PRESS RELEASE

DATALOGIC (Star: DAL)

BOARD OF DIRECTORS APPROVES THE CONSOLIDATED INTERIM REPORT AT 31 MARCH 2021

- **Q1 Revenues at €135.4 million; up 17.4% at constant exchange rates year-over-year**
- ***Adjusted* EBITDA tripled at €21.6 million compared to the first quarter of 2020; *Adjusted* EBITDA *margin* at 16.0%**
- **Net Profit at €9.0 million**
- **Net Debt at €30.9 million; Positive Net Financial Position at €4.0 million before MD acquisition**
- **Strong growth for the newly acquired MD Microdetectors, contributing by 2.5% to Group period growth**

Bologna, 13 May 2021 - The Board of Directors of Datalogic S.p.A. (Borsa Italiana S.p.A.: DAL), a company listed in the STAR Segment of the Italian Stock Exchange organised and managed by Borsa Italiana S.p.A. ("Datalogic") and global leader in the automatic data capture and industrial automation sectors, approved today its Consolidated Interim Report at 31 March 2021.

The results for the first quarter of 2021, which closed with revenues increasing by 13.6% to €135.4 million, 17.4% at constant exchange rates, EBITDA tripled at €21.6 million and net profit at €9.0 million, confirm the start of the economic recovery, whose first signs began from the fourth quarter of 2020, but strengthened in 2021 in all geographies and Industries. Thanks to the efficiency program launched last year, the Group returned to pre Covid margin levels, with an Adjusted EBITDA margin of 16.0% and a net profit margin of 6.7%.

Datalogic Group CEO, Valentina Volta, stated as follows: *"We are particularly satisfied of the results achieved in the first quarter of the year. With an order intake over 30%, we recorded a 15% increase in organic turnover, net of foreign exchange effect, constrained by the shortage of components that impacted the industry in the post Covid recovery. On the margin side, we returned to pre Covid levels, recording our best ever performance in the first quarter of the year, thanks to efficiencies achieved on fixed costs while maintaining a level of R&D investment at approximately 11% of turnover. The post Covid recovery in all sectors in which we operate and across all geographies along with the current order trend make us confident of a full recovery this year of the 2020 revenue downturn with a growth over 40% in the second quarter."*

	Quarter ended						
	31.03.2021	*% on Revenues*	**31.03.2020 Restated**	*% on Revenues*	**Change**	% change	**% ch. net FX**
Revenues	**135,413**	*100.0%*	**119,188**	*100.0%*	**16,225**	13.6%	17.4%
Adjusted EBITDA	**21,602**	*16.0%*	**7,220**	*6.1%*	**14,382**	199.2%	177.3%
EBIT	**13,064**	*9.6%*	**(1,295)**	*-1.1%*	**14,359**	n.a.	n.a.
Net Profit/(Loss) for the period	**9,029**	*6.7%*	**(4,265)**	*-3.6%*	**13,294**	n.a.	n.a.
Net financial position (NFP)	**(30,936)**		**(21,004)**		**(9,932)**		

The comparative economic data as at 31 March 2020 were restated following the sale of the controlling interest in Solution Net Systems Inc. in the second half of 2020 and the consequent classification of the comparative economic results of that investee as results from discontinued operations. The income statement and balance sheet figures as at 31 March 2021 include the balances of MD Group consolidated from 1 March 2021.

As at 31 March 2021, the Group reported **revenues** at €135.4 million, increasing by €16.2 million, equal to 13.6% (17.4% at constant exchange rates), over the €119.2 million recorded in the first quarter of 2020. Organic growth (net of the exchange rate effect and of the acquisition of the MD Group) was 15.0% and confirms the acceleration of the economic recovery, whose signs were partly evident from the fourth quarter of 2020, but strengthened in all geographical areas in 2021. MD Microdetectors contributed by 2.5% to first-quarter growth, marking a double-digit increase compared to the same period of last year.

Gross Operating Margin amounted to €63.5 million, with an incidence on the turnover of 46.9% (47.9% as at 31 March 2020), progressively improving compared to the performance of the last quarter of 2020, while still suffering from the inflationary effects of the shortage of critical components and logistics costs that cannot be offset by the competitive price dynamics in the economic scenario caused by the pandemic.

Operating and other costs, amounting to €48.5 million, decreased by 13.2% compared to €55.9 million in the first quarter of 2020. The strategy defined in 2020 and still being implemented, made it possible to achieve both structural and temporary efficiencies, which allowed the Group to invest resources more selectively in strategic activities, continuing to support growth. This cost reduction combined with the recovery in volumes has contributed to the improvement of the incidence of operating expenses by 11.1%, from 46.9% to 35.8%.

Research and Development expenses, amounting to €13.7 million (€16.8 million as at 31 March 2020), reached 10.1% on revenues, compared to 14.1% in the first quarter of the previous year, thanks to a strategy of selectivity on investments and the conclusion of important product development projects mainly in the mobile segment.
Research and Development total spending, gross of capital expenditure, amounted to €14.4 million, down by €4.3 million compared to the same period of 2020, reaching 10.6% on revenue compared to 15.7% in the previous period, with a decrease of 5.1 percentage points.

Distribution expenses amounted to €23.0 million, decreasing by 19.0% compared to the first quarter of 2020 (€28.4 million in 2020), with an incidence on revenues of 17.0% compared to 23.8% as at 31 March 2020, thanks to the efficiencies achieved on sales, distribution and marketing costs both as a result of the new sales organisation model and the postponement of commercial events and trade fairs that are still limited, at least for most of the first half of 2021, by the restrictive Covid measures.

Adjusted EBITDA was €21.6 million, tripled compared to the same period last year (€7.2 million in the same quarter of 2020). The **Adjusted EBITDA margin** as at 31 March 2021 was 16.0% compared to 6.1% recorded in the same period of previous year. The trend in margins, which constantly grew for the fourth consecutive quarter, returned to pre Covid-19 levels, recording the best performance ever in the first quarter of the year, despite the pressures on prices, mitigated by the efficiencies achieved on overhead costs that made it possible to protect margins in a market context that is still complex, albeit recovering.

EBIT was €13.1 million, equal to 9.6% of revenues, returning to pre-pandemic levels.

Net financial Income (Expenses), negative by €1.0 million, recorded an improvement of €4.0 million compared to the first quarter of last year when it suffered the negative effects of exchange rate differences and the performance of financial markets which penalised the fair market values of cash equivalent investments.

Net profit for the period was €9.0 million, equal to 6.7% of revenues, while in the first quarter of 2020 the Group recorded a loss of €4.3 million.

Net Trade Working Capital as at 31 March 2021 amounted to €72.9 million, recording an increase of €25.1 million compared to 31 December 2020. The percentage incidence on turnover rose from 10.0% in 2020 to 14.7% in 2021. The change in the period is due to the resumption of growth in volumes, which led to an increase in inventories by €19.4 million, also due to the need to deal with the shortage of some electronic and plastic components; there was an increase in trade receivables by €14.3 million, partly offset by the greater trade exposure to suppliers by €8.7 million. The change in the consolidation area following the acquisition of MD contributed to the change in working capital by €6.3 million.

Net Invested Capital, amounting to €422.1 million (€362.1 million as at 31 December 2020), recorded an overall increase of €60.0 million due to the increase in trade working capital by €19.9 million as well as the increase in fixed asset by €40.3 million. Fixed assets increased mainly due to the business combination relating to the MD acquisition, represented for €2.6 million by tangible assets and for €26.6 million by intangible assets, of which €25.6 million for the recognition of Goodwill, as well as exchange rate effects for €9.6 million and net investments for €2.7 million.

Net Financial Position as at 31 March 2021 was negative at €30.9 million; the change in the period of €39.1 million is due for €35.0 million to the MD acquisition, net of which and despite the seasonality the net financial position would have been positive for €4.0 million compared to €8.2 million as at 31 December 2020. As at 31 March 2021, the Group had credit lines amounting to €319 million, of which €182 million unused, including €100 million long-term and €82 million short-term. Compared to the first quarter of 2020, cash flow from operations improved by around €26.0 million thanks to volumes and margin recovery of combined the selectivity of investments.

PERFORMANCE BY GEOGRAPHICAL AREA

The following table shows the breakdown by geographical area of the Group's revenues achieved in the first quarter of 2021, compared to the same period of the previous year:

	Quarter ended						
	31.03.2021	%	31.03.2020 Restated	%	Change	%	% ch. net FX
Italy	*14,050*	*10.4%*	*11,756*	*9.9%*	*2,293*	*19.5%*	*19.5%*
EMEAI (excluding Italy)	*67,334*	*49.7%*	*59,502*	*49.9%*	*7,832*	*13.2%*	*14.3%*
Total EMEAI	81,384	60.1%	71,258	59.8%	10,126	14.2%	15.1%
Americas	36,011	26.6%	34,787	29.2%	1,224	3.5%	12.9%
APAC	18,018	13.3%	13,143	11.0%	4,875	37.1%	41.9%
Total Revenues	**135,413**	**100.0%**	**119,188**	**100.0%**	**16,225**	**13.6%**	**17.4%**

The first quarter of 2021 shows very strong growth in all regions, particularly EMEAI achieved an increase in revenues of 14.2% (+ 15.1% net of the exchange rate effect and + 12.0% organic) compared to 31 March 2020. Italy confirmed, like the last quarter of 2020, a double-digit performance, followed by an almost widespread growth in all other countries in the area, with more appreciable trends in the Benelux, Spain and the UK.

The **AMERICAS** area, the Group's second market, returned to achieving its first positive results after the decline experienced throughout 2020, recording 12.9% growth at constant exchange rates, albeit penalised by the exchange rate effect, net of which the increase in turnover would have been of 3.5%. Canada and the United States are leading the start of economic recovery in the region, while in Latin America the negative effects of the pandemic are slowing down the recovery.

The **APAC** region grew by 37.1% (+ 41.9% at constant exchange rates), compared to the first quarter of 2020, with a more appreciable performance than the other geographic areas due in part to the comparison basis with the first quarter of 2020 which was already affected by the first pandemic wave and the first lockdowns . The overall contribution to the Group's turnover also improved by around two percentage points compared to the same quarter of 2020, thanks in particular to China, but with growth trends also in Japan and Korea.

PERFORMANCE BY DIVISION

	Quarter ended						
	31.03.2021	%	31.03.2020 Restated	%	Change	% change	% ch. net FX
Datalogic	131,163	96.9%	115,252	96.7%	15,911	13.8%	17.5%
Informatics	4,425	3.3%	4,187	3.5%	238	5.7%	14.5%
Adjustments	(175)	-0.1%	(251)	-0.2%	76		
Total Revenues	**135,413**	**100.0%**	**119,188**	**100.0%**	**16,225**	**13.6%**	**17.4%**

DATALOGIC DIVISION

As at 31 March 2021, the **Datalogic** division recorded sales **revenues** of €131.2 million, increasing by 13.8% compared to 31 March 2020 (+ 17.5% at constant exchange rates). **Adjusted EBITDA** of the division amounted to €21.0 million, marking an incidence on turnover of 16.0% (6.1% as at 31 March 2020).

Below is the breakdown by industry of the Datalogic Division's revenues:

	Quarter ended						
	31.03.2021	%	31.03.2020 Restated	%	Change	% change	% ch. Net FX
Retail	49,647	37.9%	50,578	43.9%	(931)	-1.8%	2.1%
Manufacturing	33,153	25.3%	26,755	23.2%	6,398	23.9%	26.7%
Transportation & Logistics	15,479	11.8%	9,355	8.1%	6,124	65.5%	71.2%
Healthcare	4,571	3.5%	3,549	3.1%	1,022	28.8%	35.2%
Channel	28,313	21.6%	25,015	21.7%	3,298	13.2%	16.0%
Total Revenues	**131,163**	**100.0%**	**115,252**	**100.0%**	**15,911**	**13.8%**	**17.5%**

- **Retail**

  The Retail industry, the main segment of the Group with 37.9% of divisional turnover (43.9% as at 31 March 2020), recorded a slight decrease of 1.8% compared to the same period of 2020, penalised by the exchange rate effect, net of which it would have been increasing by 2.1%. The very positive performance of APAC, which recorded an increase of + 35.4% (+ 40.9% at constant exchange rates), and in the EMEAI region of 7.6% (+ 9.0% at constant exchange rates), offset the weakness of the US market (-21.3% and -13.9% net of exchange rate), which suffered from an unfavourable basis of comparison with the previous year where it benefited from the completion of important contracts. In this segment, the food sector, less impacted by the contraction in demand due to Covid, saw a greater acceleration of the recovery compared to the non-food sector, to which the Group is less exposed.

- **Manufacturing**

  The Manufacturing segment grew by 23.9% (26.7% at constant exchange rates), with a particularly positive trend in the APAC area, which recorded an increase of 42.1%, and EMEAI, which grew by 21.5% thanks to the recovery of the automotive and packaging segments.

- **Transportation & Logistics**

  The Transportation & Logistics sector closed the first quarter of the year with an overall growth of 65.5% (+ 71.2% at constant exchange rates) compared to the first quarter of 2020, with double-digit increases in all areas, particularly in the Courier Express Parcel and Airport segments, where the Group was awarded new projects at the end of 2020.

- **Healthcare**

  The Healthcare sector closed the period with a positive result of + 28.8% compared to the previous period (+ 35.2% at constant exchange rates). The EMEAI region was stable, with very good signs of recovery in the AMERICAS (+ 16.7% and 27.6% at constant exchange rates) and in APAC compared to 31 March 2020. The sector was highly appreciative of Datalogic's products offer containing disinfectant-ready and anti-microbial plastics, perfectly satisfying the increased sanitation needs due to the pandemic.

- **Channel**

  Sales through the distribution channel to small and medium-sized customers benefitted from the gradual economic recovery and saw an increase of 13.2% (16.0% at constant exchange rates) with an excellent performance in the United States, followed by EMEAI, particularly Italy, offsetting a less brilliant performance in APAC.

INFORMATICS DIVISION

The **Informatics Division** achieved turnover of €4.4 million in the first quarter of 2021 (€4.2 million as at 31 March 2020), an increase of 5.7% compared to the same period of the previous year (+ 12.3% at constant exchange rates). The *Adjusted* EBITDA margin was 12.3% compared to 5.2% in the first quarter of 2020. The division was able to take advantage of the first signs of recovery in the US market, continuing the positive performance already begun in the fourth quarter of 2020. The overall increase in volumes and a mix that sees growth in particular in the services segment (*SaaS*), combined with operating efficiencies, makes it possible to achieve higher margins than those achieved in recent years by the division.

SIGNIFICANT EVENTS DURING THE YEAR

COVID-19 DISCLOSURE

Although the health emergency has still not been fully resolved at global level, it is believed that the vaccine campaigns, the management of new waves of the pandemic with more localised restrictions and the Governments economic support and development measures, laid the foundations for the start of a moderate economic recovery.

As at the date of drafting of this Interim Report, the Group continues to witness a recovery in the order intake with respect to the corresponding period in the previous year in all regions, accompanied, conversely, by shortages in some critical components that are affecting the sector and contributes to the dilution of delivery times from suppliers and to customers. The Group operates under production continuity by carefully using alternative supply channels and the continuous replanning of activities and production resources in order to minimise potential inefficiencies.

Taking into account the above-mentioned scenario which is both showing signs of recovery and uncertainty, in drawing up this Interim Report, the Directors updated the estimates to evaluate assets and liabilities in the financial statements, in order to reflect any impacts on these from the Covid-19 pandemic. The results which will be achieved in the following years, owing to the current situation of uncertainty, could however differ from those reported, in particular with reference to the following: financial assets measured at fair value; measurement of the Stock Grant plan; impairment of non-financial assets, recoverability of capitalised development costs and deferred tax assets.

OTHER EVENTS IN THE YEAR

On 1 March 2021, the acquisition of the entire share capital of M.D. Micro Detectors S.p.A. from the Finmasi Group, through the subsidiary Datalogic S.r.l., was completed. M.D. Micro Detectors S.p.A. is an Italian-based company active in the design, production and sale of industrial sensors. The acquisition took place for a consideration of approximately 37 million Euro.

SUBSEQUENT EVENTS

On 29 April 2021, the Shareholders' Meeting appointed the new Board of Directors in office for the financial years 2021-2023 and resolved to distribute an ordinary unit dividend, gross of legal withholdings, of €17 cents per share, for an overall amount of €9.9 million.

BUSINESS OUTLOOK

During the first quarter of 2021 the Group was able to take advantage of the first signs of economic recovery, achieving double-digit organic growth in all areas despite the uncertainty caused by Covid outbreak and the shortage of components that slowed down the top line growth in the first months of the year.

The recovery of all markets in the first quarter of 2021 was more marked in Asia where organic growth of 40.6% includes also a comparison with the previous year which was more penalised by the effects of Covid-19. The organic performance of the European and American markets, at + 12.0% and + 11.2% respectively, shows particularly positive trends, both in terms of a comparison with the first quarter of 2020 characterised by substantially pre-Covid performance and the improved trend compared to the last quarter of 2020.

Despite the fact that some elements of uncertainty remain regarding the containment effects of the pandemic through the execution of the vaccination plans and the shortages of components, the solid growth rate in the order intake in all geographic areas and an exceptionally high backlog compared to the same period of 2020, allow to forecast very positive expectations for the second quarter of the year, when the Group expects to achieve a revenue growth of approximately 40% compared to the second quarter of the previous year. Despite the increasing pressure on gross margin due to the shortage, the efficiencies reached, and a more flexible cost structure allow to maintain the operating profit forecasts for the second quarter in line with the performance of the first quarter.

Growth forecasts for the full year of 2021 remain positive and double digit, in a range between 16% and 20% compared to 2020. The Group continues to balance investments and cost control as the market and the inflationary trend evolve, without neglecting the strategic product development roadmap. Despite the recovery in volumes could require to invest in strategic and operational resources, for the current year the Group maintains the objective of improving EBITDA between 2 and 3 points compared to 2020.

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Finally, it should be noted that the Interim Financial Report of Datalogic S.p.A. as at 31 March 2021 is not audited and it will be available to anyone who requests it from the company headquarters, Borsa Italiana S.p.A. (www.borsaitaliana.it), and the “eMarket STORAGE” authorised storage mechanism, managed by Spafid Connect S.p.A., and may be viewed on the company’s website, www.datalogic.com (Investor Relations section), in accordance with the terms set out by law.

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The Manager in charge of drawing up the Company’s accounting statements, Laura Bernardelli, hereby declares, pursuant to paragraph 2, art. 154-bis of the Consolidated Law on Finance, that the accounting disclosure contained in the press release corresponds to the documented results and accounting records.

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It should also be noted that this press release contains forward-looking statements concerning the intentions, beliefs or current expectations of the Group in relation to the financial results and other aspects of the Group's activities and strategies. Readers of this press release must not place undue reliance on these forward-looking statements as the final results could differ materially from those contained in said forecasts as a result of a multitude of factors, the majority of which are outside the Group's control.

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Datalogic Group

Datalogic is a global leader in the automatic data capture and process automation markets, specializing in the design and production of bar code readers, mobile computers, sensors for detection, measurement and safety, RFID vision, and laser marking systems. Datalogic solutions help increase the efficiency and quality of processes in the retail, manufacturing, transportation and logistics, and healthcare industries along the entire value chain.

The world's leading players in these industries use Datalogic products, certain of the attention to the customer and of the quality of the products that the Group has been offering for 48 years.

Today Datalogic Group, headquartered in Bologna (Italy), employs approximately 2,826 staff worldwide, distributed in 27 countries, with manufacturing and repair facilities in the U.S.A, Italy, Slovakia, Hungary, Vietnam. In 2020, Datalogic had a turnover of 479.8 million Euros and invested over 52 million Euros in research and development, with an asset of more than 1,200 patents in multiple jurisdictions.

Datalogic S.p.A. is listed in the STAR segment of the Italian Stock Exchange since 2001 as DAL.MI. Find more information about Datalogic at www.datalogic.com.

Datalogic and the Datalogic logo are registered trademarks of Datalogic S.p.A. in many countries, including the U.S.A. and the E.U.

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RECLASSIFIED CONSOLIDATED INCOME STATEMENT AS AT 31 MARCH 2021 (1)

	Quarter ended					
	31.03.2021		31.03.2020 Restated		Change	% change
Revenues	**135,413**	**100.0%**	**119,188**	**100.0%**	**16,225**	**13.6%**
Cost of goods sold	(71,892)	-53.1%	(62,133)	-52.1%	(9,759)	15.7%
Gross Operating Margin	**63,521**	**46.9%**	**57,055**	**47.9%**	**6,466**	**11.3%**
Research and Development expenses	(13,740)	-10.1%	(16,782)	-14.1%	3,042	-18.1%
Distribution expenses	(22,981)	-17.0%	(28,375)	-23.8%	5,394	-19.0%
General and administrative expenses	(11,508)	-8.5%	(11,462)	-9.6%	(46)	0.4%
Other operating (expenses)/income	(277)	-0.2%	731	0.6%	(1,008)	n.a.
Total operating and other costs	**(48,506)**	**-35.8%**	**(55,888)**	**-46.9%**	**7,382**	**-13.2%**
Non-recurring costs/revenues and write-downs	(968)	-0.7%	(1,228)	-1.0%	260	-21.2%
Amortisation from acquisitions	(983)	-0.7%	(1,233)	-1.0%	250	-20.3%
EBIT	**13,064**	**9.6%**	**(1,295)**	**-1.1%**	**14,359**	**n.a.**
Financial Income/(Expenses)	(769)	-0.6%	(2,266)	-1.9%	1,497	-66.1%
Foreign exchange gains/(losses)	(196)	-0.1%	(2,758)	-2.3%	2,562	-92.9%
Profit/(Loss) before taxes (EBT)	**12,099**	**8.9%**	**(6,319)**	**-5.3%**	**18,418**	**n.a.**
Taxes	(3,070)	-2.3%	2,195	1.8%	(5,265)	n.a.
Net Profit/(Loss) for the period from continuing operations	**9,029**	6.7%	**(4,124)**	-3.5%	13,153	n.a.
Net Profit/(Loss) for the period from discontinued operations	**-**	**0.0%**	**(141)**	**-0.1%**	**141**	**-100.0%**
Net Profit/(Loss) for the period	**9,029**	**6.7%**	**(4,265)**	**-3.6%**	**13,294**	**n.a.**
Non-recurring costs/revenues and write-downs	(968)	-0.7%	(1,228)	-1.0%	260	-21.2%
Depreciation of tangible assets and rights of use	(4,125)	-3.0%	(4,475)	-3.8%	350	-7.8%
Depreciation of intangible assets	(3,445)	-2.5%	(2,812)	-2.4%	(633)	22.5%
Adjusted EBITDA	**21,602**	**16.0%**	**7,220**	**6.1%**	**14,382**	**199.2%**

(1) Adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation) or Gross Operating Margin: is a performance indicator not defined under IFRS. However, the management uses it to monitor and assess the company's operating performance, as it is not influenced by volatility due to the various valuation criteria used to determine taxable income, by the total amount and nature of the capital involved or by the related depreciation and amortisation policies. Datalogic defines it as Profit/loss for the year from continuing operation before depreciation of tangible and right of use assets and amortisation of intangible assets, non-recurring costs/revenues, financial income and expenses and taxes.

RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021 (2)

	31.03.2021	31.12.2020	Change	% change
Intangible assets	61,264	59,175	2,089	3.5%
Goodwill	204,575	171,372	33,203	19.4%
Tangible assets	106,523	103,406	3,117	3.0%
Financial assets and investments in associates	8,627	8,723	(96)	-1.1%
Other non-current assets	44,245	42,265	1,980	4.7%
Total Fixed Assets	**425,234**	**384,941**	**40,293**	**10.5%**
Trade receivables	80,865	66,563	14,302	21.5%
Trade payables	(105,657)	(97,006)	(8,651)	8.9%
Inventories	97,687	78,271	19,416	24.8%
Net Trade Working Capital	**72,895**	**47,828**	**25,067**	**52.4%**
Other current assets	28,808	28,274	534	1.9%
Other current liabilities and provisions for risks	(59,388)	(53,708)	(5,680)	10.6%
Net Working Capital	**42,315**	**22,394**	**19,921**	**89.0%**
Other non-current liabilities	(33,892)	(33,958)	66	-0.2%
Post-employment benefits	(7,273)	(6,862)	(411)	6.0%
Non-current Provisions for risks	(4,267)	(4,375)	108	-2.5%
Net Invested Capital	**422,117**	**362,140**	**59,977**	**16.6%**
Shareholders' Equity	**(391,181)**	**(370,358)**	**(20,823)**	**5.6%**
Net financial position (NFP)	**(30,936)**	**8,218**	**(39,154)**	**-476.4%**

(2) The reclassified equity and financial analysis show the aggregations used by the Management to evaluate the Group's equity-financial performance. These are measures generally adopted in financial disclosure practice, which can be immediately related to the accounting data in the primary financial statements which, however, are not identified as accounting measurements in the IFRS.

CONSOLIDATED NET FINANCIAL POSITION AS AT 31 MARCH 2021 (3)

	31.03.2021	31.12.2020
A. Cash and bank deposits	109,316	137,440
B. Other cash equivalents	12	11
b1. restricted cash	*12*	*11*
C. Securities held for trading	-	-
D. Cash and cash equivalents (A) + (B) + (C)	**109,328**	**137,451**
E. Current financial receivables	**4,792**	**12,189**
e1. other current financial receivables	*2,660*	*10,152*
e2. financial receivables	*2,132*	*2,037*
F. Bank overdrafts	271	31
G. Current portion of non-current debt	54,116	52,860
H. Other current financial liabilities	6,121	4,875
h1 leasing payables	*3,648*	*3,375*
h2. current financial liabilities	*2,473*	*1,500*
I. Current financial debt (F) + (G) + (H)	**60,508**	**57,766**
J. Current Net Financial Debt (Net Financial Position) (I) - (E) - (D)	**(53,612)**	**(91,874)**
K. Non-current bank borrowing	78,578	77,893
L. Bonds	-	-
M. Other non-current liabilities	5,970	5,763
m1. leasing payables	*5,970*	*5,763*
N. Non-current financial Debt (K) + (L) + (M)	**84,548**	**83,656**
O. Net Financial Debt (Net Financial Position) (J) + (N)	**30,936**	**(8,218)**

(3) NFP (Net Financial Position) or Net Financial Debt: this indicator is calculated based on provisions set out by Consob Communication no. 15519 of 28 July 2006. This indicator includes also "Other financial assets" represented by temporary cash investments and financial liabilities for operating leases resulting from the application of the new IFRS 16 accounting standard.

RECONCILIATION OF ALTERNATIVE PERFORMANCE INDICATORS (NON-GAAP MEASURES)

The following table shows the reconciliation between EBITDA and Adjusted EBITDA as at 31 March 2021, compared with 31 March 2020.

	31.03.2021		31.03.2020 Restated		Change
Adjusted EBITDA	**21,602**	**15.95%**	**7,220**	**6.06%**	**14.382**
Cost of goods sold	24	0.02%	379	0.32%	(355)
Research and Development expenses	-	0.00%	102	0.09%	(102)
Distribution expenses	596	0.44%	405	0.34%	191
General and administrative expenses	347	0.26%	342	0.29%	5
Other operating (expenses)/income	-	0.00%	-	0.00%	-
Non-recurring costs/revenues and write-downs	**968**	**0.71%**	**1,228**	**1.03%**	**(260)**
EBITDA	**20,634**	**15.24%**	**5,992**	**5.03%**	**14,642**

Non-recurring costs and revenues are shown hereunder.

	31.03.2021	31.03.2020 Restated	Change
Covid-19	-	635	(635)
Reorganisation	968	501	467
Other	-	92	(92)
Total	**968**	**1,228**	**(260)**

Non-recurring costs and revenues relate to income and expenses recognised and incurred in relation to some reorganisation processes targeted at the optimisation of the sales structure, of the industrial footprint and the offices. These processes involved an assessment of the existing organisational structure in the aforementioned areas, as well as the execution of the plans to implement the new model, which involved, among others, also some change to internal processes, information systems and the managerial control model.

RESTATEMENT OF SEGMENT DISCLOSURE

As envisaged by the International Accounting Standards on segment reporting, in the event of a reorganisation of the business segments, the comparative periods are restated to allow a like-for-like comparison. Below are the restated results following the reorganisation of the commercial function launched in 2020, in which some revenue allocation criteria to geographical areas and business segments have been partially redefined to ensure coverage of the various types of end-user and partner customers, as well as geographical areas.

REVENUES BY GEOGRAPHICAL AREA

	31.03.2020 Reported (*)	*Restatement*	31.03.2020 Restated
Italy	*11,750*	*6*	*11,756*
EMEAI (excluding Italy)	*59,493*	*9*	*59,502*
Total EMEAI	71,243	15	71,258
Americas	34,802	(15)	34,787
APAC	13,143	-	13,143
Total Revenues	**119,188**		**119,188**

** Comparison data related to 2020 were restated following the classification of the investee Solution Net Systems under discontinued operations.*

REVENUES BY BUSINESS SEGMENT

	31.03.2020 Reported	*Restatement*	31.03.2020 Restated
Retail	47,273	(3,305)	50,578
Manufacturing	25,935	(820)	26,755
Transportation & Logistic	8,513	(842)	9,355
Healthcare	4,076	527	3,549
Channel	29,454	4,439	25,015
Total Revenues	**115,252**		**115,252**

As part of the reorganisation of the commercial function, the revenue allocation criteria were partially modified, assigning sales to the end-users of partner customers, and previously classified in the industries, according to a criterion of predominance of turnover as communicated by the distribution network, to the Channel sector. This category includes revenues not directly attributable to the other identified segments.

The new approach allows for an even more accurate measurement of the performance of the individual sectors, to which only the revenues relating to direct sales made to end-user customers based on their respective segment are attributed. The rationale behind the change in approach is guided by the desire to make the measurement of market trends of the individual sectors more accurate and prompter in order to strengthen the effectiveness and timeliness of the strategic decisions of go to market.