



Consolidated Interim Report March 31, 2023

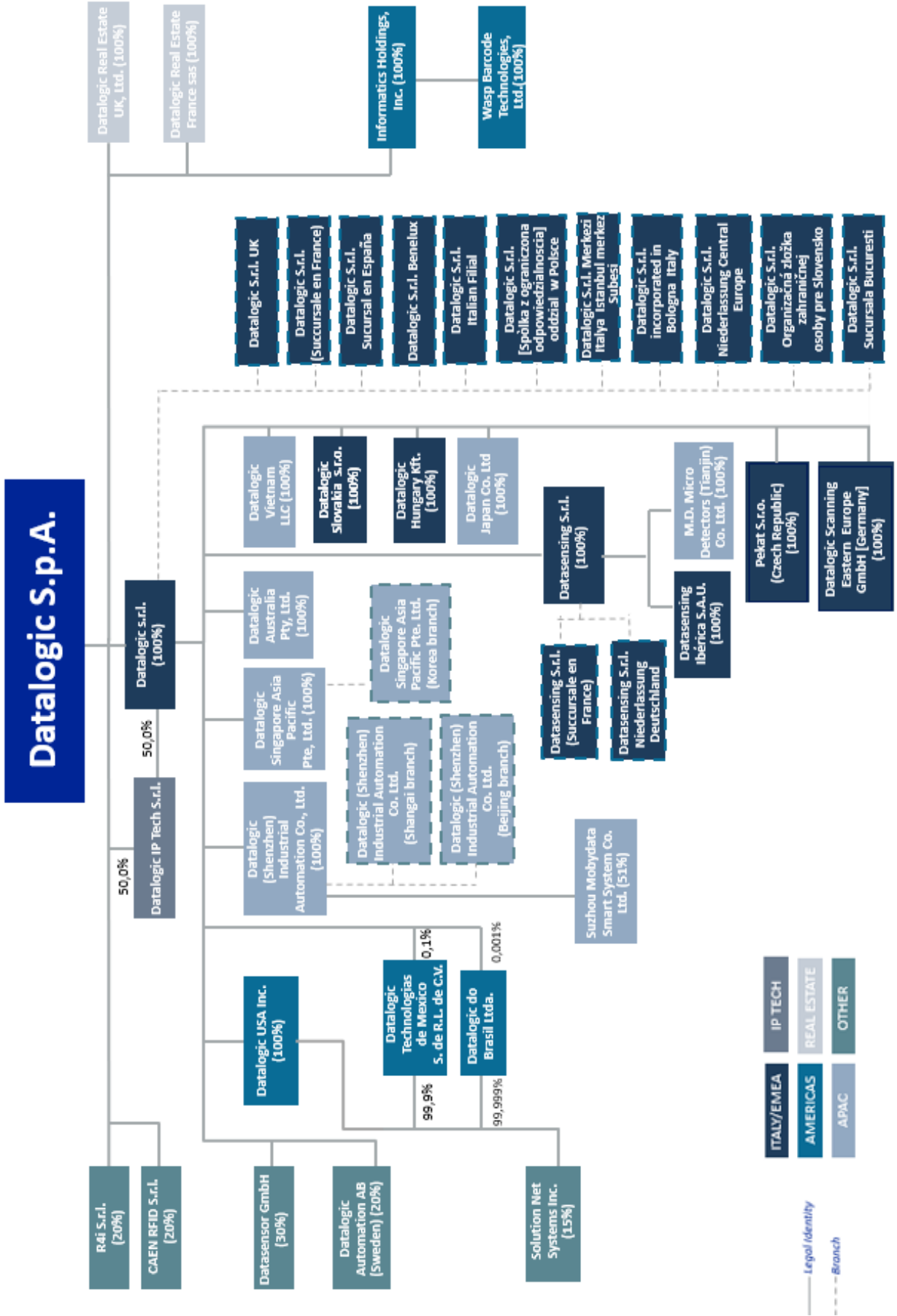
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DISCLAIMER

This document contains forward-looking statements relating to future events and operating, income and financial results of the Group. These forecasts have by nature an element of risk and uncertainty, as they depend on the materialisation of future events and developments. Actual results may differ even significantly from those disclosed due to a variety of factors, most of which beyond the Group's control.

GROUP STRUCTURE



COMPOSITION OF CORPORATE BODIES

Board of Directors ⁽¹⁾

Romano Volta	Executive Chairman ⁽²⁾
Valentina Volta	Chief Executive Officer ⁽²⁾
Angelo Manaresi	Independent Director
Chiara Giovannucci Orlandi	Independent Director
Filippo Maria Volta	Non-Executive Director
Vera Negri Zamagni	Independent Director
Maria Grazia Filippini	Independent Director
Pietro Todescato	Executive Director

Board of Statutory Auditors ⁽³⁾

Diana Rizzo	Chair
Elena Lancellotti	Standing Auditor
Roberto Santagostino	Standing Auditor
Giulia De Martino	Alternate Auditor
Eugenio Burani	Alternate Auditor
Patrizia Cornale	Alternate Auditor

Control, Risks, Remuneration and Appointments Committee

Angelo Manaresi	Chairman
Chiara Giovannucci Orlandi	Independent Director
Vera Negri Zamagni	Independent Director

Independent Auditors ⁽⁴⁾

Deloitte & Touche S.p.A.

(1) The Board of Directors will remain in office until the Shareholders' Meeting called to approve the financial statements at December 31, 2023.

(2) Legal representative before third parties.

(3) The Board of Statutory Auditors will remain in office until the Shareholders' Meeting called to approve the financial statements at December 31, 2024.

(4) Deloitte & Touche S.p.A. were appointed Independent Auditors for the nine-year period from 2019 to 2027 by the Shareholders' Meeting held on April 30, 2019 and will remain in office until the Shareholders' Meeting called to approve the financial statements at December 31, 2027.

Report on Operations



REPORT ON OPERATIONS

INTRODUCTION

This Consolidated Interim Report at March 31, 2023 was prepared in accordance with Article 154 ter of the T.U.F. and is drawn up in accordance with the International Financial Reporting Standards (IAS/IFRS) adopted by the European Union.

The amounts shown in the tables of the Directors' Report on Operations are expressed in Euro thousands, while the explanatory notes are expressed in Euro millions.

GROUP PROFILE

Datalogic S.p.A. and its subsidiaries ("Group" or "Datalogic Group") is a global technological leader in the automatic data capture and process automation markets. The Group is specialised in the design and production of barcode readers, mobile computers, detection, measurement and safety sensors, vision and laser marking systems and RFID. Its pioneering solutions help increase the efficiency and quality of processes along the entire value chain in the Retail, Manufacturing, Transportation & Logistics and Healthcare segments.

PERIOD HIGHLIGHTS

The following table summarises the Datalogic Group's key income and financial results at March 31, 2023 versus the same period of the prior year.

The income statement and balance sheet figures at March 31, 2023 include the balances of Pekat Vision, consolidated as a result of the acquisition finalized on March 21, 2022, while the comparative income statement figures for 2022 do not include the balances of the company, consolidated as of April 2022.

	31.03.2023	<i>% on Revenue</i>	31.03.2022	<i>% on Revenue</i>	Change	<i>% chg.</i>	% chg. net FX
Revenue	149,667	<i>100.0%</i>	137,928	<i>100.0%</i>	11,739	8.5%	7.2%
Adjusted EBITDA	13,477	<i>9.0%</i>	11,752	<i>8.5%</i>	1,725	14.7%	21.4%
Adjusted EBIT	5,373	<i>3.6%</i>	4,474	<i>3.2%</i>	899	20.1%	38.7%
EBIT	3,922	<i>2.6%</i>	2,278	<i>1.7%</i>	1,644	72.2%	108.7%
Profit/(Loss) for the period	3,182	<i>2.1%</i>	1,329	<i>1.0%</i>	1,853	139.4%	202.0%
Net financial position (NFP)	(31,673)		(77,663)		45,990		

The Group ended first quarter 2023 with sales **Revenue** of €149.7 million, up by 8.5%, or €11.7 million, versus €137.9 million recorded in first quarter 2022 (+7.2% at constant exchange rates).

Adjusted EBITDA came to €13.5 million, improving versus €11.8 million in first quarter 2022. As a percentage of sales, it grows from 8.5% to 9.0%.

Adjusted EBIT stood at 3.6% of revenue and amounted to €5.4 million (€4.5 million at March 31, 2022).

Net profit for the period amounted to €3.2 million, more than doubling both in absolute terms and as a percentage of revenue versus the same period of the prior year.

Sales from new products (*Vitality Index*) in first quarter 2023 accounted for 6.3% of revenue, down from 13.3% in first quarter 2022.

Net Financial Debt at March 31, 2023 stood at €31.7 million, an improvement of €10.3 million versus December 31, 2022 and of €46.0 million versus March 31, 2022.

ALTERNATIVE PERFORMANCE MEASURES (NON-GAAP MEASURES)

Management uses certain performance measures, not identified as accounting measures under IFRS (NON-GAAP measures), to provide a clearer picture of the Group's performance. The measurement criterion applied by the Group might not be the same as the one adopted by other Groups and the measures might not be comparable with theirs. These performance measures, determined according to provisions set out by the Guidelines on performance measures, issued by ESMA/2015/1415 and adopted by CONSOB with Communication no. 92543 of December 3, 2015, refer only to the performance in the period related to this Consolidated Interim Report and the comparison periods. The performance measures must be considered as supplementary and do not supersede the information provided under the IFRS standards. The main measures adopted are described below.

- **Special Items:** income items arising from non-recurring events or transactions, restructuring activities, business reorganization, write-downs of fixed assets, ancillary expense from acquisitions of businesses or companies or their disposals, including amortisation resulting from the recognition of purchase price allocation, and any other event deemed by Management not to represent current business activity.
- **EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation):** profit/(loss) for the year from continuing operations before depreciation and amortisation of tangible and intangible fixed assets and rights of use, financials (including foreign exchange income and expense) and income tax.
- **Adjusted EBITDA:** profit/(loss) for the year from continuing operations before depreciation and amortisation of tangible and intangible fixed assets and rights of use, financials (including foreign exchange income and expense), income tax and Special Items, as defined above.
- **EBIT (Earnings Before Interest, Taxes) or Operating Result:** profit/(loss) for the year from continuing operations before financials (including foreign exchange income and expense) and income tax.
- **Adjusted EBIT or Operating Result:** profit/(loss) for the year from continuing operations before financials (including foreign exchange income and expense), income tax and Special Items, as defined above.
- **Net Trade Working Capital:** the sum of Inventory and Trade Receivables, less Trade Payables.
- **Net Working Capital:** the sum of Net Trade Working Capital and Other Current Assets and Liabilities including Provisions for Current Risks and Charges.
- **Net Invested Capital:** the total of Current and Non-Current Assets, excluding financial assets, less Current and Non-Current Liabilities, excluding financial liabilities.
- **NFP (Net Financial Position or Net Financial Debt):** calculated in accordance with the provisions of "Warning Notice no. 5/21" of April 29, 2021 issued by CONSOB and referring to ESMA guideline 32-382-1138 of March 4, 2021.
- **Cash Flow from Operations:** the sum of Adjusted EBITDA, changes in Net Trade Working Capital, expenditure in tangible and intangible fixed assets (excluding fixed assets under right of use recognised during the year according to IFRS 16), tax paid, financial expense/income, changes in Other Current Assets and Liabilities, and Special Items, as defined above, while excluding any other changes related to equity (such as dividend distributions and/or the purchase of treasury shares), to transactions of an extraordinary nature, the repayment and/or taking out of bank loans and/or other financial items in the NFP, and any other transaction that cannot be directly attributed to the company's business operations.

GROUP RECLASSIFIED INCOME RESULTS

The following table shows the main items of the income statement for the period versus the prior period, the results of which were restated as required by IAS 1 following certain reclassifications of cost items from operating costs to cost of goods sold and among the different uses of operating costs, for details of which reference is made to Annex 4 of this document:

	31.03.2023		31.03.2022 Restated		Change	% chg.
Revenue	149,667	100.0%	137,928	100.0%	11,739	8.5%
Cost of goods sold	(87,267)	-58.3%	(82,546)	-59.8%	(4,721)	5.7%
Gross Operating Margin	62,400	41.7%	55,382	40.2%	7,018	12.7%
Research and Development expense	(16,662)	-11.1%	(14,116)	-10.2%	(2,546)	18.0%
Distribution expense	(26,452)	-17.7%	(22,878)	-16.6%	(3,575)	15.6%
Administrative and General expense	(13,908)	-9.3%	(13,657)	-9.9%	(251)	1.8%
Other (expense) income	(5)	0.0%	(257)	-0.2%	252	-98.1%
Total operating costs and other expense	(57,027)	-38.1%	(50,907)	-36.9%	(6,120)	12.0%
Adjusted EBIT	5,373	3.6%	4,474	3.2%	899	20.1%
Special Items - Other (Expense) and Income	(260)	-0.2%	(748)	-0.5%	488	-65.2%
Special Items - D&A from acquisitions	(1,191)	-0.8%	(1,448)	-1.0%	257	-17.7%
EBIT	3,922	2.6%	2,278	1.7%	1,644	72.2%
Net Financials	(835)	-0.6%	(698)	-0.5%	(137)	19.6%
Foreign exchange gains/(losses)	657	0.4%	(884)	-0.6%	1,541	n.a.
EBT	3,744	2.5%	696	0.5%	3,048	437.8%
Tax	(562)	-0.4%	633	0.5%	(1,195)	n.a.
Profit/(Loss) for the period	3,182	2.1%	1,329	1.0%	1,853	139.4%
EBIT	3,922	2.6%	2,278	1.7%	1,644	72.2%
Special Items - Other (Expense) and Income	260	0.2%	748	0.5%	(488)	-65.2%
Special Items - D&A from acquisitions	1,191	0.8%	1,448	1.1%	(257)	-17.7%
Depreciation Tang. Fixed Assets and Rights of Use	4,112	2.7%	4,406	3.2%	(294)	-6.7%
Amortisation Intang. Fixed Assets	3,992	2.7%	2,871	2.1%	1,121	39.0%
Adjusted EBITDA	13,477	9.0%	11,752	8.5%	1,725	14.7%

Consolidated revenue amounted to €149.7 million at March 31, 2023, growing by 8.5% versus €137.9 million in first quarter 2022, with a buoyant performance in EMEAI. Americas was slightly up, while APAC declined. At constant exchange rates, the sales performance increased by 7.2%.

The breakdown by geographical area of Group revenue for the period, versus the same period of the prior year, is shown in the table below:

	31.03.2023		31.03.2022		Change	% chg.	% chg. net FX
<i>Italy</i>	15,374	10.3%	14,410	10.4%	964	6.7%	6.7%
<i>EMEAI (excluding Italy)</i>	71,202	47.6%	61,211	44.4%	9,992	16.3%	15.9%
Total EMEAI	86,577	57.8%	75,621	54.8%	10,956	14.5%	14.1%
Americas	41,817	27.9%	40,628	29.5%	1,189	2.9%	-1.4%
APAC	21,273	14.2%	21,679	15.7%	(406)	-1.9%	-0.6%
Total revenue	149,667	100.0%	137,928	100.0%	11,739	8.5%	7.2%

Driving the Group's revenue growth is **EMEA**, with a 14.5% revenue growth versus the same period of 2022, with Italy growing by 6.7%. **Americas** were up by 2.9% (-1.4% at constant exchange rates). **APAC** was down by 1.9% versus first quarter 2022 (-0.6% at constant exchange rates).

Gross Operating Margin amounted to €62.4 million (41.7% of sales) versus €55.4 million at March 31, 2022 (40.2% of sales), improving by 1.5% as a percentage of sales versus first quarter 2022, due mainly to an increase in price and mix that offset the decline in volumes.

Operating costs and other expense amounted to €57.0 million (€50.9 million at March 31, 2022), increasing as a percentage of sales by 1.2% versus 36.9% to reach 38.1%, especially on research and development and distribution expense.

Research and Development expense, amounting to €16.7 million, increased by 18.0% versus March 31, 2022, with the percentage of revenue increasing by 0.9% to 11.1% versus 10.2% in the same quarter of the prior year. Total monetary costs in R&D, before capitalisation of internal costs and without amortisation and depreciation (R&D Cash Out), amounted to €15.8 million (€14.5 million in the same period of the prior year), with a percentage of sales of 10.6% (10.5% in first quarter 2022).

Distribution expense amounted to €26.5 million and was up by 15.6% versus first quarter 2022 (€22.9 million in 2022), with the percentage of revenue increasing by 1.1% from 16.6% to 17.7%. The change from the same period in the prior year is related mainly to increased personnel expense and increased sales and marketing initiatives and participation in trade fairs and events as well as customer visits.

Administrative and General expense amounted to €13.9 million at March 31, 2023, falling as a percentage of sales by 0.6% from 9.9% to 9.3%, due mainly to the decrease in costs of utilities, consulting and amortisation and depreciation.

Adjusted EBITDA amounted to €13.5 million, with an **Adjusted EBITDA margin** accounting for 9.0% of sales, increasing by 0.5% from 8.5% recorded in first quarter 2022, due mainly to improved industrial margins, partly offset by higher operating expense.

Adjusted EBIT stood at 3.6% of revenue and amounted to €5.4 million (€4.5 million at March 31, 2022).

Net Financials closed with a negative €0.2 million, improving by €1.4 million versus March 31, 2022, as a result of favourable exchange rate differences in the current quarter.

Net profit for the period amounted to €3.2 million, accounting for 2.1% of revenue (€1.3 million at March 31, 2022 or 1.0% of revenue).

DIVISIONAL INCOME RESULTS FOR THE PERIOD

Operating segments are identified based on operating reports used at the highest decision-making level to allocate resources and assess results. The operating segments are shown below:

- **Datalogic** represents the Group's core business and designs and produces barcode readers, mobile computers, detection, measurement and safety sensors, vision and laser marking systems and RFID that help increase the efficiency and quality of processes in the Retail, Manufacturing, Transportation & Logistics and Healthcare segments, along the entire value chain.
- **Informatics** sells and distributes products and solutions for the management of inventories and mobile assets tailored to small and medium-sized companies.

The tables below show the comparison of Revenue and Adjusted EBITDA by Division in the period versus the same period of the prior year:

REVENUE BY DIVISION

	31.03.2023	%	31.03.2022	%	Change	% chg.	% chg. net FX
Datalogic	145,718	97.4%	134,045	97.2%	11,673	8.7%	7.5%
Informatics	4,098	2.7%	4,108	3.0%	(10)	-0.3%	-3.8%
Intersegment adjustments	(149)	-0.1%	(225)	-0.2%	76		
Total revenue	149,667	100.0%	137,928	100.0%	11,739	8.5%	7.2%

ADJUSTED EBITDA BY DIVISION

	31.03.2023	% on Revenue	31.03.2022	% on Revenue	Change	% chg.
Datalogic	12,936	8.9%	11,002	8.2%	1,934	17.6%
Informatics	457	11.2%	802	19.5%	(345)	-43.0%
Intersegment adjustments	84		(52)		136	
Total Adjusted EBITDA	13,477	9.0%	11,752	8.5%	1,725	14.7%

DATALOGIC DIVISION

At March 31, 2023, the **Datalogic** division recorded sales **revenue** of €145.7 million, up by 8.7% versus first quarter 2022.

The division's **adjusted EBITDA** came to €12.9 million, reaching 8.9% of sales (8.2% at March 31, 2022).

To better align with its strategic goals and prioritize product and solution offerings, Datalogic reviewed its operating model and introduced two new Market Segments, which operate with distinct sales models, and liaise with different representatives and purchasing needs of the client: Data Capture and Industrial Automation.

Reflecting the new operating model, the revenue breakdown for the Datalogic Division is now presented by the new segments, in place of the previous breakdown by Industries:

	31.03.2023	%	31.03.2022	%	Change	% chg.	% chg. net FX
Data Capture	91,263	62.6%	83,462	62.3%	7,801	9.3%	7.7%
Industrial Automation	54,455	37.4%	50,583	37.7%	3,872	7.7%	7.1%
Total revenue	145,718	100.0%	134,045	100.0%	11,673	8.7%	7.5%

▪ Data Capture

The Data Capture segment, with 62.6% of divisional sales (62.3% at March 31, 2022), was up by 9.3% versus first quarter 2022, driven by strong growth in EMEA, while Americas was basically steady and APAC down.

▪ Industrial Automation

The Industrial Automation segment grew by 7.7% in first quarter 2023, propelled by all the geographical areas.

INFORMATICS DIVISION

The **Informatics Division** achieved sales of €4.1 million in first quarter 2023, in line with sales in first quarter 2022.

The adjusted EBITDA margin in the first quarter of the year stood at 11.2%, deteriorating by 8.3% versus 19.5% in the first quarter of the prior year.

GROUP RECLASSIFIED STATEMENT OF FINANCIAL POSITION FOR THE PERIOD

The following table shows the main financial and equity items at March 31, 2023 versus December 31, 2022.

	31.03.2023	31.12.2022	Change	% chg.
Intangible fixed assets	90,532	91,971	(1,439)	-1.6%
Goodwill	208,689	212,043	(3,354)	-1.6%
Tangible fixed assets	109,478	114,557	(5,079)	-4.4%
Financial assets and investments in associates	9,412	8,679	733	8.4%
Other fixed assets	56,782	56,975	(193)	-0.3%
Fixed Assets	474,893	484,225	(9,332)	-1.9%
Trade receivables	73,141	91,299	(18,158)	-19.9%
Trade payables	(95,721)	(112,054)	16,333	-14.6%
Inventory	127,092	129,824	(2,732)	-2.1%
Net Trade Working Capital	104,512	109,069	(4,557)	-4.2%
Other current assets	35,079	32,681	2,398	7.3%
Other current liabilities and provisions for risks	(72,299)	(71,605)	(694)	1.0%
Net Working Capital	67,292	70,145	(2,853)	-4.1%
Other non-current liabilities	(48,710)	(49,440)	730	-1.5%
Post-employment benefits	(6,074)	(6,163)	89	-1.4%
Provisions for non-current risks	(5,303)	(5,193)	(110)	2.1%
Net Invested Capital	482,098	493,574	(11,476)	-2.3%
Equity	(450,425)	(451,567)	1,142	-0.3%
Net financial position (NFP)	(31,673)	(42,007)	10,334	-24.6%

Net Invested Capital, at €482.1 million (€493.6 million at December 31, 2022), shows an overall decrease of €11.5 million, of which €2.9 million in Net Working Capital and €9.3 million in Fixed Assets.

Fixed Assets, amounting to €474.9 million (€484.2 million at December 31, 2022), decreased by €9.3 million, attributable mainly to translation differences of €3.7 million (of which €3.4 million recognized on goodwill).

Net Trade Working Capital at March 31, 2023 amounted to €104.5 million and decreased by €4.6 million versus December 31, 2022, with the percentage of sales decreasing from 16.7% at December 31, 2022 to 15.7% at March 31, 2023. The change in the period is affected by a decrease in inventory of €2.7 million and a concurrent improvement in the balance between trade receivables and payables of €1.8 million.

The **Net Financial Position** at March 31, 2023 stood at a negative €31.7 million. The cash flows that led to the change in the consolidated Net Financial Position at December 31, 2022 are detailed below.

	31.03.2023	31.03.2022	Change
Net financial position (Financial debt) beginning of period	(42,007)	(26,060)	(15,947)
Adjusted EBITDA	13,478	11,752	1,726
Change in net trade working capital	4,557	(41,083)	45,640
Other changes in net working capital and special items	(4,791)	1,161	(5,952)
Net expenditure	(5,259)	(4,030)	(1,229)
Tax paid	(829)	(2,406)	1,577
Net financial income (expense)	(179)	(1,582)	1,403
Cash Flow from Operations	6,977	(36,189)	43,166
Acquisitions		(16,000)	16,000
Other changes	3,357	586	2,772
Change in Net Financial Position	10,334	(51,603)	61,937
Net financial position (financial debt) end of period	(31,673)	(77,663)	45,990

Cash Flow from Operations at March 31, 2023 closed at a positive €7.0 million, increasing by €43.2 million versus a negative €36.2 million at March 31, 2022. The positive change is attributable to the cash generation of Net Working Capital in a quarter of the year, the first quarter, where cash is typically absorbed, and which in 2022 was also affected by supply chain challenges and delays in order fulfilment that had negatively impacted inventory and trade payables in particular.

At March 31, 2023, the Net Financial Debt is shown below:

	31.03.2023	31.12.2022
A. Cash	84,138	107,469
B. Cash equivalents	13	13
C. Other current financial assets	-	-
D. Liquid assets (A) + (B) + (C)	84,151	107,482
E. Current financial debt	5,845	36,612
<i>E1. of which lease payables</i>	3,772	4,164
F. Current portion of non-current financial debt	34,071	33,810
G. Current Financial Debt (E) + (F)	39,916	70,422
H. Current Net Financial Debt (Financial Position) (G) - (D)	(44,235)	(37,060)
I. Non-current financial debt	75,908	79,067
<i>I1. of which lease payables</i>	8,899	11,962
J. Debt instruments	-	-
K. Trade and other non-current payables	-	-
L. Non-Current Financial Debt (I) + (J) + (K)	75,908	79,067
M. Total Net Financial Debt/(Net Financial Position) (H) + (L)	31,673	42,007

At March 31, 2023, the Group had outstanding financial credit lines of approximately €270.0 million, of which approximately €200.0 million committed. Undrawn and readily available financial lines amounted to €170.0 million.

Indirect and conditional debt at March 31, 2023 is represented exclusively by the Group's provision for post-employment benefits of €6.1 million.

SIGNIFICANT EVENTS DURING THE PERIOD

RECLASSIFICATION OF INCOME STATEMENT ITEMS

Starting from the first quarter of the current year, to provide a clearer picture of Group performance, certain costs related mainly to installations, previously shown in distribution expense, have been classified in cost of goods sold; additionally, certain quality-related expense has been itemized and allocated based on the intended purpose. Comparative figures have been consistently restated; reference is made to the table in Annex 4 of this document for details of the amounts.

GOVERNANCE

On April 27, 2023, the Shareholders' Meeting approved the financial statements at December 31, 2022, and reviewed the Group's consolidated financial statements at December 31, 2022, and resolved to distribute an ordinary unit dividend, gross of tax, of 30 Euro cents per share, for a maximum total amount of €17.0 million.

The same Meeting also resolved to:

- set, pursuant to and for the purposes of Article 20 of the Bylaws, in the amount of €2.5 million, the maximum global annual compensation to be granted to all the members of the Board of Directors, including those holding strategic responsibilities for the current year (2023) and for the portion of the following year (2024), until the date of approval of the Company's 2023 financial statements, with the explicit exclusion of compensation plans based on financial instruments approved by the Shareholders' Meeting, leaving to the discretion of the Board itself any decision regarding the allocation of the above maximum global amount among the different Directors;
- approve the 2023 remuneration policy set out in section one of the Report on the Remuneration Policy and on Compensation Paid and to vote in favour of compensation paid in 2022 set out in section two of the Report;
- authorize the Board of Directors, pursuant to and in accordance with Article 2357 et seq. of the Italian Civil Code and Article 132 of Legislative Decree no. 58 of February 24, 1998, to carry out transactions involving the purchase of the Company's treasury shares, on one or more occasions, within 18 months from the date of this resolution, concurrently revoking, for the portion unexecuted as of the date of the Shareholders' Meeting, the authorization to the Board of Directors to purchase the Company's treasury shares resolved by the Shareholders' Meeting on April 29, 2022.

RUSSIAN-UKRAINIAN CONFLICT

The socio-political tensions that escalated into a conflict between Russia and Ukraine on February 24, 2022, the developments of which are unpredictable to date, have led Western countries to impose economic sanctions on Russia. The Group has no offices in the countries currently directly affected by the conflict, nor do they represent significant outlet or supply markets for it. The ongoing conflict has triggered inflationary pressure, which has persisted since last year and into 2023, impacting mainly energy and certain commodity prices, and contributing to market volatility, leading to an increase in interest rates.

The potential effects of this situation on the Group's income and financial results are constantly monitored.

Since the outbreak of the conflict and the adoption of sanctions by the EU against Russia, a cross-functional working group has been established to assess and ascertain (including monitoring of "Denied Parties"), from a technical point of view, which Datalogic products and which business partner relationships could potentially be subject to sanctions. Following entry into force of the ninth European sanctions package, the Group companies have suspended all sales and post-sales activities with Russia (trade with Belarus had already been blocked) and implemented control systems in order to prevent business transactions with sanctioned countries.

SUBSEQUENT EVENTS

On April 3, 2023, a transaction was finalized to transfer to the Alstef Group the 15% stake in Solution Net Systems LLC (SNS) held by the subsidiary Datalogic USA Inc.

BUSINESS OUTLOOK

The macroeconomic outlook for 2023 is anticipated to be marked by ongoing uncertainty, as persistent inflationary pressure, restrictive monetary policies, and continued geopolitical tensions are expected to hinder both investment and consumption.

The Group's sales for the second quarter of the year are expected to decline versus the prior year, as a result of cautious policies and limited investment in the main market segments, reduced levels of inventory held by distribution channels, and normalised backlog levels, which are not as high as in previous quarters.

The short-term outlook for order entry remains negative, with increased uncertainty surrounding the potential for recovery in the second half of the year.

Nonetheless, the Group continues to put in place actions aimed at a steady recovery and improvement of operating margins and operating cash generation capacity, while continuing to maintain solid levels of investment in research and development.

SECONDARY LOCATIONS

The Parent Company has no secondary locations.

Chairman of the Board of Directors
(Romano Volta)

Consolidated Financial Statements



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS (Euro/000)	Notes	31.03.2023	31.12.2022
A) Non-current assets (1+2+3+4+5+6+7)		474,893	484,225
1) Tangible fixed assets		97,042	98,799
Land	1	12,668	12,740
Buildings	1	52,149	52,449
Other assets	1	27,548	29,825
Fixed assets under construction and advances	1	4,677	3,785
2) Intangible fixed assets		299,221	304,014
Goodwill	2	208,689	212,043
Development costs	2	39,218	27,209
Other	2	41,306	43,206
Fixed assets under construction and advances	2	10,008	21,556
3) Right of use fixed assets	3	12,436	15,758
4) Investments in associates	4	560	560
5) Non-current financial assets	6	8,852	8,119
6) Trade and other receivables	7	769	768
7) Deferred tax assets	12	56,013	56,207
B) Current assets (8+9+10+11+12)		319,463	361,286
8) Inventory		127,092	129,824
Raw and ancillary materials and consumables	8	61,465	62,503
Work in progress and semi-finished products	8	24,621	25,864
Finished products and goods	8	41,006	41,457
9) Trade and other receivables		95,800	109,845
Trade receivables	7	73,141	91,299
<i>of which associates</i>	7	2,555	2,861
<i>of which related parties</i>	7	11	11
Other receivables, accrued income and prepaid expense	7	22,659	18,546
10) Tax receivables	9	12,420	14,135
<i>of which Parent Company</i>		1,807	1,807
11) Current financial receivables		-	-
12) Cash and cash equivalents	5	84,151	107,482
Total Assets (A+B)		794,356	845,511

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

LIABILITIES (Euro/000)	Notes	31.03.2023	31.12.2022
A) Total Equity (1+2+3+4+5+6)	10	450,425	451,567
1) Share capital	10	30,392	30,392
2) Reserves	10	127,874	132,266
3) Retained earnings (losses)	10	285,509	255,840
4) Profit (loss) for the period	10	3,327	29,550
5) Group Equity	10	447,102	448,048
Profit (loss) for the period attributable to non-controlling interests	10	(144)	576
Share capital attributable to non-controlling interests	10	3,467	2,943
6) Equity attributable to non-controlling interests		3,323	3,519
B) Non-current liabilities (7+8+9+10+11+12)		135,995	139,863
7) Non-current financial payables	11	75,908	79,067
8) Tax payables		-	-
9) Deferred tax liabilities	12	28,570	28,680
10) Provisions for post-employment and retirement benefits	13	6,074	6,163
11) Provisions for non-current risks and charges	14	5,303	5,193
12) Other liabilities	15	20,140	20,760
C) Current liabilities (13+14+15+16)		207,936	254,081
13) Trade and other payables		152,488	166,713
Trade payables	15	95,721	112,054
<i>of which associates</i>	15	60	101
<i>of which related parties</i>		39	24
Other payables, accrued expense and deferred income	15	56,767	54,659
14) Tax payables	9	12,563	13,478
<i>of which Parent Company</i>		2,013	2,013
15) Provisions for current risks and charges	14	2,969	3,468
16) Current financial payables	11	39,916	70,422
Total Liabilities (A+B+C)		794,356	845,511

CONSOLIDATED INCOME STATEMENT

(Euro/000)	Notes	31.03.2023	31.03.2022 Restated
1) Revenue	16	149,667	137,928
Revenue from sale of products		139,093	127,891
Revenue from services		10,574	10,037
<i>of which related parties and associates</i>		2,720	2,514
2) Cost of goods sold	17	87,274	82,564
<i>of which related parties and associates</i>		78	80
Gross Operating Margin (1-2)		62,393	55,364
3) Other revenue	18	578	204
4) Research and development expense	17	17,207	14,268
<i>of which related parties and associates</i>		148	138
5) Distribution expense	17	26,856	23,369
<i>of which related parties and associates</i>		54	47
6) Administrative and general expense	17	14,403	15,191
<i>of which related parties and associates</i>		41	140
<i>of which Parent Company</i>		6	-
7) Other operating expense	17	583	461
Total operating costs		59,049	53,290
EBIT		3,922	2,278
8) Financial income	19	9,669	5,246
9) Financial expense	19	9,847	6,828
Net Financials (8-9)		(178)	(1,582)
Profit/(Loss) before tax from continuing operations		3,744	696
Income tax	20	562	(633)
Profit/(Loss) for the period		3,182	1,329
Basic earnings/(loss) per share (€)	22	0.06	0.02
Diluted earnings/(loss) per share (€)	22	0.06	0.02
Attributable to:			
<i>Shareholders of the Parent Company</i>		3,326	1,370
<i>Non-controlling interests</i>		(144)	(41)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Euro/000)	Notes	31.03.2023	31.03.2022
Profit/(Loss) for the period		3,182	1,329
Other items of the statement of comprehensive income:			
Other items of the statement of comprehensive income that will later be reclassified to Profit/(Loss) for the period:			
Profit/(Loss) on cash flow hedges (CFH)	10	25	27
Profit (loss) from the translation of financial statements of foreign companies	10	(6,378)	6,377
Total other items of the statement of comprehensive income that will later be reclassified to Profit/(Loss) for the period		(6,353)	6,404
Other items of the statement of comprehensive income that will not later be reclassified to Profit/(Loss) for the period			
Actuarial gains (losses) on defined-benefit plans <i>of which tax effect</i>			
Profit/(Loss) from financial assets at FVOCI <i>of which tax effect</i>	10	1,695 (21)	(868) 10
Total other items of the statement of comprehensive income that will not later be reclassified to Profit/(Loss) for the period		1,695	(868)
Total profit/(loss) of the statement of comprehensive income		(4,658)	5,537
Comprehensive profit/(loss) for the period		(1,476)	6,866
Attributable to:			
Shareholders of the Parent Company		(1,281)	6,907
Non-controlling interests		(195)	(41)

CONSOLIDATED STATEMENT OF CASH FLOWS

(Euro/000)	Notes	31.03.2023	31.03.2022
Profit/(Loss) before tax		3,744	696
Depreciation of tangible fixed assets and write-downs	1	3,082	3,334
Amortisation of intangible fixed assets and write-downs	2	5,168	4,306
Depreciation of Right of use fixed assets	3	1,045	1,086
Losses (Gains) from sale of fixed assets	17, 18	(24)	(8)
Change in provisions for risks and charges	14	(389)	(282)
Change in provision for obsolescence	8	2,035	-
Net Financials	19	179	1,582
Monetary effect foreign exchange gains/(losses)		(1,739)	-
Other non-monetary changes		(881)	680
Cash flow generated (absorbed) from operations before changes in working capital		12,220	11,394
Change in trade receivables	7	17,393	2,820
Change in final inventory	8	403	(20,048)
Change in trade payables	15	(15,875)	(23,850)
Change in other current assets	7	(4,217)	(2,465)
Change in other current liabilities	15	2,480	4,713
Change in other non-current assets	6	(5)	31
Change in other non-current liabilities	5	(447)	(29)
Cash flow generated (absorbed) from operations after changes in working capital		11,952	(27,435)
Change in tax assets and liabilities		425	(2,396)
Interest paid		(901)	(671)
Interest collected		111	27
Cash flow generated (absorbed) from operations (A)		11,587	(30,475)
Increase in intangible fixed assets	2	(3,613)	(3,343)
Decrease in intangible fixed assets	2	-	13
Increase in tangible fixed assets	1	(1,722)	(1,301)
Decrease in tangible fixed assets	1	76	15
Cash flow from business combinations, net of cash acquired		-	(16,000)
Change in investments and current and non-current financial assets	5	(97)	21
Cash flow generated (absorbed) from investments (B)		(5,356)	(20,595)
Payment of financial payables	11	(30,084)	(13,743)
New financial payables	11	-	35,000
Other changes in financial payables	11	(19)	(282)
Payments of financial liabilities from leases		(1,113)	(493)
Effect of change in cash and cash funds		(375)	742
Other changes		2,030	-
Cash flow generated (absorbed) from financing activities (C)		(29,562)	21,224
Net increase (decrease) in cash funds (A+B+C)		(23,331)	(29,846)
Net cash and cash equivalents at beginning of period		107,482	106,080
Net cash and cash equivalents at end of period		84,151	76,235

CONSOLIDATED CHANGES IN EQUITY

Description	Share capital	Share premium res.	Treasury shares	Translation reserve	Other Reserves	Retained earnings	Group Profit (Loss)	Group Equity	Profit (Loss) of non-controlling interests	Share capital and reserves attributable to non-controlling interests	Equity attributable to non-controlling interests	Profit (Loss)	Equity
01.01.2023	30,392	111,779	(22,191)	39,331	3,347	255,839	29,551	448,048	576	2,942	3,519	30,127	451,569
Allocation of profit	-	-	-	-	-	29,551	(29,551)	-	(576)	576	-	(30,127)	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-
Share-based incentive plan	-	-	-	-	216	-	-	216	-	-	-	-	216
Other changes	-	-	-	-	-	119	-	119	-	-	-	-	119
Profit/(Loss) for the period	-	-	-	-	-	-	3,327	3,327	(144)	-	(144)	3,182	3,182
Other items of the statement of comprehensive income	-	-	-	(6,328)	1,720	-	-	(4,608)	-	(51)	(51)	-	(4,658)
Total comprehensive Profit (Loss)	-	-	-	(6,328)	1,720	-	3,327	(1,281)	(144)	(51)	(195)	3,182	(1,476)
31.03.2023	30,392	111,779	(22,191)	33,003	5,283	285,509	3,327	447,102	(144)	3,468	3,323	3,182	450,425

Description	Share capital	Share premium res.	Treasury shares	Translation reserve	Other Reserves	Retained earnings	Group Profit (Loss)	Group Equity	Profit (Loss) of non-controlling interests	Share capital and reserves attributable to non-controlling interests	Equity attributable to non-controlling interests	Profit (Loss)	Equity
01.01.2022	30,392	111,779	(26,096)	22,746	11,239	229,692	38,913	418,665	627	2,432	3,060	39,540	421,724
Allocation of profit	-	-	-	-	-	38,912	(38,912)	-	(627)	627	-	(39,540)	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-
Share-based incentive plan	-	-	-	-	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	(226)	-	(226)	-	(42)	(42)	-	(268)
Profit/(Loss) for the period	-	-	-	-	-	-	1,370	1,370	(41)	-	(41)	1,329	1,329
Other items of the statement of comprehensive income	-	-	-	6,313	(841)	-	-	5,472	-	65	65	-	5,537
Total comprehensive Profit (Loss)	-	-	-	6,313	(841)	-	1,370	6,842	(41)	65	24	1,329	6,866
31.03.2022	30,392	111,779	(26,096)	29,059	10,398	268,378	1,370	425,281	(41)	3,082	3,041	1,329	428,322

Explanatory Notes



EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

GENERAL INFORMATION

Datalogic is a global technological leader in the automatic data capture and process automation markets. The Company is specialised in the design and production of barcode readers, mobile computers, detection, measurement and safety sensors, vision and laser marking systems and RFID.

Its pioneering solutions help increase efficiency and quality of processes in the areas of Retail, Manufacturing, Transportation & Logistics, and Healthcare, along the entire value chain.

Datalogic S.p.A. (hereinafter "Datalogic", the "Parent Company" or the "Company") is a joint-stock company listed on Euronext STAR Milan of Borsa Italiana S.p.A. and is headquartered in Italy. The registered office is in Via Candini 2, Lippo di Calderara (BO).

This Consolidated Interim Report for the period ended March 31, 2023 includes the figures of the Parent Company and its subsidiaries (hereinafter referred to as the "Group") and the relevant shares in associates.

The publication of this Consolidated Interim Report for the period ended March 31, 2023 of the Datalogic Group was authorized by resolution of the Board of Directors on May 11, 2023.

BASIS OF PRESENTATION

1) General criteria

This Consolidated Interim Report was prepared pursuant to Article 154-ter D. Legislative Decree no. 58 of February 24, 1998 (TUF) as subsequently amended and supplemented, as well as to the CONSOB Issuer Regulation. The criteria for the preparation of the Statement are in accordance with the requirements of IAS 34 "Interim Financial Reporting", providing the summary information notes required by the above standard, supplemented if the case to provide a greater level of information where deemed necessary.

This Consolidated Interim Report should therefore be read in conjunction with the Consolidated Annual Financial Report at December 31, 2022, prepared in accordance with IFRS accounting standards adopted by the European Union, approved by the Board of Directors on March 9, 2023, and available in the Investor Relations section of the Group's website (www.datalogic.com).

This Consolidated Interim Report is prepared in Euro thousands, which is the Group's functional and presentation currency.

2) Reporting formats

The reporting formats adopted are compliant with those required by IAS 1 and were used in the Consolidated Annual Financial Report for the year ended December 31, 2022, in particular:

- current and non-current assets, as well as current and non-current liabilities are shown separately in the Statement of Financial Position. Current assets, which include cash and cash equivalents, are those intended

- to be realized, sold or consumed in the Group's normal operating cycle; current liabilities are those expected to be settled in the Group's normal operating cycle or in the twelve months following the end of the period;
- with regard to the Income Statement, cost and revenue items are shown based on grouping by function, as this classification was deemed more explanatory for understanding the Group's results of operations;
 - the Statement of Comprehensive Income shows the items that determine profit/(loss) for the period, considering income and expense recognised directly in equity;
 - the Statement of Cash Flows is presented using the "indirect method".

3) Use of estimates and assumptions

The preparation of the IFRS-compliant Consolidated Interim Report requires Directors to apply accounting standards and methodologies that, in some cases, are based on valuations and estimates, which in turn refer to historic experience and assumptions based on specific circumstances at any given time. The application of these estimates and assumptions affects the amounts of revenue, expense, assets and liabilities and their disclosure, as well as the disclosure of contingent liabilities. The actual amounts of accounting items, for which these estimates and assumptions have been used, might be different from those reported due to the uncertainty characterising the assumptions and conditions on which estimates are based.

4) Consolidation scope

This Consolidated Interim Report at March 31, 2023 includes the income statement and balance sheet data of Datalogic S.p.A. and all the companies that it directly or indirectly controls.

The list of investments included in the consolidation scope appears in Annex 2 of the Explanatory Notes, with an indication of the methodology used.

5) Translation criteria of foreign currency financial statements

The exchange rates used to determine the value in Euro of financial statements denominated in foreign currency of subsidiaries (currency for 1 Euro) are shown hereunder:

Currency (ISO Code)	Quantity of currency for 1 Euro			
	March 2023	March 2023	December 2022	March 2022
	Final exchange rate	Average exchange rate for the period	Final exchange rate	Average exchange rate for the period
US Dollar (USD)	1.09	1.07	1.07	1.12
British Pound Sterling (GBP)	0.88	0.88	0.89	0.84
Swedish Krona (SEK)	11.28	11.20	11.12	10.48
Singapore Dollar (SGD)	1.45	1.43	1.43	1.52
Japanese Yen (JPY)	144.83	141.98	140.66	130.46
Australian Dollar (AUD)	1.63	1.57	1.57	1.55
Hong Kong Dollar (HKD)	8.54	8.41	8.32	8.76
Chinese Renminbi (CNY)	7.48	7.34	7.36	7.12
Brazilian Real (BRL)	5.52	5.58	5.64	5.87
Mexican Peso (MXN)	19.64	20.04	20.86	22.99
Hungarian Forint (HUF)	379.50	388.71	400.87	364.60
Czech Crown (CZK)	23.49	23.79	24.12	24.65

SEGMENT DISCLOSURE

Operating segments are identified based on operating reports used at the highest decision-making level to allocate resources and assess results. Transfers amongst the operating segments indicated hereunder are executed at arm's length conditions, based on the Group transfer pricing policies. For first quarter 2023, the operating segments are identified as follows:

- **Datalogic**, the Group's core business, designs and produces barcode readers, mobile computers, detection, measurement and safety sensors, vision and laser marking systems and RFID that help increase the efficiency and quality of processes in the *Data Capture* and *Industrial Automation* areas in which it operates.
- **Informatics** sells and distributes products and solutions for the management of inventories and mobile assets tailored to small and medium-sized companies.

The **income information related to operating segments** at March 31, 2023 and March 31, 2022 is the following:

<i>Divisional income position</i>	Datalogic Business	Informatics	Adjustments	Total Group 31.03.2023
Revenue	145,718	4,098	(149)	149,667
Adjusted EBITDA	12,936	457	84	13,477
% Revenue	8.88%	11.15%		9.00%
EBIT	3,433	406	83	3,922

<i>Divisional income position</i>	Datalogic Business	Informatics	Adjustments	Total Group 31.03.2022
Revenue	134,045	4,108	(225)	137,928
Adjusted EBITDA	11,002	802	(52)	11,752
% Revenue	8.21%	19.52%		8.52%
EBIT	1,654	677	(53)	2,278

The **equity information related to operating segments** at March 31, 2023 and at December 31, 2022 is the following.

<i>Divisional financial position</i>	Datalogic Business	Informatics	Adjustments	Total Group 31.03.2023
Total Assets	798,183	27,296	(31,123)	794,356
Total Liabilities	342,472	7,615	(6,156)	343,931
Equity	455,711	19,681	(24,967)	450,425

<i>Divisional financial position</i>	Datalogic Business	Informatics	Adjustments	Total Group 31.12.2022
Total Assets	848,979	28,416	(31,884)	845,511
Total Liabilities	392,016	8,666	(6,738)	393,944
Equity	456,963	19,750	(25,146)	451,567

INFORMATION ON THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

Note 1. Tangible fixed assets

Tangible fixed assets at March 31, 2023 amounted to €97,042 thousand. During the period, net expenditure of €1,670 thousand and depreciation of €3,082 thousand was recognised, while exchange rate effects closed with a negative €346 thousand. The breakdown of the item at March 31, 2023 and at December 31, 2022 is shown below.

	31.03.2023	31.12.2022	Change
Land	12,668	12,740	(72)
Buildings	52,149	52,449	(300)
Other assets	27,548	29,825	(2,277)
Fixed assets under construction and advances	4,677	3,785	892
Total	97,042	98,799	(1,757)

The “Other assets” item at March 31, 2023 includes the following categories: industrial equipment and moulds (€10,981 thousand), plant and machinery (€7,031 thousand), office furniture and machines (€5,611 thousand), generic plant related to buildings (€2,509 thousand), lightweight constructions (€301 thousand), commercial equipment and demo rooms (€605 thousand), leasehold improvements (€406 thousand), and motor vehicles (€105 thousand).

The balance of “Fixed assets under construction and advances”, equal to €4,677 thousand, is composed primarily of moulds under construction and equipment and production lines built in house, and of improvements to owned buildings.

Note 2. Intangible fixed assets

Intangible fixed assets at March 31, 2023 amounted to €299,221 thousand. During the period, net expenditure of €3,613 thousand and amortisation of €5,168 thousand was recognised, while exchange rate effects closed with a negative €3,238 thousand. The breakdown of the item at March 31, 2023 and at December 31, 2022 is shown below:

	31.03.2023	31.12.2022	Change
Goodwill	208,689	212,043	(3,354)
Development costs	39,218	27,209	12,009
Other	41,306	43,206	(1,900)
Fixed assets under construction and advances	10,008	21,556	(11,548)
Total	299,221	304,014	(4,793)

Goodwill

“Goodwill”, equal to €208,689 thousand, is allocated to the CGUs identified by Management as shown below.

	31.03.2023	31.12.2022	Change
Datalogic CGU	194,852	197,989	(3,137)
Informatics CGU	13,837	14,054	(217)
Total	208,689	212,043	(3,354)

The change from the end of the prior year is attributable to translation differences.

Goodwill is allocated to the CGUs (*Cash Generating Units*) represented by the individual companies and/or sub-groups to which they refer.

The estimated recoverable value of each *CGU*, associated with each *Goodwill* item measured, consists of its corresponding value in use. Value in use was calculated by discounting at a given discount rate the future cash flows expected to be generated by the *CGU*, in the production phase and at the time of its disposal, based on the Discounted Cash Flow method.

The cash flows of the individual *CGUs* are estimated based on forward-looking plans prepared by Management. These plans represent the best estimate of the foreseeable outlook, based on the business strategies and growth indicators of the relevant industry and markets.

The assumptions used for the purposes of impairment were approved by the Board of Directors and the Control, Risks, Remuneration and Appointments Committee of Datalogic S.p.A. on February 2, 2023.

Development costs, Other intangible fixed assets and Fixed assets under construction and advances

“**Development costs**”, amounting to €39,218 thousand at March 31, 2023, consists of product development projects.

“**Other**”, amounting to €41,306 thousand, consists primarily of intangible assets acquired through business combinations carried out by the Group, and software licences as detailed below:

	31.03.2023	31.12.2022	Change
Patents	5,137	5,710	(573)
Know-how	14,498	14,483	15
Customer portfolio	11,618	11,842	(225)
Licences	1,479	1,662	(183)
Software	8,574	9,508	(934)
Total	41,306	43,206	(1,900)

“**Fixed assets under construction and advances**”, amounting to €10,008 thousand (€21,556 thousand at December 31, 2022), is attributable mainly to the capitalization of costs for product development projects currently under way.

Note 3. Right of use fixed assets

Net negative changes of €2,243 thousand were recorded during the period and depreciation of €1,045 thousand, while exchange rate effects closed with a negative €34 thousand. The breakdown of the item at March 31, 2023 and at December 31, 2022 is shown below.

	31.03.2023	31.12.2022	Change
Buildings	10,338	13,590	(3,252)
Vehicles	1,949	1,997	(48)
Office equipment	149	171	(22)
Total	12,436	15,758	(3,322)

Note 4. Investments in associates

The non-controlling investments held by the Group, details of which are found in Annex 2, at March 31, 2023 amounted to €560 thousand, unchanged versus the prior period.

Note 5. Financial assets and liabilities by category

The table below provides a breakdown of “Financial assets and liabilities” under IFRS 9.

Financial assets

	Financial assets at amortized cost	Financial assets at FV through profit and loss	Financial assets at FV through OCI	31.03.2023
Non-current financial assets	769	3,943	4,909	9,621
Non-current financial assets and investments	-	3,943	4,909	8,852
Other receivables	769	-	-	769
Current financial assets	179,951	-	-	179,951
Trade receivables	73,141	-	-	73,141
Other receivables	22,659	-	-	22,659
Financial assets - Loans	-	-	-	-
Cash and cash equivalents	84,151	-	-	84,151
Total	180,720	3,943	4,909	189,572

	Financial assets at amortized cost	Financial assets at FV through profit and loss	Financial assets at FV through OCI	31.12.2022
Non-current financial assets	768	3,818	4,301	8,887
Non-current financial assets and investments	-	3,818	4,301	8,119
Other receivables	768	-	-	768
Current financial assets	217,327	-	-	217,327
Trade receivables	91,299	-	-	91,299
Other receivables	18,546	-	-	18,546
Financial assets - Loans	-	-	-	-
Cash and cash equivalents	107,482	-	-	107,482
Total	218,095	3,818	4,301	226,214

"Cash and cash equivalents" amounted to €84,151 thousand. Details are found in the Net Financial Debt schedule in the Directors' Report on Operations.

Financial liabilities

	Derivatives	Financial liabilities at amortized cost	31.03.2023
Non-current financial liabilities	-	96,048	96,048
Financial payables	-	75,908	75,908
Other payables	-	20,140	20,140
Current financial liabilities	-	192,404	192,404
Trade payables	-	95,721	95,721
Other payables	-	56,767	56,767
Current financial payables	-	39,916	39,916
Total	-	288,452	288,452

	Derivatives	Financial liabilities at amortized cost	31.12.2022
Non-current financial liabilities	-	99,827	99,827
Financial payables	-	79,067	79,067
Other payables	-	20,760	20,760
Current financial liabilities	-	237,135	237,135
Trade payables	-	112,054	112,054
Other payables	-	54,659	54,659
Current financial payables	-	70,422	70,422
Total	-	336,962	336,962

The fair value of financial assets and financial liabilities is determined according to methods classifiable in the various levels of the fair value hierarchy as envisaged by IFRS 13. Specifically, the Group uses internal valuation models generally used in financial practice, based on prices provided by market participants or quotations recorded on active markets.

Fair value - hierarchy

All the financial instruments measured at fair value are classified in the three categories shown below:

Level 1: market prices;

Level 2: valuation techniques (based on observable market data);

Level 3: valuation techniques (not based on observable market data).

Assets measured at fair value	Level 1	Level 2	Level 3	31.03.2023
Non-current financial assets and investments	4,909	-	3,943	8,852
Total	4,909	-	3,943	8,852

Note 6. Financial assets and current financial receivables

Financial assets include the following:

	31.03.2023	31.12.2022	Change
Non-current financial assets	8,852	8,119	733
Current financial assets	-	-	-
Total	8,852	8,119	733

Non-current financial assets amounted to €8,852 thousand and consisted of 4,870 thousand from the investment in the capital of the Japanese company Idec Corporation, €2,207 thousand from the investment in a financial instrument convertible into capital issued by AWM Smart Shelf, investment funds amounting to €1,512 thousand and investments in capital instruments in other companies amounting to €265 thousand. The change in the year is attributable mainly to the recognition of the fair value of these financial instruments.

Note 7. Trade and other receivables

The breakdown of the item at March 31, 2023 and at December 31, 2022 is shown below:

	31.03.2023	31.12.2022	Change
Trade receivables	66,584	84,880	(18,296)
Contract assets - Invoicesto be issued	6,857	6,385	472
Bad debt provisions	(2,866)	(2,838)	(28)
Net trade receivables	70,575	88,427	(17,852)
Receivables from associates	2,555	2,861	(306)
Receivables from related parties	11	11	-
Sub-total - Trade receivables	73,141	91,299	(18,158)
Other receivables - current accrued income and prepaid expense	22,659	18,546	4,113
Other receivables - non-current accrued income and prepaid expense	769	768	1
Sub-total - Other receivables - accrued income and prepaid expense	23,428	19,314	4,114
Less: non-current portion	769	768	1
Trade and other receivables - current	95,800	109,845	(14,045)

Trade receivables

"Trade receivables" amounted to €73,141 thousand at March 31, 2023, down by €18,158 thousand versus December 31, 2022. At March 31, 2023, trade receivables factored without recourse amounted to 30,314 thousand (€29,877 thousand at December 31, 2022). Trade receivables from associates arise from commercial transactions carried out at normal market conditions.

Other receivables - accrued income and prepaid expense

The details of "Other receivables - accrued income and prepaid expense" are shown below.

	31.03.2023	31.12.2022	Change
Other current receivables	3,224	1,639	1,585
Other non-current receivables	769	768	1
VAT receivables	15,168	12,972	2,196
Accrued income and prepaid expense	4,267	3,935	332
Total	23,428	19,314	4,114

The "VAT receivable" of €15,168 thousand refers to normal commercial transactions. The increase is a result of the higher volume of exports in the period.

"Accrued income and prepaid expense" consists mainly of the recognition of insurance contracts and hardware and software licenses, the change in the period is attributable to contract renewals of license contracts; the figure is in line with the same period of the prior year (€4,388 thousand at March 31, 2022).

Note 8. Inventory

Inventory amounted to €127,092 thousand, down by €2,732 thousand during the period.

	31.03.2023	31.12.2022	Change
Raw and ancillary materials and consumables	61,465	62,503	(1,038)
Work in progress and semi-finished products	24,621	25,864	(1,243)
Finished products and goods	41,006	41,457	(451)
Total	127,092	129,824	(2,732)

Inventory is shown net of an obsolescence provision totalling €14,424 thousand at March 31, 2023 (€12,387 thousand at December 31, 2022).

Note 9. Tax receivables and payables

	31.03.2023	31.12.2022	Change
Tax receivables	12,420	14,135	(1,715)
<i>of which Parent Company</i>	1,807	1,807	-
Tax payables	(12,563)	(13,478)	915
<i>of which Parent Company</i>	(2,013)	(2,013)	-
Total	(143)	657	(800)

At March 31, 2023, the net balance of "Tax Receivables and Payables" was negative and equal to €143 thousand versus a positive 657 thousand at December 31, 2022, marking a negative change of €800 thousand. The change in the period is due mainly to the payment of tax advances.

LIABILITIES AND EQUITY

Note 10. Equity

The composition of Equity at March 31, 2023 is shown below.

	31.03.2023	31.12.2022	Change
Share capital	30,392	30,392	-
Share premium reserve	111,779	111,779	-
Treasury shares held in portfolio	(22,191)	(22,191)	-
Share capital and reserves	119,980	119,980	-
Translation reserve	33,003	39,331	(6,328)
Other reserves	5,283	3,347	1,936
Retained earnings	285,509	255,840	29,669
Profit for the period	3,327	29,550	(26,223)
Total Group equity	447,102	448,048	(946)
Profit (loss) for the period attributable to non-controlling interests	(144)	576	(720)
Share capital attributable to non-controlling interests	3,467	2,943	524
Total consolidated equity	450,425	451,567	(1,142)

Share capital

At March 31, 2023, the share capital of €30,392 thousand represents the fully subscribed and paid-up share capital of the Parent Company Datalogic S.p.A.. It comprises ordinary shares for a total of 58,446,491, of which 1,667,053 held as treasury shares for a value of €22,191 thousand, therefore the outstanding shares at that date amounted to 56,779,438.

Other Reserves

At March 31, 2023, there was no change in the "Reserve for treasury shares held in portfolio".

The "Translation Reserve" shows a declining change of €6,328 thousand in the reporting period, due in particular to the effects of the performance of the U.S. dollar, the functional currency of a number of the Group's major investees.

With regard to the change in the "Share-based incentive plan reserve", it should be noted that said change refers to the allocation for the period for the Performance Shares Plan 2022-2024 approved by the Shareholders' Meeting on April 29, 2022.

At March 31, 2023, "Other reserves", including the "Share-based incentive plan reserve", amounted to €5,283 thousand (€3,347 thousand at December 31, 2022). The increase is related mainly to the provision for the period of €216 thousand and the fair value adjustment of financial assets for the year of €1,695 thousand.

Note 11. Financial payables

"Financial payables" at March 31, 2023 amounted to €115,824 thousand, decreasing by €33,665 thousand as detailed below.

	31.03.2023	31.12.2022	Change
Bank loans	101,080	130,915	(29,835)
Financial payables from leases	12,671	16,126	(3,455)
Payables to factoring companies	1,978	2,229	(251)
Other financial payables	-	53	(53)
Bank overdrafts	95	166	(71)
Total	115,824	149,489	(33,665)

The change in "Bank loans" for the period is a result of instalments falling due and the repayment of credit lines totalling €30,084 thousand. The movements are shown below:

	2023	2022
At January 1	130,915	113,206
Increases	-	35,000
Change in consolidation scope	-	-
Decreases for borrowing repayments	(30,084)	(10,126)
Other changes	249	282
At March 31	101,080	138,362

"Financial payables from leases" decreased by €3,455 thousand.

The breakdown of financial payables, divided into current and non-current portions, is shown below:

	31.03.2023	31.12.2022	Change
Non-current financial payables	75,908	79,067	(3,159)
Current financial payables	39,916	70,422	(30,506)
Total	115,824	149,489	(33,665)

At March 31, 2023, the Group had credit lines in place for a total of €270.0 million, of which €170.0 million undrawn, including €100.0 million long-term and €70.0 million short-term.

Covenants

Certain loan agreements require the Group to comply with financial covenants, measured on a half-year basis at June 30 and December 31, summarized in the following table:

Loan	Company	Covenants	Frequency	Reference financial statements
Club Deal	Datalogic S.p.A.	NFP/EBITDA 2.75	Half-year	Consolidated
RCF	Datalogic S.p.A.	NFP/EBITDA 2.75	Half-year	Consolidated
Roller Coaster	Datalogic S.p.A.	NFP/EBITDA 3.00	Half-year	Consolidated

At December 31, 2022, all covenants were met.

Note 12. Net deferred tax

Deferred tax assets and deferred tax liabilities result both from positive items already recognised in the income statement and subject to deferred taxation under current tax regulations and temporary differences between recorded assets and liabilities and their relevant taxable value.

Deferred tax assets are accounted for in accordance with the assumptions of future recoverability of the temporary differences they originated from, i.e., on the basis of strategic economic and tax plans.

Temporary differences generating deferred tax assets consist mainly of tax losses and tax paid abroad, provisions for risks and charges, and foreign exchange adjustments. Deferred tax liabilities are attributable mainly to temporary differences in exchange rate adjustments and statutory and tax differences in the amortisation/depreciation schedules of tangible and intangible fixed assets and fair value measurements of assets as part of business combinations carried out by the Group.

	31.03.2023	31.12.2022	Change
Deferred tax assets	56,013	56,207	(194)
Deferred tax liabilities	(28,570)	(28,680)	110
Net deferred tax	27,443	27,527	(84)

Deferred tax assets amounted to €56,013 thousand and included Foreign tax credits attributable mainly to the subsidiary Datalogic USA Inc.

Deferred tax liabilities at March 31, 2023 amounted to €28,570 thousand and refer mainly to temporary differences related to asset amortisation/depreciation schedules, as well as tax adjustments resulting from the consolidation processes of recent acquisitions made by the Group.

Note 13. Provisions for post-employment and retirement benefits

The breakdown of changes in “Provisions for post-employment and retirement benefits” at March 31, 2023 and at March 31, 2022 is shown below:

	2023	2022
At January 1	6,163	7,088
Amount allocated in the period	756	857
Utilizations	(631)	(725)
Receivable from INPS	(208)	(304)
Other movements	-	(7)
Exchange rate adjustments	(6)	-
At March 31	6,074	6,909

Note 14. Provisions for risks and charges

"Provisions for risks and charges" at March 31, 2023, amounted to €8,272 thousand (€8,661 thousand at December 31, 2022), represented by the best estimate of the contingent liabilities to which the Group is exposed in relation to contractual obligations for product warranties and long-term incentive and retention plans for personnel (middle management and key people), as well as contingent liabilities of a tax, labour law and supplementary agents' indemnity nature, as shown below.

	31.12.2022	Increases	(Utilizations) and (Releases)	Exchange differences	31.03.2023
Product warranty provision	7,169	-	(401)	(1)	6,767
Provision for staff incentive and retention plans	531	305		(8)	828
Other provisions	961	-	(285)	1	677
Total	8,661	305	(686)	(8)	8,272

The "Product warranty provision" covers the estimated cost of repairing products sold up to March 31, 2023 and covered by a warranty period; said provision amounted to €6,767 thousand (of which €4,034 thousand long-term).

"Provision for staff incentive and retention plans" refers to the estimated bonuses to be paid to staff based on long-term incentive and retention plans set aside during the period.

"Other provisions" at March 31, 2023 amounted to €677 thousand and consisted mainly of provisions for supplementary agent's indemnity and for contingent liabilities of a fiscal and labour law nature.

The breakdown of provisions for risks, divided into current and non-current portions, is shown below:

	31.03.2023	31.12.2022	Change
Provisions for risks and charges, current portion	2,969	3,468	(499)
Provisions for risks and charges, non-current portion	5,303	5,193	110
Total	8,272	8,661	(389)

Note 15. Trade and other payables, accrued expense and deferred income

	31.03.2023	31.12.2022	Change
Trade payables	92,206	108,363	(16,157)
Contractual liabilities - customer advances	3,416	3,566	(150)
Trade payables	95,622	111,929	(16,307)
Payables to associates	60	101	(41)
Payables to related parties	39	24	15
Total trade payables	95,721	112,054	(16,333)
Other current payables	35,926	33,603	2,323
Current accrued expense and deferred income	20,841	21,056	(215)
Non-current accrued expense and deferred income	20,140	20,760	(620)
Total Other payables - accrued expense and deferred income	76,907	75,419	1,488
Less: non-current portion	20,140	20,760	(620)
Current portion	152,488	166,713	(14,225)

Trade payables

"Trade payables" amounted to €95,721 thousand, down by €16,333 thousand versus the end of the prior year.

Other current payables

	31.03.2023	31.12.2022	Change
Payables to employees	22,990	21,078	1,912
Payables to welfare and social security entities	6,645	7,130	(485)
Other payables	3,230	2,850	380
VAT payables	3,061	2,545	516
Total	35,926	33,603	2,323

"Other current payables" amounting to €35,926 thousand at March 31, 2023, consists mainly of "Payables to employees" for the fixed and variable components of salaries and holiday entitlements, as well as the related "Payables to welfare and social security entities".

Accrued expense and deferred income

"Accrued expense and deferred income", amounting to €40,981 thousand at March 31, 2023 (€41,816 thousand at December 31, 2022), is composed mainly of deferred revenue related to the Ease of Care long-term maintenance contracts.

INFORMATION ON THE INCOME STATEMENT

Note 16. Revenue

Revenue classified by type is shown in the following table:

	31.03.2023	31.03.2022	Change
Revenue from sale of products	139,093	127,891	11,202
Revenue from services	10,574	10,037	537
Total revenue	149,667	137,928	11,739

At March 31, 2023, consolidated net revenue amounted to €149,667 thousand, up by 8.5% versus €137,928 thousand in the same period of 2022. The Group's revenue, classified by recognition method and business segment, is broken down as follows:

Revenue broken down by recognition method	Datalogic	Informatics	Adjustments	31.03.2023
Revenue from sale of goods and services - point in time	132,283	2,204	(149)	134,339
Revenue from sale of goods and services - over the time	13,435	1,894	-	15,328
Total	145,718	4,098	(149)	149,667

Revenue broken down by recognition method	Datalogic	Informatics	Adjustments	31.03.2022
Revenue from sale of goods and services - point in time	121,118	2,497	(225)	123,390
Revenue from sale of goods and services - over the time	12,927	1,611	-	14,538
Total	134,045	4,108	(225)	137,928

The Group recognises revenue for the sale of goods and services at a specific point in time when control of the activities has been transferred to the customer, usually at the same time as the delivery of the good or provision of the service. Instead, revenue recognition takes place over time, based on the status of performance of contractual obligations, when the performance does not create an asset that has an alternative use for the Group and the Group has the collectible right to payment for the completed performance up to the date considered.

Revenue broken down by type	Datalogic	Informatics	Adjustments	31.03.2023
Sale of goods	137,037	2,127	(71)	139,093
Sale of services	8,681	1,971	(78)	10,574
Total	145,718	4,098	(149)	149,667

Revenue broken down by type	Datalogic	Informatics	Adjustments	31.03.2022
Sale of goods	125,706	2,410	(225)	127,891
Sale of services	8,339	1,698	-	10,037
Total	134,045	4,108	(225)	137,928

Note 17. Cost of goods sold and operating costs

The following table shows the trends of cost of goods sold and operating costs at March 31, 2023, versus the same period of the prior year, before special items.

	31.03.2023	31.03.2022 Restated	Change
Cost of goods sold	87,274	82,564	4,710
Operating costs	59,049	53,290	5,759
Research and development expense	17,207	14,268	2,939
Distribution expense	26,856	23,369	3,487
Administrative and general expense	14,403	15,191	(788)
Other operating expense	583	461	122
Total	146,323	135,854	10,469

Cost of goods sold

Cost of goods sold at March 31, 2023 was €87,274 thousand. The upward change for the period of 5.7% decreases however the percentage on revenue by approximately 1.5% from 59.9% to 58.3%; the positive figure is related particularly to the decrease in transportation and logistics costs, which, compared to the comparative quarter, decreased by 48.6%, with the percentage on revenue decreasing by 2.6%.

Operating costs

Operating Costs, amounting to €59,049 thousand, increased by €5,759 thousand (+10.8%) in first quarter 2023 versus the same period of 2022, deteriorating the percentage of sales by 0.8% from 38.6% to 39.5%, as a result mainly of the increase in research and development and in distribution expense.

"**Research and development expense**" at March 31, 2023 amounted to €17,207 thousand, increasing by 20.6% versus the same quarter of the prior year, accounting for 11.5% of sales (10.3% in the first quarter of the prior year). The detail items showing the largest increase are related to personnel expense and external consulting in connection with ongoing product development projects.

"**Distribution expense**" amounted to €26,856 thousand, up versus the same period of 2022 (+14.9%). The percentage of sales increases from 16.9% to 17.9%; the change is related mainly to increased personnel expense and increased sales and marketing initiatives and participation in trade fairs and events as well as customer visits.

"**Administrative and general expense**" amounted to €14,403 thousand at March 31, 2023, decreasing by 5.2% versus the comparison period and improving as a percentage of sales from 11.0% to 9.6%.

"**Other operating expense**", amounting to €583 thousand, increased versus the prior year and is represented mostly by non-income tax and duties and other operating costs.

Costs by type

The following table provides the details of total costs (cost of goods sold and total operating expense) by type:

	31.03.2023	31.03.2022	Change
Purchases	63,758	57,350	6,408
Personnel expense	48,065	44,523	3,542
Amortisation, depreciation and write-downs	9,295	8,725	570
Goods receipt and shipment expense	5,122	8,547	(3,425)
Travel and meetings expense	3,390	1,432	1,958
Consumables and R&D material	2,143	1,878	265
EDP expense	2,075	1,610	465
Marketing expense	1,491	1,057	434
R&D technical consultancies	1,350	1,021	329
Utilities	1,153	1,060	93
Legal, tax and other consulting	865	1,512	(647)
Fees	620	379	241
Directors' fees	584	577	7
Building expense	574	548	26
Royalties	531	672	(141)
Expense for plant and machinery and other assets	466	417	49
Telephone expense	456	467	(11)
Sundry service costs	428	464	(36)
Quality certification expense	387	424	(37)
Installations	382	469	(87)
Insurance	360	304	56
Audit fees	358	436	(78)
Non-warranty repairs	323	247	76
Vehicle expense	305	255	50
Entertainment expense	290	139	151
Recruitment fees	282	307	(25)
Repairs and warranty provision accrual	200	194	6
Subcontracted work	181	150	31
Other	887	690	197
Total cost of goods sold and operating costs	146,323	135,854	10,469

Purchases were up by €6,408 thousand (+11.2%) versus the same period of 2022, while the percentage of sales was 42.6%, up from 41.6% in first quarter 2022 as a result of the increase in material and procurement costs.

Personnel expense of €48,065 thousand (€44,523 thousand in first quarter 2022) increased by €3,542 thousand versus the prior year (+8.0%), with the percentage of sales remaining basically steady versus the same period of 2022, rising from 32.3% to 32.1%.

The detailed breakdown of personnel expense is as follows:

	31.03.2023	31.03.2022	Change
Wages and salaries	36,880	34,169	2,711
Social security charges	7,662	7,292	370
Post-employment benefits	700	815	(115)
Retirement benefits and the like	502	423	79
Other personnel expense	2,321	1,824	497
Total	48,065	44,523	3,542

The item **"amortisation, depreciation and write-downs"**, amounting to €9,295 thousand, increased by €570 thousand, due to continued increased expenditure incurred in recent years.

"Goods receipt and shipment expense", amounting to €5,122 thousand, fell sharply by €3,425 thousand versus the same period of the prior year; the percentage of sales was 3.4%, back in line with first quarter 2019.

"Travel and meetings expense" and **"Marketing expense"**, amounting to €3,390 thousand and €1,432 thousand, respectively, were up by a total of €1,958 thousand versus the same period of the prior year, as a result of increased business initiatives and participation in trade fairs and events as well as customer visits.

Note 18. Other revenue

At March 31, 2023, **"Other revenue"** amounted to €578 thousand, increasing by €374 thousand versus €204 thousand in the same period of the prior year, thanks to public grants received for research projects. Other revenue is broken down as follows:

	31.03.2023	31.03.2022	Change
Grants to Research and Development expense	280	8	272
Miscellaneous income and revenue	224	152	72
Rents	29	20	9
Gains from disposal of fixed assets	44	10	34
Contingent assets	1	0	1
Other	0	14	(14)
Total	578	204	374

Note 19. Financials

	31.03.2023	31.03.2022	Change
Financial income/(expense)	(541)	(413)	(128)
Foreign exchange differences	657	(884)	1,541
Bank expense	(417)	(309)	(108)
Dividends	91	0	91
Other	32	24	8
Total net financials	(178)	(1,582)	1,404

Financials ended with a negative €178 thousand, improving by €1,404 thousand versus a negative €1,582 thousand in the same period of the prior year, due primarily to the favourable trend in exchange rate differences.

Note 20. Tax

The Group's tax burden at March 31, 2023 is €763 thousand as shown below.

	31.03.2023	31.03.2022	Change
Pre-tax profit/(loss)	3,745	696	3,049
Tax income (expense) - for current tax	(568)	(704)	136
Tax income (expense) - for deferred and prepaid tax	6	1,337	(1,331)
Total Tax	(562)	633	(1,195)
Tax rate	15.0%	-90.9%	106.0%

The tax rate at March 31, 2023 reflects the distribution of the profit of the period among the various geographical areas in which the Group operates.

Note 21. Earnings/loss per share

Earnings/loss per share

As required by IAS 33, information on data used to calculate the earning/loss per share is provided below. Basic EPS is calculated by dividing the result for the period, profit and/or loss, attributable to Shareholders of the Parent Company by the weighted average number of shares outstanding during the reporting period. For the purpose of calculating diluted EPS, the weighted average number of shares outstanding is adjusted by assuming the conversion of all potential shares with dilutive effects (such as the share-based incentive plan), while the Group's net result is adjusted for the after-tax effects of conversion.

	31.03.2023	31.03.2022
Profit/(Loss) for the period attributable to the shareholders of the parent	3,182	1,329
Average number of shares (thousands)	56,610	56,446
Basic earnings/(loss) per share	0.06	0.02
Profit/(Loss) for the period attributable to the shareholders of the parent	3,182	1,329
Average number of shares (thousands) - Diluted effect	56,979	56,887
Diluted earnings/(loss) per share	0.06	0.02

TRANSACTIONS WITH SUBSIDIARIES THAT ARE NOT CONSOLIDATED LINE BY LINE, ASSOCIATES AND RELATED PARTIES

For the definition of "Related Parties", reference is made not only to IAS 24, approved by EC Regulation no. 1725/2003, but also to the Procedure for Related-Party Transactions approved by the Board of Directors on November 4, 2010 (last amended on June 23, 2021) available on the Company website www.datalogic.com. The parent company of the Datalogic Group is Hydra S.p.A.

Intercompany transactions are carried out as part of the ordinary operations and at normal market conditions. Additionally, there are related-party transactions carried out again in the ordinary course of business and at normal market conditions, of an immaterial amount pursuant to and for the purposes of the "RPT Procedure", attributable mainly to Hydra S.p.A. or to entities subject (with Datalogic S.p.A.) to common control or to persons exercising administrative and management functions at Datalogic S.p.A. (including entities controlled by them and close family members).

Related-party transactions refer mainly to commercial and property transactions (instrumental and non-instrumental premises for the Group leased or rented out), consulting services, and participation in tax consolidation. None of them are of particular economic or strategic importance to the Group, since receivables, payables, revenue, and expense from related parties do not have a material percentage impact on the total amounts of the financial statements.

Pursuant to Article 5, paragraph 8, of the CONSOB Regulations, it should be noted that, over the period 01.01.2023 – 31.03.2023, the Company's Board of Directors did not approve any transaction of greater significance, as set out by Article 3, paragraph 1, letter b) of the CONSOB Regulations, or any related-party transactions of a lesser significance that had a significant impact on the Group's equity position or results.

	Parent Company	Company controlled by Chairman of B.o.D.	Companies not consolidated on a line-by-line basis	31.03.2023
Investments	-	-	560	560
Trade receivables - accrued income and prepaid expense	-	11	2,555	2,566
Receivables from tax consolidation	1,807	-	-	1,807
Financial receivables	-	-	-	-
Payables from tax consolidation	2,013	-	-	2,013
Trade payables - accrued expense and deferred income	-	39	60	100
Financial payables	-	-	-	-
Commercial and service costs	-	301	30	330
Trade revenue	-	-	2,720	2,720
Other revenue	-	-	3	3

HEADCOUNT

	31.03.2023	31.03.2022	Change
Datalogic	2,987	2,809	178
Informatics	69	66	3
Total	3,056	2,875	181

The Chairman of the Board of Directors
(*Romano Volta*)

Annexes

ANNEXES

ANNEX 1

CERTIFICATION PURSUANT TO ARTICLE 154A, PARA. 2, LEG. DECR. NO. 58/1998

CONSOLIDATED INTERIM REPORT AT MARCH 31, 2023

The undersigned Alessandro D'Aniello, as the Manager responsible for the preparation of the Company's financial reports of Datalogic S.p.A., certify that, in accordance with the provisions of the second paragraph of Article 154-bis of Legislative Decree no. 58 of February 24, 1998, the Consolidated Interim Report at March 31, 2023 corresponds to the underlying records, books and accounting entries.

Lippo di Calderara di Reno (BO), May 11, 2023

Manager responsible for the preparation of the
Company's financial reports

Alessandro D'Aniello

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CONSOLIDATION SCOPE

The Consolidated Interim Report includes the interim statements of the Parent Company and of the companies in which it directly and/or indirectly has control or significant influence. The statements of the subsidiaries were duly adjusted, where necessary, to make them consistent with the Parent Company's Accounting Standards. The companies included in the consolidation scope at March 31, 2023, consolidated on a line-by-line basis, are shown hereunder:

Company name	Registered office	Share capital		Total equity (Euro/thousands)	Profit (loss) for the period (Euro/thousands)	% Ownership
		Currency	Amount			
Datalogic S.p.A.	Bologna – Italy	Euro	30,392,175	365,283	(14)	
Datalogic Real Estate France Sas	Courtabeuf Cedex – France	Euro	2,227,500	3,958	26	100%
Datalogic Real Estate UK Ltd.	Redbourn - United Kingdom of Great Britain	GBP	3,500,000	4,893	(31)	100%
Datalogic IP Tech S.r.l.	Bologna – Italy	Euro	65,677	32,902	(1,588)	100%
Informatics Holdings, Inc.	Plano, Texas - USA	USD	1,568	19,411	459	100%
Wasp Barcode Technologies Ltd	Redbourn - United Kingdom of Great Britain	GBP	0	270	6	100%
Datalogic (Shenzhen) Industrial Automation Co. Ltd.	Shenzhen - China	CNY	2,136,696	6,044	858	100%
Datalogic Hungary Kft	Balatonboglár - Hungary	HUF	3,000,000	(550)	(720)	100%
Datalogic S.r.l.	Bologna – Italy	Euro	10,000,000	147,582	(1,751)	100%
Datalogic Slovakia S.r.o.	Trnava - Slovakia	Euro	66,388	6,154	97	100%
Datalogic USA Inc.	Eugene OR - Usa	USD	100	258,059	2,496	100%
Datalogic do Brazil Comercio de Equipamentos e Automacao Ltda.	Sao Paulo - Brazil	BRL	20,257,000	799	72	100%
Datalogic Tecnologia de Mexico S.r.l.	Colonia Cuauhtemoc - Mexico	MXN	0	(421)	(9)	100%
Datalogic Scanning Eastern Europe GmbH	Langen - Germany	Euro	25,000	3,762	16	100%
Datalogic Australia Pty Ltd	Mount Waverley (Melbourne) - Australia	AUD	3,188,120	1,448	57	100%
Datalogic Vietnam LLC	Vietnam	USD	3,000,000	27,594	1,528	100%
Datalogic Singapore Asia Pacific Pte Ltd.	Singapore	SGD	3	3,705	116	100%
Datasensing S.r.l.	Modena - Italy	Euro	2,500,000	20,538	863	100%
M. D. Micro Detectors (TIANJIN) CO., LTD.	Tianjin - China	CNY	13,049,982	1,297	2	100%
Micro Detectors Ibérica, S.A.U.	Barcelona - Spain	Euro	120,000	1,406	158	100%
Datalogic Japan Co., Ltd.	Tokyo - Japan	JPY	9,913,000	87	(1)	100%
PEKAT s.r.o.	Brno - Czech Republic	CKZ	202,020	(85)	-	100%
Suzhou Mobydata Smart System Co. Ltd	Suzhou, JiangSu - China	CNY	161,224	6,675	(84)	51%

Companies consolidated by the equity method at March 31, 2023 are as follows:

Company name	Registered office	Share capital		Total equity (Euro/thousands)	Profit (loss) for the period (Euro/thousands)	% Ownership
Datasensor GmbH (*)	Otterfing - Germany	Euro	150,000	1	10	30%
CAEN RFID S.r.l. (***)	Viareggio LU - Italy	Euro	150,000	756	(114)	20%
R4I S.r.l. (***)	Benevento - Italy	Euro	131,250	279	(108)	20%
Datalogic Automation AB (**)	Malmö, Sweden	SEK	100,000	1,738	799	20%

(*) figures at December 31, 2020

(**) figures at June 30, 2022

(***) figures at December 31, 2021

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RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES (NON-GAAP MEASURES)

Below is a reconciliation of EBIT and Adjusted EBIT at March 31, 2023 versus March 31, 2022.

	31.03.2023		31.03.2022		Change
Adjusted EBIT	5,373	3.59%	4,474	3.24%	899
Special Items - Other Expense and (Income)	260	0.17%	748	0.54%	(488)
Special Items - D&A from acquisitions	1,191	0.80%	1,448	1.05%	(257)
Total	1,451	0.97%	2,196	1.59%	(745)
EBIT	3,922	2.6%	2,278	1.7%	1,644

Below is a reconciliation of EBITDA and Adjusted EBITDA at March 31, 2023 versus March 31, 2022.

	31.03.2023		31.03.2022		Change
Adjusted EBITDA	13,477	9.00%	11,752	8.52%	1,725
Cost of goods sold	7	0.00%	18	0.01%	(11)
Research and Development expense	65	0.04%	-	0.00%	65
Distribution expense	179	0.12%	267	0.19%	(88)
Administrative and General expense	9	0.01%	463	0.34%	(454)
Other (expense) income	-	0.00%	-	0.00%	-
Total	260	0.17%	748	0.54%	(488)
EBITDA	13,217	8.83%	11,004	7.98%	2,213

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RESTATEMENT 2022

Comparative results (March 31, 2022) have been restated, as required by IAS 1, in connection with reclassifications of certain items to ensure full comparability of the 2022 results with the 2023 results.

Restatement Income Statement 2022

(Euro/000)	31.03.2022	Restatement	31.03.2022 Restated
1) Revenue	137,928		137,928
Revenue from sale of products	127,891		127,891
Revenue from services	10,037		10,037
2) Cost of goods sold	80,040	2,524	82,564
Gross Operating Margin (1-2)	57,888		57,888
3) Other revenue	204		204
4) Research and development expense	14,505	(237)	14,268
5) Distribution expense	26,069	(2,700)	23,369
6) Administrative and general expense	14,779	412	15,191
7) Other operating expense	461		461
Total operating costs	55,814	(2,524)	53,290
EBIT	2,278		2,278
8) Financial income	5,246		5,246
9) Financial expense	6,828		6,828
Net Financials (8-9)	(1,582)		(1,582)
10) Profits from associates	-		-
Profit/(Loss) before tax from continuing operations	696		696
Income tax	(633)		(633)
Profit/(Loss) for the period	1,329		1,329
Basic earnings/(loss) per share (€)	0.02		0.02
Diluted earnings/(loss) per share (€)	0.02		0.02
<i>Attributable to:</i>			
Shareholders of the Parent Company	1,370		1,370
Non-controlling interests	(41)		(41)

