

# DATACOLOR AG

SEMI-ANNUAL REPORT **OCTOBER 1, 2021 TO MARCH 31, 2022**

Dear shareholders

Datacolor AG reported solid sales and operating earnings performance in the first half of fiscal 2021/22 despite the negative development of the market environment from the beginning of calendar year 2022. Both the broad product range, which is well positioned in the market, and the strong demand in all sales regions contributed to this result. Net sales increased by 14.7% (15.7% in local currency) to USD 42.3 million (previous year: USD 36.9 million). The gross margin increased to 65.5% (64.3%) despite higher material costs. The EBITDA margin corresponded to 11.0% (10.9%) and the EBIT margin to 9.0% (8.6%). Operating profit (EBIT) increased to USD 3.8 million (USD 3.2 million). Due to the strong upheavals on the financial markets, the financial result was negative at USD -1.4 million (USD +3.4 million) following a far above-average financial profit in the previous year and had a negative impact on net income. Compared to the exceptionally good previous year, net income declined significantly to USD 1.9 million (USD 5.3 million). Earnings per share amounted to USD 11.71 (USD 32.25). The average number of employees increased to 385 (366) driven by demand and investments in future growth of consumer and industrial products.

#### **Asia remains strongest growth area**

Datacolor recorded a pleasing increase in demand for digital color management solutions in value chains during the period under review. Market momentum was strongest in the Asia region, which at 41.7% again accounted for the largest share of sales, Europe corresponded to 31.2%, North and South America to 27.1%.

#### **Focus on launch of new products and new product development**

Datacolor continued to drive the successful launch of its Spectro 1000/700 product family. These state-of-the-art spectrophotometers meet the requirements of the Internet of Things (IoT) and were developed for value chains of customers in a wide range of industries in particular textile and apparel as well as paint and coatings where accurate digital color management is critical. Furthermore, Datacolor has launched CloudQC, its first SaaS (Software as a Service) color quality control application, CloudQC, designed to assist color professionals with the evaluation of digital color samples from anywhere, at any time. During the coming months Datacolor will continue to add industry-specific functionality to this application, allowing for a wider number of use cases, assisting also new customers in managing color digitally.

#### **Strong balance sheet**

At the end of March 2022, Datacolor had total assets of USD 78.8 million (September 30, 2021: USD 83.7 million) and substantial net cash (including financial assets) of USD 45.4 million (September 30, 2021: USD 51.9 million). Datacolor remains debt-free. Shareholders' equity amounted to USD 46.2 million (September 30, 2021: USD 52.5 million) and the equity ratio corresponded to 58.6% (September 30, 2021: 62.7%).

**Outlook**

The Board of Directors and Management of Datacolor expect sales and operating profit in fiscal 2021/22 to exceed the previous year's result, assuming that the various closures, particularly in China, are lifted as quickly as possible, that the situation in the supply sector normalizes, and that the war in Ukraine has no further impact. With its lean, rejuvenated organization, high cash position and solid equity base, Datacolor has the flexibility to expand its market position organically and, if possible, also through targeted acquisitions.

Rotkreuz, May 6, 2022

Datacolor AG

A handwritten signature in black ink, appearing to be 'W. Dubach', written in a cursive style.

Werner Dubach  
Chairman of the Board of Directors

## KEY FIGURES DATACOLOR

in USD million	Half-year 2021/22	Half-year 2020/21
<b>Net sales</b>	<b>42.3</b>	<b>36.9</b>
Change relative to previous period in %	14.7%	5.2%
<b>EBITDA</b>	<b>4.6</b>	<b>4.0</b>
Change relative to previous period in %	15.7%	3.7%
as a % of net sales	11.0%	10.9%
<b>EBIT</b>	<b>3.8</b>	<b>3.2</b>
Change relative to previous period in %	18.9%	13.9%
as a % of net sales	9.0%	8.6%
<b>Net result for the period</b>	<b>1.9</b>	<b>5.3</b>
Change relative to previous period in %	-64.1%	450.4%
as a % of net sales	4.5%	14.4%
as a % of average shareholders' equity	3.9%	11.4%
<b>Cash flow from operating activities</b>	<b>3.4</b>	<b>4.3</b>
Change relative to previous period in %	-19.7%	178.3%
as a % of net sales	8.1%	11.6%
<b>Cash flow from investing activities</b>	<b>1.8</b>	<b>-2.2</b>
Change relative to previous period in %	181.6%	-40.2%
as a % of cash flow from operating activities	52.0	-51.2%
<b>Free cash flow</b>	<b>5.2</b>	<b>2.1</b>
Change relative to previous period in %	150.0%	122.9%
as a % of net sales	12.3%	5.6%
<b>Average number of employees</b>	<b>385</b>	<b>366</b>
<b>Personnel expenses</b>	<b>17.8</b>	<b>17.0</b>
	<b>31.03.2022</b>	<b>30.09.2021</b>
<b>Total assets</b>	<b>78.8</b>	<b>83.7</b>
<b>Shareholders' equity</b>	<b>46.2</b>	<b>52.5</b>
as a % of total assets	58.6%	62.7%
<b>Net liquidity including financial assets</b>	<b>45.4</b>	<b>51.9</b>
	<b>Half-year 2021/22</b>	<b>Half-year 2020/21</b>
<b>Per share data <sup>1)</sup></b>		
Average number of shares	163 335	165 081
Earnings per share in USD (non-diluted)	11.71	32.25
Free cash flow per share in USD	31.89	12.62
Shareholders' equity per share in USD	282.68	292.43

<sup>1)</sup> Calculation is based on the weighted average number of shares outstanding (issued shares less treasury shares).

## ADDITIONAL GEOGRAPHIC INFORMATION

in TUSD	Half-year 2021/22	in % of total	Half-year 2020/21	in % of total
<b>Net sales to third parties</b>	<b>42 301</b>	100.0%	<b>36 889</b>	100.0%
Europe	13 225	31.2%	13 280	36.0%
America	11 445	27.1%	10 329	28.0%
Asia/Pacific	17 631	41.7%	13 280	36.0%
	<b>31.03.2022</b>	in % of total	<b>31.03.2021</b>	in % of total
<b>Assets</b>	<b>78 779</b>	100.0%	<b>77 248</b>	100.0%
Europe	40 898	52.0%	46 345	60.0%
America	13 187	16.7%	13 532	17.5%
Asia/Pacific	24 694	31.3%	17 371	22.5%
	<b>Half-year 2021/22</b>	in % of total	<b>Half-year 2020/21</b>	in % of total
<b>Average number of employees</b>	<b>385</b>	100.0%	<b>366</b>	100.0%
Europe	79	20.5%	74	20.3%
America	114	29.6%	107	29.2%
Asia/Pacific	192	49.9%	185	50.5%

### Key dates

October 27, 2022  
November 17, 2022  
December 7, 2022

Key figures 2021/22  
Publication annual report 2021/22  
Annual general meeting of shareholders 2021/22