

“The key to creating groundbreaking new technology is being fast and unafraid to fail,” he goes on. “On top of that, you must keep the dialogue open from the start and involve as much people as possible, so that you can explore all available opportunities and spot limitations.”

To improve the speed of innovation and arouse interest in innovative new technologies, Peru introduced the concept of ‘dirty prototypes’: his team converts ideas into basic prototypes fairly quickly and then demonstrates them to everyone at Barco during informal demo days.

Innovation is a process of creating as many sparks of disruptive ideas as we can – and hoping that the best idea catches fire.

Peru Dharanipathy
Technology Director, BarcoLabs

Organic, bottom-up innovation

“The input we get there is really valuable. Our colleagues from the business units, for example, can quickly tell if our prototype addresses a real market need. Moreover, we hope that our demos inspire other colleagues, from whichever business unit and whatever role, to come up with new ideas.

Innovation is a process of creating as many sparks of disruptive ideas as we can – and hoping that the best idea catches fire.

This bottom-up approach, where ideas bubble up from anywhere in the organization, is sure to result in more innovation. It’s pretty new at Barco, but we’re making steady progress.”

Sneak peek: the future of displays

The prototypes that Peru and his team demonstrated most recently were 3D displays. Still, that is just the beginning, he says: “Until now, displays have remained fairly static: they emit light, just like displays have always done. It becomes more fun when you can turn walls, curtains, glass and any other surface..."
or object into a display. Or better still: if images popped up everywhere as we walk in a room. While that still feels like science fiction, these dynamic, displays will eventually become part of the display technology mix. Additionally, the case of reflective display technology can be particularly interesting too, is that it brings energy use down by over 90% – that sustainability aspect is a very valuable argument to look further into these types of technology.”

Connecting people and data
While Peru is passionate about technology and innovation, he stresses that it is the relevance of the solutions that really counts: “What attracted me to Barco, apart from its global scale, is how Barco technology improves the lives of people around the world. Just take our projectors. The photons of Barco projectors have touched the faces of billions of people and made them smile.”

"When it comes to displays, our real purpose is to invent solutions for people to connect with and get insights out of the massive amounts of data available in the world, in order to help solve key problems. We’ve got a great team here to visioneer that future, in close cooperation with our other colleagues from BarcoLabs and from the BUs.”

Towards mature patent management

Intellectual Property (IP) represents a competitive advantage for a technology company like Barco: patent holders have a higher chance of attracting customers, investors and even employees.

In the past two years, we have been strengthening our IP management and refocused our strategy. We assigned patent delegates in each business unit and also hired a new patent engineer in Taiwan, a Paralegal and a Patent Attorney in Belgium thus further strengthening our internal patent group and adding much important international expertise to the team.

More than educating employees on the importance of IP, the team has now fully incorporated IP in our innovation process. Patentability is checked early on in the new product development cycle, more patents are filed and we introduced professional IP infringement checks. As a result, the quality of our patent portfolio is clearly improving.

“We keep strengthening our internal patent group and adding much important international expertise to the team.”

Anders Ballestad
Director Innovation Strategy
Innovation at Barco is not just about new products. New workflows, business models and tools all complement product innovation to retain our leadership position. The focused factory strategy that we introduced in the second half of 2022 is a great example of that: Barco will invest 100 million euro in new manufacturing facilities and in the automation and digitization of its manufacturing processes over the period 2023 - 2025. Rob Jonckheere explains.

What is a focused factory?
“A focused factory manufactures a limited set of products, for a particular business unit. It’s a different approach than conventional plants, which often mix many manufacturing processes and even serve different business lines.”

Why did Barco choose to invest in focused factories?
“The focused factory approach will simplify the organization and speed up decision making. Moreover, thanks to the large degree of automation in manufacturing and logistics we’ll be able to further simplify our production processes and increase efficiency. Last but not least, product quality will structurally improve. Our products increasingly integrate miniaturized components with narrow tolerances, which are difficult to handle with manual assembly processes. So all-in-all, the implementation of the focused factory strategy will increase our competitiveness and also reduce the supply chain risks.”

How exactly do focused factories reduce supply chain risks?
“We’re moving from a pure assembly factory towards a more vertically integrated factory. That means producing laser drivers, for example, assembling optical components for projectors or bonding glass for healthcare displays. This allows us to move up within the value chain, capture ‘more share of wallet’ and limit our supply chain risks.”

Focused factories: another face of Barco innovation
Focused, automated factories will simplify the production processes, improve and speed up decision-making, and lead to faster and better results.

With new plants in Suzhou and Wuxi, China remains key in Barco’s manufacturing strategy?
“As China is a crucial market for Barco, a regional presence of manufacturing and development is crucial to support our growth ambitions. Our focused factory strategy does ensure that every factory in China has a mirror factory outside China. This allows us to answer specific market or customer requests, but also means we can quickly anticipate in case of geographic and/or geopolitical issues.”
Technology: domains

Image processing has been and remains the cornerstone of Barco’s technology map. On the base of this first component, we have defined three more building blocks which form the foundation for Barco’s innovation for impact in the future.

**Image processing**
Professional visualization requires both classical image processing algorithms and data-driven approaches. Barco’s image processing technology domain covers image and video capture, enhancements, processing, understanding and rendering as well as techniques to enhance human-machine interaction. Increasingly important is the implementation of high-performance software solutions on modern hardware such as graphics processing units.

**Advanced display & projection**
The display and projection technology that lies at the heart of Barco’s visualization solutions include optics, electronics and signal processing, manufacturing and calibration techniques related to projection systems and direct view display technologies, including LCD and LED. This advanced technology powers a wide range of advanced display solutions for use in demanding markets – from cinema projectors and high-resolution medical displays to video walls for large screen visualization.

**Computational optics**
Computational optical technology exploits the properties of light to enable visual experiences that cannot be delivered using traditional optical systems alone. This technology opens the door to a spectrum of new solutions with functionalities or value that cannot be delivered by other visualization or imaging techniques. Examples include Demetra, Barco’s multispectral skin imaging platform and the high dynamic range (HDR) Lightsteering technology that uses real-time programmable lasers and lenses to shape light into high-contrast, high-brightness images on screen.

**Connectivity & data analytics**
Technology that enables connectivity is at the core of Barco’s solutions, as it allows the real-time monitoring of devices or the local or remote streaming of audio and video data. The connectivity platforms that power Barco solutions are always highly optimized for the professional application at hand, whether that is live entertainment, diagnosis or surgery in healthcare settings or sharing content in the workplace. On top of enabling connectivity, Barco increasingly helps customers understand the data transmitted, thus providing trustworthy, actionable insights and boosting productivity, collaboration and engagement.
Our markets
Three healthy markets, three divisions

We provide our customers with imaging capabilities that enable them to make a visible impact, creating experiences, generating insights and ensuring connectedness in three healthy markets: Healthcare, Entertainment and Enterprise.

Our presence in these three markets goes back many years and is mainly based on the potential of our technology to deliver top-notch imaging capabilities. Thanks to our deep-rooted expertise and experience, we are well equipped to lead the pack in all three markets. We work hard to keep consolidating our leadership position, by offering innovative, high-quality and increasingly also truly sustainable solutions that create value and meet – or rather: exceed – the expectations of our customers and end-users.

Three divisions, six business units
We serve our markets through three divisions, which are split into two business units each. Each business unit is fully empowered to execute strategic priorities.

32% Healthcare
30% Enterprise
38%* Entertainment

* Breakdown based on sales 2022
Customer engagement

Across markets, divisions and business units, whether in Belgium, the US or China: Barco always goes the extra mile to meet its customers’ requirements. And yet, we realize that customer demands are changing and that it is more important than ever to engage with our customers, exchange ideas with them and put them at the very heart of what we do.

How our reorganization fosters customer intimacy
2022 has demonstrated that the reorganization that we carried out in October 2021 greatly helps to improve the customer experience. By centralizing sales among the managers of the business units, we got closer to our customers. This allows us to respond faster and more effectively to their questions and needs.

A mature customer experience management model
The customer experience roadmap that we launched in 2018 has reached maturity: it’s a solid foundation on which to build further initiatives. As we move forward, we increasingly digitize the end-to-end customer engagement process to meet customer needs for speed and high-quality services.

Our new experience center: where Barco and customers get together
In 2022, our experience center was given a thorough makeover, converting it into a fully-immersive environment and the perfect place for Barco, customers and partners to meet. This new space at our One Campus HQ is an extra motivation for customers and partners to come and visit us in Kortrijk and share experiences, learn and co-create.

The word ‘customer’ was probably used more than any at Barco in 2022. While we’ve always been closely involved with our customers, at Barco, the commitment to take customer engagement to the next level has really never been higher.

Connecting to customers and their ecosystems
The key to delivering an outstanding customer experience is understanding the customer. The more ‘connected’ we are to our customers’ lives and ecosystems, the better we know what they want and need. That’s why our people seize every opportunity to intensify their connections with our clients, share insights and discuss trends, collaborate and even co-create solutions.
Healthcare

Enabling better healthcare outcomes for more people

Barco connects healthcare professionals at almost every patient touchpoint. From the imaging room to radiology, during specialist consultations and in the surgical suite: our solutions and services help medical professionals to enable better health outcomes and work more efficiently in an increasingly complex healthcare environment.

The Healthcare division comprises two business units: Diagnostic Imaging and Surgical & Modality.

Barco Healthcare: quick facts
- +30 years of experience, recognized market and technology leader
- Trusted brand, providing solutions and services that healthcare professionals can rely on with top-notch product quality
- Focused on clinical outcomes, beyond product features and specs
- Large installed base: 800k+ installations since start

46%
Diagnostic Imaging

32%
Healthcare

54%
Surgical & Modality

What if you could diagnose people before they get sick?
How Barco Healthcare creates value

Solutions and services that healthcare professionals can rely on
There’s no room for compromise when Barco develops medical displays: we systematically exceed product quality guidelines. After all, our healthcare solutions can make the difference between life or death.

We provide radiologists, surgeons and other physicians with reliable, medical-grade display solutions that promote clear and consistent image quality, anytime, anywhere, to make accurate diagnoses, identify the best options for treatment and perform flawless surgical procedures.

As a surgeon, you should be able to just concentrate on the main goal of the procedure, which is delivering optimal care to your patient. Technology should not be a distraction. For Barco, that’s very important to keep in mind when developing new products or improving existing ones.

Nick Maynard
Upper GI Surgeon at Oxford University Hospitals and member of our Surgical Advisory Board

A division with a purpose: we go for sustainable impact
Our healthcare team is on a mission to ensure better health outcomes for more people. That mission makes us a division with an intrinsic purpose: everything we do is aimed at improving people’s lives. More than that, we are truly dedicated to the environment. Since 2005 already, we have been considering the carbon footprint and recyclability of our products when designing new solutions.

More than having a sustainable impact, our healthcare division has a true purpose: we’re here to make the lives of patients better. That makes it easier to retain and attract talent, as jobseekers and employees increasingly look for purpose-driven careers.

Geert Carrein
EVP Diagnostic Imaging
Healthcare division - Diagnostic Imaging

Diagnostic Imaging offers an extensive line-up of high-precision medical display systems for disciplines including radiology, mammography, dentistry, pathology and clinical review imaging, plus a full suite of support services.

Our strategy

Capture profitable and efficient growth
With over 30 years’ experience, Barco is the world’s No. 1 in diagnostic imaging. Building on those strong fundamentals, we want to grab growth opportunities in adjacent markets, like mammography home reading and pathology, and strengthen our position across geographies, like in China.

Innovate for impact
To extend our indisputable leadership position in diagnostic imaging, we will further accelerate innovation in different fields: launching propositions beyond display hardware, developing new flagship products, and addressing new trends, such as cloud, AI and 3D. Investments in focused factories and innovative business models like Display as a Service will further fuel growth.

Go for sustainable impact
Our healthcare division started lowering its carbon footprint in 2005 already. While it remains a challenge to reconcile the exceptional image quality and protection that radiologists need with environmental concerns, we are making significant progress year by year, in close collaboration with our suppliers. Recently, we started implementing more circular business models to further enhance the lifecycle of our medical products.

Cancer rates continue to rise globally and 70 to 80% of diagnosis and treatment decisions involve pathology – while the number of pathologists is dropping. Digital pathology helps face this challenge. We are a frontrunner in this field, providing unique solutions for multiple digital pathology vendors. Moreover, the Barco-branded pathology display is the first to have received regulatory clearance as a medical device in this market.

Geert Carrein
EVP Diagnostic Imaging

In a nutshell
- Leader and innovator for 30+ years
- Strong position with flagships in radiology and mammography
- New adjacent markets in digital pathology and dentistry
- Installed base: 350k+ displays in last 7 years

The rise of remote radiology reading
Remote radiology, including mammography, is dramatically on the rise, especially in the US. Our product line offers robust remote display systems, flexible controllers and high-quality medical platforms that address the issues remote radiologists experience: performance and workflow, security and patient privacy, quality and compliance with the stringent regulations.

Related trend: The rise of hybrid
Healthcare division - Surgical & Modality

Surgical & Modality brings together two activities with great synergistic potential, as they target the same end-customers (often operating rooms) and, thus, require the same go-to-market strategy. More than surgical displays, the offering of this business unit includes our digital operating room portfolio (based on video-over-IP-technology), as well as custom medical displays for modality imaging, plus a full suite of support services.

Our strategy

Capture profitable and efficient growth
Barco defined and led the transition to IP in operating rooms over 10 years ago and has remained a leader ever since. To grasp the huge market opportunity (200k+ operating rooms worldwide), we are strengthening our commercial focus, by reinforcing our partnership approach, driving service revenues (maintenance contracts and SaaS) and strengthening our foothold in China.

Innovate for impact
While innovation has always been in our DNA, we are now accelerating our efforts. Increasing product differentiation is our number one goal. To-do’s on our innovation roadmap include developing a premium and mid-segment Nexxis offering, co-creating new solutions with customers, integrating more features and embracing new tech trends, such as OLED, HDR and 3D.

Go for sustainable impact
Just like in diagnostic imaging, it remains a challenge to reconcile exceptional image quality and protection with sustainability in Surgical & Modality. Yet here too, we are making significant progress. In 2022, we launched several new products with an A ecoscore, including three different modality displays for OEM customers and two new encoders/decoders for our Nexxis ecosystem.

More than our pioneering role in OR-over-IP, our focus on customer intimacy helps us win deals. Strategic Partner Success Team and Account teams are in close touch with our customers and we increasingly interact with clients to discuss possible new solutions and product improvements.

In a nutshell
- Leader and innovator in digital operating rooms (OR)
- Supports trends of minimal invasive surgery and remote collaboration
- Pioneer: first digital OR over 10 years ago
- Installed base: 7k+ digital ORs

2022 ZOOM
NexxisLive: remote collaboration in operating rooms

Similar to all other sectors, remote collaboration is gaining importance in surgical training, assistance and conferences too. Our NexxisLive platform enables participants to talk, chat and annotate as if they were in the same OR, with excellent audio and video quality, and low latency.

Related trend: The rise of hybrid
Enterprise

Engaging you to unleash the power of knowledge and emotions

Every Barco enterprise solution is designed to help people collaborate better by ensuring engaging experiences. From boardrooms and workplaces to control rooms and classrooms: all our solutions help people unleash the power of knowledge, insights and emotions – for brighter ideas, stronger collaboration and, ultimately, better results.

The Enterprise division comprises two business units: Meeting Experience and Large Video Walls.

Barco Enterprise: quick facts
• Market and technology leader in wireless presentation and conferencing
• Long-standing reputation in control room market
• Wide portfolio for every meeting and control room
• Large installed base: 1.1 mio ClickShare meeting room installations, 15k control rooms

58% Meeting Experience
30% Enterprise
42% Large Video Walls

What if the hybrid workspace was better than in real life?
How Barco Enterprise creates value

Solutions and services that organizations can rely on
Our collaboration and control room solutions are marked by a relentless focus on the user experience. Thanks to a continuous stream of ClickShare feature upgrades, we constantly elevate the experience for meeting participants. In control rooms, every innovation that we launch aims to simplify the operator workflows and speed up response times. Everyone in the Enterprise division is committed to exceptional quality, reliability, and durability.

A trusted brand that puts customers first
In 2018, the Enterprise division decided to take customer engagement to the next level and started mapping the customer journey and launching initiatives to boost customer intimacy. In the meantime, that initiative has been rolled out company-wide. By working closely together with customers, end-users and partners, we understand their hardware and software needs. In turn, we share expertise and experience with our resellers and consultants, which helps them reinforce their market position.

We want to be at the forefront of expertly integrating new advancements in AV technology to better serve our clients. To do that, working closely and in collaboration with Barco’s first-rate technical team enables us to provide exceptional customer service, and deliver the high-quality workmanship that we are known for.

Jim Ferlino
President of Vistacom

A division with a purpose: we go for sustainable impact
Over the course of 2022, we have been preparing a major next step in our sustainability journey: the launch of our first fully carbon-neutral product, the Barco ClickShare CX-50 second generation. This achievement further underlines our position as an industry-broad leader in sustainability. Moreover, Barco is also supporting the wider industry to move towards more eco-friendly solutions through our leading role in the AVIXA sustainability initiatives.

The Ecopower standby of TruePix reduces the power consumption by up to 95% versus black mode. Thanks to this functionality, amongst others, our new LED video wall platform received the A++ ecoscore.
Meeting Experience (MX) is one of the few manufacturers in the market to offer all main collaboration and visualization technologies for a smart workplace or learning environment: ClickShare wireless conference and presentation systems, installation projectors, video walls, weConnect Virtual Classroom, image processors as well as services.

Our strategy

Capture profitable and sustainable growth
Barco is a global leader in wireless presentation and conferencing. Thanks to the hybrid working trend, demand for video-enabled rooms is growing, which spurs our growth potential. To accelerate the growth of ClickShare and strengthen our leadership position, we are expanding our presence in the market, refining our value propositions and continuously launching new software features that improve the user experience and raise the bar.

Innovate for impact
The constant evolution of ClickShare as a state-of-the-art meeting and video conferencing solution is a fine example of bright innovation at Barco. Yet, we don’t want to limit ourselves to the scope of wireless presentation and conferencing. In our quest to elevate the user experience, we want to also explore other innovative meeting room solutions, and move into collaboration workflows and analytics.

We have the technology, expertise and market knowledge to meet the needs of today’s and tomorrow’s collaboration market. We want to elevate the meeting experience further by addressing the strong market potential for ClickShare and exploring new innovative propositions for meeting rooms, together with our partners in the broader collaboration eco-system.

Go for sustainable impact
The hot topic of sustainability has many different faces. Our Meeting Experience team meets all expectations: ClickShare has the A++ ecoscore, new products will be carbon neutral, and we have a very diverse, global team – which is a must to fully understand our customer needs.

In a nutshell
- Market and technology leader in wireless presentation and conferencing
- Wireless conferencing solutions accounting for 60% of volumes
- Installed based ClickShare: 1.1 million meeting rooms
- Award-winning product design: 55+ awards
- Strong innovation with 50 patents in US, Canada, EU and China

We have the technology, expertise and market knowledge to meet the needs of today’s and tomorrow’s collaboration market. We want to elevate the meeting experience further by addressing the strong market potential for ClickShare and exploring new innovative propositions for meeting rooms, together with our partners in the broader collaboration eco-system.

Stijn Henderickx
EVP Meeting Room Experience

The quest for meeting equity

Successful hybrid meetings keep the connection going between in-house and remote workers. Still, 1 in 3 remote workers feel disengaged in hybrid calls. Our ClickShare wireless conferencing room solution can help ensure that all meeting participants have equal opportunities to communicate, contribute and share ideas, wherever they are located.

Related trend: The rise of hybrid
Enterprise division - Large Video Walls

Large Video Walls offers a package of solutions to help control room operators view better, share faster and resolve quicker – and make well-informed decisions: video walls, video wall controllers, control room software and a full suite of support services.

Our strategy

Capture profitable and sustainable growth
We have a long-standing reputation in mission-critical control rooms. To become a true leader in the control room market, we want to strengthen our software solutions with a special focus on our security roadmap; leverage our installed base for renewal opportunities and increase our operational efficiency.

Innovate for impact
To ensure sustained growth of our business unit, we explore the potential of new, ‘deeper’ solutions in adjacent markets: expand to mid-end through advanced integrated video wall and operator desk solutions and deepen our reach in specific verticals by widening our application focus.

Go for sustainable impact
Energy-efficiency has become a major concern in the control room business, both for cost and sustainability reasons. Yet, our large video wall solutions tick a lot more sustainability boxes. TruePix got the A+ ecoscore for its energy efficiency, optimized packaging, use of halogen-free plastics and repair-friendly design. Moreover, we increasingly refurbish existing rear-projection video walls and repair their lenses on-site.

The OpSpace installations at Heathrow and Schiphol were definitely two highlights of 2022. The latest version of our OpSpace software solution makes it much easier for operators at the Airport Operations Centers to manage the complex passenger flows and the increasing number of flights.

In a nutshell
• Top 3 in control rooms
• Integrated solutions, based on unique triple-play video wall technologies
• Technological leader with control software, UniSee and TruePix video walls
• Installed base: 15k+ control rooms worldwide

2022 ZOOM
It’s a data-driven world

Our world has become data driven. Whether in boardrooms or in traffic, airport or emergency control rooms: there is an abundance of information to analyze and manage – in order to gain insights. As humans are highly visual creatures, they want to be able to correlate images, data and infographics to drive discussions and decisions. Large video walls provide the canvas they need to do so.

Related trend: Need for insights
Entertainment

No Barco, no show

At Barco Entertainment we bring experiences to life. Because we believe in the power of images to amplify great ideas. For everyone and anywhere on this planet. This belief drives our passion every day to continuously design the highest performing, most innovative, most reliable immersive experience and cinema solutions. Enabling our partners and customers to create and deliver their visual miracles. To everyone. Everywhere. All the time.

The Entertainment division comprises two business units: Cinema and Immersive Experience.

Barco Entertainment: quick facts
- Industry’s most complete range of laser-based projection and image processing solutions
- Long-lasting market position, recognized market and technology leader
- Strong reputation for product quality, reliability and brand
- Large installed base: 100k+ cinema projectors and 10k+ high-end entertainment projectors

What if you could bring a T-rex back to life?
How Barco Entertainment creates value

Solutions and services that entertainment professionals can rely on
Barco stands out from the crowd in every entertainment and simulation market, thanks to its wide portfolio of visualization solutions. From graphics processing, media handling, projectors to direct view displays and more: every solution is designed with an unwavering dedication to product performance, reliability and service quality. To maintain and further elevate this high standard and meet customers’ needs, we continually invest in product innovation and improvement, end-to-end services and new business models.

From custom solutions to the on-site professional services, the Barco team thought outside the box every step of the way.

Phil Marlowe
Managing Director Middle East at AVI-SPL on his cooperation with Barco when setting up the Museum of the Future.

A trusted brand that puts customers first
A close relationship with the customer is key in the entertainment market. More than that, the customer comes first when designing new solutions. From dedicated Facebook groups and customer advisory boards to early field trials: every new channel for sharing our customers’ experiences, insights and ideas with our teams brings us one step closer to delivering exceptional end-user experiences.

A division with a purpose: we go for sustainable impact
As the world’s largest cinema projector maker, we deeply engrain sustainability in our design culture and consider it from the earliest concept until the end of life of our products. Our solutions increasingly meet the most stringent ecoscoring criteria, thanks to measures like the shift to a complete laser technology portfolio, lighter projectors, less packaging, modularity and ecofriendly materials.

Thanks to their EcoPure™ design, our Series 4 laser cinema projectors ensure energy savings of as much as 70% vs. traditional Xenon-based illumination.
Entertainment division - Cinema

Our Cinema BU offers the industry’s most complete range of laser projectors and media servers. Barco’s cinema solutions are brought to market and supported by CFG-BARCO (for China) and by Cinionic (for the rest of the world).

Our strategy

Capture profitable and sustainable growth
Barco has been a leader in the cinema market for years. With more than 200,000 cinemas worldwide, the market opportunity remains immense. To consolidate our No. 1 market position and grow our market share, we want to lead the renewal and upgrade to laser, further expand our No. 1 technology position in Premium Large Format with new and disruptive technologies and grow in private, residential and independent cinema with compact models.

Innovate for impact
Barco has been a cinema technology innovator for years. We are again accelerating our efforts, by leading the industry adoption of HDR Lightsteering and anchoring recurring software and services revenue within our portfolio. In addition, we want to further diversify our portfolio to cover all market segments, including non-exhibition adjacencies such as (post)production, content creation software, delivery, services...

Go for sustainable impact
Today’s exhibitors want to know how every part of their cinema value chain is working to support the green value proposition. With 200,000 cinema screens and only 50,000 laser-powered (of which 30,000 Barco-branded) projectors sold, there is still a lot of room for improvement. Barco ensures sustainability on steroids, offering ever more energy-efficient and eco-friendly products. While our laser projectors were already top, our next-gen HDR Lightsteering technology is even more energy-efficient than laser.

We can be incredibly proud of the products resulting from the Series 4 projector platform. We really invested big in ensuring its modularity – like Lego building blocks. It took quite a bit of time and effort but it was definitely worth it. Customers across the board with large premium screens to small cinemas can now all benefit from one family of Barco laser cinema projectors to meet their demanding needs.

In a nutshell
- Market leader with 50+% share worldwide
- Installed base: 100,000+ projectors
- All-laser projector portfolio and strong technology for Premium Large Format screens
- Strong innovation with HDR Lightsteering

Cinema goes premium

Whether it’s image, sound or seating, you can’t beat the premium viewing experience in a cinema. So, exhibitors invest big in this premium experience to attract more moviegoers back to their theatres. Cinionic/Barco offer all the technology they need: bright laser projectors and in the future also HDR Lightsteering technology that makes the images pop out of the screen – as if visitors were within the story.

Related trend: We live in a visual world
Cinionic: our ultimate commitment to cinema

Since 2018, Cinionic has been the marketing and sales channel for Barco’s wide range of cinema projectors and media servers in all regions except China. As a full-service channel to the market, Cinionic connects with exhibitors and the wider world of cinema to offer them peace of mind – through exceptional services, unique financing models and, increasingly, the new Cinema-as-a-Service model.

As of 2022, Barco holds 80% of the shares in Cinionic, versus 55% in the period 2018-2021.

After two decades and more than 100,000 projectors, we have built a strong foundation for the future of cinema. The opportunity to elevate the experience for millions of moviegoers every day is thanks to the partnership and trust of those who stand beside us.

Wim Buyens
CEO Cinionic
Entertainment division - Immersive Experience

Our Immersive Experience business unit offers solutions tailored to the specific needs of large venues, live events, projection mapping, themed entertainment (such as museums and theme parks) and simulation applications: projection, image processing and a modular support service solution.

Our strategy

Capture profitable and sustainable growth
To outperform the market, we invest big in commercial excellence and service capabilities; go for large and strategic deals; expand our image processing offering to any screen; build on our experiences in digital art and enter into global partnerships. The customer experience is a key focus in everything we do.

Innovate for impact
We aim to become an unrivalled leader in the markets of themed entertainment and events. To achieve that aim, we are focusing our innovation efforts on next-generation image processing and projection platforms; growing our 4K portfolio; offering more hardware, software and service solutions and expanding in the mid-segment market with cost-efficient projectors.

Go for sustainable impact
We aim to create impressive visual experiences with truly sustainable impact. When designing new tools, we ensure they can promote the highest quality at the lowest ecological impact. UDM, for example, was our first projector with an A+ ECO label. Year after year, the range of products with an A or A+ ECO label grows. More than that, our teams are diverse and international and we constantly intensify our focus on customer engagement.

The Museum of the Future in Dubai is one of the most iconic projects in 2022. It hosts a wide array of Barco projectors, including the Guinness Book of records canvas screen, built by our experts to deliver visitors a truly immersive experience.

Erdem Soyal
EVP Immersive Experience

2022 ZOOM
A futureproof museum is digital

Technology is changing the way art and culture are consumed. Museums are looking for ways to meet the needs of their audiences, who want experiences, stories and immersion instead of static artifacts or artwork. From South Korea to Dubai and from Paris to the US: Barco’s immersive visualization technologies, unique display solutions and tools for interactivity help tell stories with an experience-driven approach.

Related trend: We live in a visual world
Our results
Group results

**Sales per division**

- **32%** Healthcare
- **30%** Enterprise
- **38%** Entertainment

*Breakdown based on sales 2022*

**Ecoscore**

- **50%**

% revenues from products with Barco ECO label

**Customer NPS**

(Net Promoter Score)

- **44**

Barco’s standard customer experience metric, measured quarterly (upper quartile industry performance)
Comments on the group results

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

Financial highlights fiscal year 2022(1)

- Orders €1,058.4 million, +8% versus orders in 2021
- Sales €1,058.3 million, +32% versus sales in 2021 (+24% at constant currencies)
- Orderbook year-end €496.5 million, up €9.5 million euro versus year-end 2021
- EBITDA €126.5 million euro or 12.0 % of sales versus €58.5 million in 2021
- Adjusted EBIT €90.1 million compared to €19.4 million in 2021
- Free cash flow €13.1 million versus €78.0 million in 2021
- Net earnings €75.2 million euro versus €8.9 million euro in 2021
- Proposal to increase the gross dividend to 0.44 euro per share from 0.40 euro last year

Group topline – strong sales and order growth across all divisions

Order intake for 2022 was 1,058.4 million euro, 8% more than in 2021. This result was driven by a solid recovery of demand across all divisions.

Sales for the year increased 32% to 1,058.3 million euro, close to the pre-pandemic level in 2019. Excluding China, all regions posted sales back at the levels of 2019. We expect the Chinese activity to pick up from the second quarter of 2023 onwards.

Year-over-year, all divisions delivered double-digit sales growth. The steady improvement in the supply chain over the second half of 2022 allowed for faster delivery of the existing orderbook, which was still at a record-high year-end position. The order book at the end of December 2022 stood at 496.5 million euro, which is more than 50% above the level at year-end 2019.

(1) All definitions for alternative performance measures (APM’s) are available in the glossary as available on Barco’s investor portal.
Division topline – confirmed rebound in all divisions and business units

In Healthcare, order intake remained strong throughout 2022. This reflects the resumption of demand in both the Diagnostic Imaging and Surgical & Modality market segments, in all regions, including China. The Diagnostic Imaging business unit benefited from further customer investments in replacement displays for radiology and from the resumption of mammography display sales which have been softer during the pandemic. The Surgical & Modality business unit generated particularly strong growth in the Americas and in China, driven by large modality projects and digital operating rooms.

Enterprise saw continued recovery from the pandemic with significant sales growth in both segments. Meeting Experience sales accelerated in all regions, starting in EMEA, followed by Americas and Asia. This growth was supported by the return-to-the-office wave, the increasing trend towards video-enabled hybrid meetings and the growing recognition of ClickShare’s Bring Your Own Meeting value proposition. Large Video Walls realized double-digit sales growth in all regions, fueled by deployments of control rooms.

The Entertainment division produced encouraging results in 2022. During the first half of the year, the division dealt with component shortages. From mid-year onwards, the situation improved steadily, allowing for a ramp up of deliveries on the high order book. While 2022 Cinema sales have not yet returned to pre-pandemic levels, Cinema ended the year with an order book that was twice as high as year-end 2019. For Cinema, solid demand for Barco’s all-laser portfolio led to growth in all regions except Asia, where the lockdowns in China impacted the business. The Immersive Experience topline reached an all-time high, with a particularly strong uptake in the fixed install business that reflected greater demand from museums, projection mapping and theme parks.

Profitability and free cash flow – significant EBITDA margin improvement

The gross profit margin improved quarter-over-quarter throughout 2022 to an average level of 39.0%, up 3.3 ppts year-over-year. This rebound in gross profit margin back nearly to 2019 is attributable to gross profit actions, a more favorable product mix most outspoken in the Enterprise division and a less constrained supply chain during the second half of the year.

The EBITDA margin reached 12.0% for the full year, up 4.7 ppts versus last year. Both gross margin recovery and operational leverage on the topline growth contributed to this result. As the supply chain constraints were largely resolved, the EBITDA margin jumped from 9.8% in the first half of the year to 13.7% in the second half, reconnecting with the 2019 level. Each of the business units contributed positively to the EBITDA margin except Large Video Walls where the profitability keeps lagging.

Management intends to conduct a strategic review of the business unit in 2023, focusing on profitable products and markets.

Free cash flow for 2022 was 13.1 million euro compared to 78.0 million euro in 2021. This decrease is entirely due to higher working capital. First, we ended the year with higher trade receivables after the record-high sales in the fourth quarter. Second, inventory levels of mainly components remained high as a result of volume purchases and a build-up of safety stocks for critical components. We expect working capital to return to normalized levels in 2023.
Ready for Barco’s further growth ambitions

2022 was a transition year for Barco but it managed to bring its business back on a successful track. Throughout the year Barco kept accelerating, and the company is ready for its further growth ambitions.

Barco’s CEOs were happy to see the renewed dynamics in all the Barco teams, with more accountability and customer-centricity. The supply chain was challenging, but creativity and perseverance from the teams turned 2022 into a success.

Barco starts 2023 fully engaged to deliver on its long-term strategic growth plans. Besides optimizing the company’s operational efficiency and manufacturing footprint, Barco is looking forward to expanding its market potential with growth in both the company’s core and adjacent markets. Furthermore, Barco intends to focus more than ever on world-class innovations with its visualization and collaboration technology.

Outlook FY23

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

Assuming stabilizing macro-economic conditions, management confirms its expectation of sales growth between 10 and 15% for 2023 versus the previous year.

The EBITDA margin is expected to further improve and move above 14% for the full year 2023, reflecting operating leverage on higher sales and an increase in gross margin as a result of the further easing of the supply chain constraints.

Dividend

Barco’s Board of Directors will propose to the General Assembly to distribute a gross dividend of 0.44 euro per share, a 10% increase from 0.40 euro a year ago.
Order intake

Order intake was 1,058.4 million euro, up 8% from 978.8 million euro a year ago. All regions contributed to the increase except APAC, where the lockdowns in China significantly impacted market demand.

Order book

Order book at year end was at 496.5 million euro compared to 487.0 million euro at FY21 year-end, an increase of 2% versus last year. After a period of component shortages, we are now delivering on this order book and gradually shortening the lead times. The book-to-bill ratio for the full year 2022 was very close to 1.

Order intake by division

<table>
<thead>
<tr>
<th>Division</th>
<th>FY22</th>
<th>FY21</th>
<th>FY20</th>
<th>Change vs FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthcare</td>
<td>319.7</td>
<td>329.8</td>
<td>262.1</td>
<td>-3%</td>
</tr>
<tr>
<td>Enterprise</td>
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<td>262.4</td>
<td>215.2</td>
<td>+7%</td>
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<tr>
<td>Entertainment</td>
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<td>Group</td>
<td>1,058.4</td>
<td>978.8</td>
<td>746.0</td>
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</table>

Order intake breakdown by region

<table>
<thead>
<tr>
<th>Region</th>
<th>FY22 (in nominal value)</th>
<th>FY21 (in nominal value)</th>
<th>FY20 (in nominal value)</th>
<th>Change</th>
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<tr>
<td>The Americas</td>
<td>43%</td>
<td>37%</td>
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<tr>
<td>EMEA</td>
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<td>37%</td>
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<td>+8%</td>
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<tr>
<td>APAC</td>
<td>20%</td>
<td>26%</td>
<td>26%</td>
<td>-15%</td>
</tr>
<tr>
<td>Global</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>+8%</td>
</tr>
</tbody>
</table>
Sales

Sales for the year 2022 were up 32% versus 2021, with a tailwind from the currency effect. At constant currencies, the sales growth would have been 24%. Sales growth was driven by an improving order-to-sales conversion, especially in the second half of the year. The topline grew in all divisions and business units and all three regions. In Asia, the sales reached a double-digit growth despite the lockdowns in China which persisted throughout 2022.

### Sales

<table>
<thead>
<tr>
<th></th>
<th>FY22</th>
<th>FY21</th>
<th>FY20</th>
<th>Change vs FY21</th>
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</thead>
<tbody>
<tr>
<td>Sales</td>
<td>1,058.3</td>
<td>804.3</td>
<td>770.1</td>
<td>+32%</td>
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<tr>
<td>Sales at constant currencies</td>
<td>996.3</td>
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<td></td>
<td>+24%</td>
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### Sales by division

<table>
<thead>
<tr>
<th></th>
<th>FY22</th>
<th>FY21</th>
<th>FY20</th>
<th>Change vs FY21</th>
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</thead>
<tbody>
<tr>
<td>Healthcare</td>
<td>341.7</td>
<td>261.5</td>
<td>261.9</td>
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<tr>
<td>Enterprise</td>
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<td>Entertainment</td>
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<td>309.7</td>
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<tr>
<td>Group</td>
<td>1,058.3</td>
<td>804.3</td>
<td>770.1</td>
<td>+32%</td>
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### Sales by region

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<thead>
<tr>
<th></th>
<th>FY22</th>
<th>FY21</th>
<th>FY20</th>
<th>Change vs FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Americas</td>
<td>41%</td>
<td>37%</td>
<td>39%</td>
<td>+45%</td>
</tr>
<tr>
<td>EMEA</td>
<td>38%</td>
<td>38%</td>
<td>36%</td>
<td>+33%</td>
</tr>
<tr>
<td>APAC</td>
<td>21%</td>
<td>25%</td>
<td>25%</td>
<td>+10%</td>
</tr>
<tr>
<td>Global</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>+32%</td>
</tr>
</tbody>
</table>
Profitability

Gross profit
The gross profit margin was 39.0%, increasing 3.3 percentage points from 35.7% last year. In addition to a favorable product mix, the higher broker and transport costs related to component shortages levelled off in the second half of the year. Diverse margin actions were implemented to compensate for the cost inflation, mostly related to labor, transport and higher component prices.

Indirect expenses & other operating results
Total indirect expenses grew 21% to 320.9 million euro versus 265.4 million euro for 2021, partly in connection with the growing topline and increased headcount, but also due to the significant impact of general inflation, which reached peak levels not seen in decades notably in the Americas and Europe.

As a percentage of sales indirect expenses were 30.3% in 2022 compared to 33.0% in 2021.

- Research & Development expenses increased to 120.5 million euro compared to 101.3 million euro last year. As percentage of sales, R&D expenses were 11.4% of sales compared to 12.6% a year earlier.
- Sales & Marketing expenses increased slightly to 142.7 million euro, compared to 116.2 million euro for 2021. As a percent of sales, Sales & Marketing expenses were 13.5% of sales compared to 14.5% in 2021.
- General & Administration expenses amounted to 57.7 million euro compared to 47.9 million euro last year and were 5.5% as a percentage of sales compared to 6.0% in 2021.

Other net operating expenses amounted to 1.7 million euro.

EBITDA & adjusted EBIT
The increase in indirect expenses was offset by the significant increase in gross profit, which resulted in an EBITDA level of 126.5 million euro, more than double the 2021 EBITDA of 58.5 million euro. EBITDA margin grew to 12.0% versus 7.3% in 2021.

All three divisions posted profitable growth:
- Healthcare’s EBITDA margin increased to 11.2%, driven by operating leverage on the topline growth. The profitability level of Healthcare is still 2.1 percentage points lower than 2019, reflecting product mix and temporary higher expenses linked to the ramp up of the new factory.
- The Enterprise EBITDA margin was 19.1%, more than 3 times the margin of 2021 of 6.3%, and approaching the level of 2019. This result was fueled by operating leverage and a more favorable product mix for Meeting Experience, in addition to topline growth and cost control in Large Video Walls.
- Entertainment’s EBITDA margin at 6.9% was flat versus 2021. Severe supply chain constraints hampered the order to sales conversion in the first semester, resulting into a negative EBITDA margin of -1.7% in the first half of the year. As these constraints were largely resolved and production capacity was ramped up, Entertainment turned around to a 12.6% EBITDA margin in the second semester.

<table>
<thead>
<tr>
<th>In millions of euro</th>
<th>Sales</th>
<th>EBITDA</th>
<th>EBITDA %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthcare</td>
<td>341.7</td>
<td>38.4</td>
<td>11.2%</td>
</tr>
<tr>
<td>Enterprise</td>
<td>317.2</td>
<td>60.7</td>
<td>19.1%</td>
</tr>
<tr>
<td>Entertainment</td>
<td>399.3</td>
<td>27.5</td>
<td>6.9%</td>
</tr>
<tr>
<td><strong>Group</strong></td>
<td><strong>1,058.3</strong></td>
<td><strong>126.5</strong></td>
<td><strong>12.0%</strong></td>
</tr>
</tbody>
</table>

EBITDA by division 2022 versus previous years:

<table>
<thead>
<tr>
<th>In millions of euro</th>
<th>FY22</th>
<th>FY21</th>
<th>FY20</th>
<th>Change vs FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthcare</td>
<td>38.4</td>
<td>22.4</td>
<td>35.0</td>
<td>+71%</td>
</tr>
<tr>
<td>Enterprise</td>
<td>60.7</td>
<td>14.6</td>
<td>18.2</td>
<td>+316%</td>
</tr>
<tr>
<td>Entertainment</td>
<td>27.5</td>
<td>21.5</td>
<td>0.3</td>
<td>+28%</td>
</tr>
<tr>
<td><strong>Group</strong></td>
<td><strong>126.5</strong></td>
<td><strong>58.5</strong></td>
<td><strong>53.6</strong></td>
<td><strong>+116%</strong></td>
</tr>
</tbody>
</table>

Adjusted EBIT\(^2\) was 90.1 million euro or 8.5% of sales, compared to 19.4 million euro or 2.4% of sales for 2021.

As a result of reorganisations and team synergies in the enterprise division, Barco booked 2.5 million euro in restructuring charges. Taking this charge into account, EBIT in 2022 was 87.6 million euro compared to 13.0 million euro in 2021.

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\(^2\) Adjusted EBIT is EBIT excluding restructuring charges and impairments, see Glossary of the Annual Report.
Income taxes
Taxes in 2022 were 15.9 million euro for an effective tax rate of 18%, compared to 2.1 million euro in 2021 for the same effective tax rate.

Net income
Full year net income attributable to the equity holders was 75.2 million euro compared to 8.9 million euro a year ago.

Net income per ordinary share (EPS) was 0.84 euro versus 0.10 euro in 2021. Fully diluted earnings per share were 0.83 euro compared to 0.10 in 2021.

Cash flow & balance sheet

Free cash flow and working capital
Free cash flow for 2022 was 13.1 million euro. A significant uptake in gross operating free cash flow, was offset by increased working capital, due to higher inventory levels and higher trade receivables. The higher trade receivables are linked to the peak sales of the fourth quarter. The higher inventories include proactive buying of inventories, as a response to supply chain challenges and inflation.

<table>
<thead>
<tr>
<th>In millions of euro</th>
<th>FY22</th>
<th>FY21</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross operating Free Cash Flow</td>
<td>127.0</td>
<td>50.5</td>
<td>43.9</td>
</tr>
<tr>
<td>Changes in trade receivables</td>
<td>-35.6</td>
<td>-4.9</td>
<td>-12.3</td>
</tr>
<tr>
<td>Changes in inventory</td>
<td>-70.2</td>
<td>4.4</td>
<td>-12.3</td>
</tr>
<tr>
<td>Changes in trade payables</td>
<td>7.4</td>
<td>-42.8</td>
<td>-59.9</td>
</tr>
<tr>
<td>Other Changes in net working capital</td>
<td>2.8</td>
<td>13.2</td>
<td>-24.0</td>
</tr>
<tr>
<td>Change in net working capital</td>
<td>-95.5</td>
<td>55.5</td>
<td>-54.8</td>
</tr>
<tr>
<td>Net operating Free Cash Flow</td>
<td>31.5</td>
<td>106.1</td>
<td>-10.8</td>
</tr>
<tr>
<td>Interest Income/expense</td>
<td>0.8</td>
<td>-1.1</td>
<td>-0.1</td>
</tr>
<tr>
<td>Income Taxes</td>
<td>-6.0</td>
<td>-8.4</td>
<td>-10.4</td>
</tr>
<tr>
<td>Free cash flow from operating activities</td>
<td>26.3</td>
<td>96.6</td>
<td>-21.4</td>
</tr>
<tr>
<td>Purchase of tangible and intangible FA</td>
<td>-21.2</td>
<td>-18.8</td>
<td>-15.0</td>
</tr>
<tr>
<td>Proceeds on disposal of tangible and intangible FA</td>
<td>8.0</td>
<td>0.2</td>
<td>0.5</td>
</tr>
<tr>
<td>Free cash flow from investing</td>
<td>-13.2</td>
<td>-18.6</td>
<td>-14.5</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>13.1</td>
<td>78.0</td>
<td>-35.9</td>
</tr>
</tbody>
</table>
Working capital
Net working capital increased to 14.3% of sales compared to 5.8% of sales in 2021.

The increase in working capital was caused mainly by an increase in inventory levels. Due to the component shortages, safety buffers were stocked for a number of scarce components. Additional purchases were made in anticipation of upcoming price increases. High sales in the last quarter helped to start reducing inventories, however inventory levels remained higher than usual at year end. In addition to the increase in inventory, higher trade receivables contributed to the increase in working capital, mainly due to very strong sales in December, for which cash will be collected in 2023.

Capital expenditure
Capital expenditure was 21.2 million euro, slightly higher than 18.8 million euro reported in 2021. This capital expenditure included investments in the expansion of the China footprint, renewal of the Experience Centre and the first Cinema-as-a-Service contracts.

ROCE
ROCE for the year 2022 was 16% versus 4% last year.

Cash position
Net financial cash position, including net cash held in Cinionic, was 264.0 million euro, compared to 309.8 million euro end of 2021.

The decrease versus last year is attributable to the lower free cash flow caused by increased working capital, a number of minority investments and the increase of Barco’s share in Cinionic from 55% to 80%.

<table>
<thead>
<tr>
<th></th>
<th>FY22</th>
<th>FY21</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>In millions of euro</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade Receivables</td>
<td>194.6</td>
<td>157.0</td>
<td>146.1</td>
</tr>
<tr>
<td>DSO</td>
<td>54</td>
<td>56</td>
<td>67</td>
</tr>
<tr>
<td>Inventory</td>
<td>245.7</td>
<td>175.5</td>
<td>175.4</td>
</tr>
<tr>
<td>Inventory turns</td>
<td>2.1</td>
<td>2.4</td>
<td>2.3</td>
</tr>
<tr>
<td>Trade Payables</td>
<td>-121.9</td>
<td>-114.0</td>
<td>-70.3</td>
</tr>
<tr>
<td>DPO</td>
<td>68</td>
<td>80</td>
<td>53</td>
</tr>
<tr>
<td>Other Working Capital</td>
<td>-168.0</td>
<td>-171.7</td>
<td>-170.6</td>
</tr>
<tr>
<td>Total working capital</td>
<td>150.4</td>
<td>46.8</td>
<td>80.6</td>
</tr>
</tbody>
</table>
Update Planet - People - Communities

Barco has organized its sustainability program into 3 pillars: the planet, our people and the communities we operate in.

For each of these three sustainability pillars, the company has formulated an overall ambition statement and defined several focus areas. In this chapter we offer some highlights on the progress we made in 2022 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.

<table>
<thead>
<tr>
<th></th>
<th>FY22</th>
<th>FY21</th>
<th>FY20</th>
<th>Change vs 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greenhouse gas emissions from own operations reduction (vs 2015)</td>
<td>-51%</td>
<td>-33%</td>
<td>-34%</td>
<td>-18 ppts</td>
</tr>
<tr>
<td>% revenues from ECO labelled products</td>
<td>50%</td>
<td>31%</td>
<td>26%</td>
<td>+19 ppts</td>
</tr>
</tbody>
</table>

Barco’s environmental footprint reduction showed a significant progress during 2022, with Greenhouse Gas emissions from our own operations 51% reduced versus the base level of 2015. This was driven by a logistics modal shift from air to sea transport, and on infrastructure level the temporary additional ventilation requirements, linked to covid-19, could be lifted.

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 from 2020 onwards. The target level for 2023 is set at 70% ECO labelled revenues.

In 2022, 50% of revenues came from products with a Barco ECO label compared to 31% for 2021. This is driven by a steady increase of ECO labelled product releases. Healthcare made a step up mostly with new releases in the modality area. In the Enterprise division, the full ClickShare range and the newest LED portfolio are now ECO labelled. Entertainment is driven by the uptake of Series 4 laser projector shipments in the second half of the year.

3 For more information about Barco eco scoring methodology, see Barco’s latest Annual report on the Barco website.
People

Barco invests in sustainable employability by creating the right conditions for our employees to have an engaging, enriching and healthy career at Barco.

As the business picked up, the number of employees in 2022 grew to 3,302, a net increase of 161 employees year-over-year. Diversity and inclusion are key elements in our recruitment process and in 2022 this has led to a more diverse workforce on all three of our diversity dimensions: age, nationality and gender.

In 2022, Barco launched an enhanced employee survey, including a specific eNPS (Employee Net Promotor Score) question. Due to the different methodology, this score cannot be compared with previous surveys. The eNPS survey resulted in a score of 16, which breeds into the category ‘good engagement’. With the insights of this more granular survey and our continued focus and actions on employee engagement, our target is to bring this score above 30, ‘great engagement’.

<table>
<thead>
<tr>
<th></th>
<th>FY22</th>
<th>FY21</th>
<th>FY20</th>
<th>Change vs 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees at year-end (heads)</td>
<td>3,302</td>
<td>3,141</td>
<td>3,303</td>
<td>+5%</td>
</tr>
<tr>
<td>Employee Net Promotor Score (eNPS)</td>
<td>16</td>
<td>-</td>
<td>-</td>
<td>NA</td>
</tr>
</tbody>
</table>

Communities

Barco is committed to playing an active role in the communities in which it operates in by upholding the highest ethical and quality standards and holding its business partners to the same standards. In this context Barco remains focused on a value-add customer experience. The company gathers feedback from end-customers as well as partners on a quarterly basis using the relational Net Promotor Score (NPS) as its standard customer experience metric.

In 2022, Barco achieved an NPS score of 44, a decline of 3 points versus the previous year. This is mainly related to the component shortages in the market that Barco has been facing throughout the year, with longer lead times and impacting post-sales service. The NPS scores were mostly flat versus last year in Europe and China, while Americas and the rest of Asia showed a decrease. A score above 50 is considered excellent and that is also where we want to steer the company’s rating.

<table>
<thead>
<tr>
<th></th>
<th>FY22</th>
<th>FY21</th>
<th>FY20</th>
<th>Change vs 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Net Promotor Score</td>
<td>44</td>
<td>47</td>
<td>47</td>
<td>-3</td>
</tr>
</tbody>
</table>
Results of the Healthcare division

**Division in the group**
- **32%** Healthcare

**Distribution based on sales**
- **46%** Diagnostic Imaging
- **54%** Surgical & Modality

**Ecoscore**
- **30%**

**Sales**
- In millions of euro
- 2020: 262
- 2021: 262
- 2022: 342

**Gross profit**
- In millions of euro
- 2020: 96
- 2021: 87
- 2022: 116

**EBITDA**
- In millions of euro
- 2020: 30
- 2021: 33
- 2022: 34

**Gross profit margin**
- 2020: 37%
- 2021: 33%
- 2022: 34%

**EBITDA margin**
- 2020: 13%
- 2021: 9%
- 2022: 11%

% revenues from products with [Barco ECO label](#)
The Healthcare division posted continued solid order intake following the strong order intake in 2021. Although the demand for our healthcare products was remarkably resilient throughout the pandemic in 2020 and 2021, we saw a gradual resumption of healthcare investments in Diagnostic Imaging and Surgical & Modality in 2022.

Sales for the Healthcare division reached an all-time high in 2022, in part delivering on the high orderbook that had been built up in the previous year.

For the Diagnostic Imaging segment, orders increased versus last year and the business unit delivered double-digit sales growth in all regions. Sales in the Americas were particularly strong with high volumes and a greater mix of high-end product. Mammography sales resumed, after being softer during the pandemic, when many doctor consultations were delayed. The segment also grew further with the world’s first stand-alone approved digital pathology display. The Diagnostic Imaging segment accounted for approximately 46% of the divisional sales, versus 50% last year.

In Surgical & Modality, orders were slightly lower than last year’s high order levels, mostly in EMEA and Americas. On the other hand, Asia, notably China, produced a strong increase in the order book. Sales reached a record-high level, with double-digit growth in all regions. Sales were particularly strong in the Americas and Asia, with the strongest growth in China. The performance of the segment was driven by higher volumes in several large modality projects. Furthermore, Barco’s digital operating room solutions gained momentum, reflecting the growing adoption of digital solutions in the operating room infrastructure market. The Surgical & Modality segment accounted for approximately 54% of the divisional sales, versus 50% last year.

The EBITDA margin for the division improved to 11.2% from 8.6% last year, which is still below the level of 2019, a reflection of product mix, investments in product roadmaps and go-to-market, as well as temporary transfer and ramp-up costs linked to the new factory.

More than accountability, our new business unit structure has truly fostered customer intimacy in 2022. During the supply chain crisis, we sat together with our customers to find alternatives in case of shortages. That installed a feeling of connection that has reinforced the bond with our clients.

Johan Fornier
EVP Surgical & Modality

### Healthcare division

<table>
<thead>
<tr>
<th></th>
<th>FY22</th>
<th>FY21</th>
<th>FY20</th>
<th>Change vs FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders</td>
<td>319.7</td>
<td>329.8</td>
<td>262.1</td>
<td>-3%</td>
</tr>
<tr>
<td>Sales</td>
<td>341.7</td>
<td>261.5</td>
<td>261.9</td>
<td>+31%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>38.4</td>
<td>22.4</td>
<td>35.0</td>
<td>+71%</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>11.2%</td>
<td>8.6%</td>
<td>13.4%</td>
<td></td>
</tr>
</tbody>
</table>

### Last 12 months (LTM) orders and sales 2019-2022

![Graph showing orders and sales growth over the years](image-url)
Results of the Enterprise division

Division in the group

30%
Enterprise

Distribution based on sales

58%
Meeting Experience

42%
Large Video Walls

Eco score

79%

% revenues from products with Barco ECO label

Sales
In millions of euro

Gross profit
In millions of euro

EBITDA
in millions of euro

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
<th>Gross profit</th>
<th>EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>217</td>
<td>105</td>
<td>49</td>
</tr>
<tr>
<td>2021</td>
<td>233</td>
<td>109</td>
<td>47</td>
</tr>
<tr>
<td>2022</td>
<td>317</td>
<td>172</td>
<td>54</td>
</tr>
</tbody>
</table>

Gross profit margin

<table>
<thead>
<tr>
<th>Year</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>49%</td>
<td>47%</td>
<td>54%</td>
</tr>
</tbody>
</table>

EBITDA margin

<table>
<thead>
<tr>
<th>Year</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>6%</td>
<td>6%</td>
<td>19%</td>
</tr>
</tbody>
</table>
In the Enterprise division, orders increased by more than 7% and sales by 36% year-over-year. As pandemic measures eased, the business picked up, starting in the second quarter. In terms of the sales mix, the Meeting Experience business unit accounted for about 58% of Enterprise sales for 2022, while 42% of the sales were for Large Video Walls. In 2021, each business unit delivered half of the turnover.

Meeting Experience saw growing adoption for wireless conferencing, as hybrid meetings have become the “new normal”. From a regional perspective, sales in 2022 were particularly strong in EMEA, where the return-to-the-office trend started earlier than in other regions. Later in the year, this trend also picked up in the Americas and Asia. ClickShare has now been installed in more than 1.1 million meeting rooms globally. ClickShare Conference accounted for more than 60% of ClickShare’s volume for the full year. The installed base of ClickShare Conference more than doubled in 2022 versus last year with over 150,000 units shipped and installed since it was launched in 2020. In 2022, Barco further strengthened its community of leading meeting room ecosystem players from around the globe making ClickShare the most compatible solution for hybrid meetings.

The division’s virtual conferencing weConnect growth initiative brought in a growing number of new customer references in different regions and a growing funnel of new opportunities. The Large Video Walls segment sales rebounded nearly to the level of 2019 with the contribution from a particularly strong fourth quarter. The Americas region performed well with larger projects in utility and governmental applications. In EMEA, growth was driven by large installations in the Middle East and the Benelux. APAC showed a mixed view: there was significant uptake in many Asian countries, while China sales were lower. As the profitability of Large Video Walls is lagging, management intends to conduct a strategic review of the business unit in 2023, focusing on profitable products and markets.

The division produced a 19.1% EBITDA margin up from 6.3% last year. This was driven by operating leverage and a favorable product mix, which resulted in a significantly higher average gross margin.

2022 was a stellar year for Meeting Experience as the ClickShare product family proved to be very well positioned to address our customers' collaboration needs. Looking forward, our focus on the user experience, strong innovation capacity and seasoned team will help us expand our role as a leading player in the collaboration market.

Stijn Henderickx
EVP Meeting Room Experience

<table>
<thead>
<tr>
<th>Enterprise division</th>
<th>FY22</th>
<th>FY21</th>
<th>FY20</th>
<th>Change vs FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders</td>
<td>281.3</td>
<td>262.4</td>
<td>215.2</td>
<td>+7%</td>
</tr>
<tr>
<td>Sales</td>
<td>317.2</td>
<td>233.1</td>
<td>216.8</td>
<td>+36%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>60.7</td>
<td>14.6</td>
<td>18.2</td>
<td>+316%</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>19.1%</td>
<td>6.3%</td>
<td>8.4%</td>
<td></td>
</tr>
</tbody>
</table>

The division produced a 19.1% EBITDA margin up from 6.3% last year. This was driven by operating leverage and a favorable product mix, which resulted in a significantly higher average gross margin.

2022 was a stellar year for Meeting Experience as the ClickShare product family proved to be very well positioned to address our customers’ collaboration needs. Looking forward, our focus on the user experience, strong innovation capacity and seasoned team will help us expand our role as a leading player in the collaboration market.

Stijn Henderickx
EVP Meeting Room Experience
Results of the Entertainment division

Division in the group

38% Entertainment

Distribution based on sales

48% Cinema

52% Immersive Experience

Ecoscore

35%

% revenues from products with Barco ECO label

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales (in millions of euro)</th>
<th>Gross profit (in millions of euro)</th>
<th>EBITDA (in millions of euro)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>291</td>
<td>83</td>
<td>0</td>
</tr>
<tr>
<td>2021</td>
<td>310</td>
<td>92</td>
<td>22</td>
</tr>
<tr>
<td>2022</td>
<td>389</td>
<td>124</td>
<td>28</td>
</tr>
</tbody>
</table>

Gross profit margin

28% 31% 31%

EBITDA margin

0% 7% 7%
The Entertainment division delivered an 18% increase in order intake and a 29% increase in sales for the year compared to 2021. Orders and sales gains reflect the resumption of the Cinema business and the strong demand for fixed installations (museums, theme parks) and projection mapping in the Immersive Experience segment.

Cinema sales growth was strong in Europe and Americas, while sales in Asia were lower hampered by the continued lockdowns in China. Throughout the year sales grew steadily quarter-over-quarter with a remarkable uptake in the fourth quarter. Order intake was also particularly strong in the last quarter resulting into an all-time-high order book at year-end. Laser projection has now become the norm for cinema. Barco has capitalized on the maturity of this technology with its leadership position and all-laser portfolio. Demand was driven in part by returning visitor counts in theatres, but just as much by the total cost of ownership value proposition for laser projectors, which feature more than 50% lower energy consumption and no need for lamp replacements during the lifetime of these projectors. This provides a clear incentive to replace first-generation lamp-based projectors with laser projectors. The roll-out of Cinema-as-a-Service was a growing success in 2022, offering exhibitors an all-in-one proposition, including service and support over the lifetime of the projector. Cinema accounted for approximately 48% of the divisional sales in 2022, compared to 50% last year.

Just like in Cinema, sales grew steadily quarter-over-quarter in the Immersive Experience segment, with a record-high fourth quarter. Significant growth was achieved across all regions, with lowest but still double-digit growth in Asia, hampered by the China covid-19 regulations. Business resumed across all product segments, most outspoken in the fixed AV installation business, with strong demand for installations in digital museums, immersive digital art experiences and projection mapping. The rental and staging segment benefited from the return of events, mostly in Europe, Middle East, and the Americas. The simulation business grew with a significant number of new reference customer projects, both in flight and driving simulators. Immersive Experience accounted for approximately 52% of the divisional sales in 2022, compared to 50% last year.

The EBITDA margin for Entertainment was 6.9% for the full year, the same as last year, reflecting the significant impact of higher component and freight costs. This impact was most pronounced in the first half of the year which resulted in a negative EBITDA of -1.7%, while EBITDA jumped to 12.6% in the second half of the year as the supply chain challenges got largely resolved.

More than ever, people want to be entertained these days. The pandemic has taught us that there’s more to life than material things, so people crave experiences – and that’s exactly what we do at Barco: touch people’s hearts and minds. As a result, 2022 surpassed our growth records from 2019.”

Erdem Soyal
EVP Immersive Experience

<table>
<thead>
<tr>
<th>Entertainment division</th>
<th>In millions of euro</th>
<th>FY22</th>
<th>FY21</th>
<th>FY20</th>
<th>Change vs FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders</td>
<td></td>
<td>457.4</td>
<td>386.6</td>
<td>268.7</td>
<td>+18%</td>
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<tr>
<td>Sales</td>
<td></td>
<td>399.3</td>
<td>309.7</td>
<td>291.4</td>
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<td>EBITDA</td>
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<td>27.5</td>
<td>21.5</td>
<td>0.3</td>
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<tr>
<td>EBITDA margin</td>
<td></td>
<td>6.9%</td>
<td>6.9%</td>
<td>0.1%</td>
<td></td>
</tr>
</tbody>
</table>