

COGNEX

INVESTOR DAY 2025

Advanced machine vision made easy*

**Easy is Hard to Do!*

JUNE 10, 2025

Welcome



Greer Aviv
Head of Investor Relations

Forward-looking statements

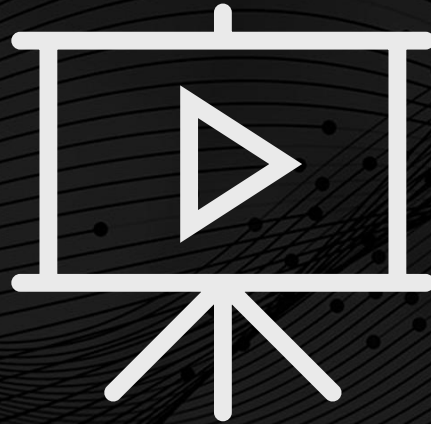
Certain statements made in this presentation, as well as oral statements made by the Company from time to time, constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Readers can identify these forward-looking statements by our use of the words "expects," "anticipates," "targets," "estimates," "potential," "believes," "projects," "intends," "plans," "will," "may," "shall," "could," "should," "opportunity," "goal" and similar words and other statements of a similar sense. These statements are based on our current estimates and expectations as to prospective events and circumstances, which may or may not be in our control and as to which there can be no firm assurances given. These forward-looking statements, which include statements regarding business and market trends, future financial performance and financial targets, customer demand and order rates and timing of related revenue, future product or revenue mix, research and development activities, sales and marketing activities, new product offerings, innovation and product development activities, customer acceptance of our products, capital expenditures, cost and working capital management activities, investments, liquidity, dividends and stock repurchases, strategic and growth plans and opportunities, acquisitions, and estimated tax benefits and expenses and other tax matters, involve known and unknown risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include: (1) the technological obsolescence of current products and the inability to develop new products; (2) the impact of competitive pressures; (3) the inability to attract and retain skilled employees, effectively plan for succession, and maintain our unique corporate culture; (4) the failure to properly manage the distribution of products and services; (5) economic, political, and other risks associated with international sales and operations, including the impact of trade disputes, the imposition of tariffs, the economic climate in China, and the wars involving Ukraine and Israel; (6) the challenges in integrating and achieving expected results from acquired businesses; (7) uncertainty surrounding our future capital needs; (8) information security breaches and other cybersecurity threats; (9) the failure to comply with laws or regulations relating to data privacy or data protection; (10) the inability to protect our proprietary technology and intellectual property; (11) the failure to manufacture and deliver products in a timely manner; (12) the inability to obtain, or the delay in obtaining, components for our products at reasonable prices; (13) the inability to design and manufacture high-quality products; (14) the loss of, or curtailment of purchases by, large customers in the logistics, consumer electronics, or automotive industries; (15) challenges in accurately forecasting our financial results due to seasonal and cyclical variations in customer purchasing patterns and economic and market volatility; (16) potential impairment charges with respect to our investments or acquired intangible assets; (17) exposure to additional tax liabilities, increases and fluctuations in our effective tax rate, and other tax matters; (18) fluctuations in foreign currency exchange rates and the use of derivative instruments; (19) unfavorable global economic conditions, including increases in interest rates, elevated inflation rates, and recession risks; (20) business disruptions from natural or man-made disasters, public health crises, or other events outside our control; (21) stock price volatility; and (22) our involvement in time-consuming and costly litigation or activist shareholder activities. The foregoing list should not be construed as exhaustive and we encourage readers to refer to the detailed discussion of risk factors included in Part I - Item 1A of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024, as updated by Part II - Item 1A of this Quarterly Report on Form 10-Q. The Company cautions readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. The Company disclaims any obligation to subsequently revise forward-looking statements to reflect the occurrence of anticipated or unanticipated events or circumstances after the date such statements are made.

Agenda

Topic	Speaker
Welcome	Greer Aviv
We are Cognex Strategic Vision	Rob Willett Matt Moschner
Industry-leading AI Technology	Reto Wyss
Comprehensive Ecosystem	Shirin Saleem
Direct Sales as a Competitive Edge	Carl Gerst
<i>Morning Q&A</i>	
Product Demos & Lunch*	
Welcome Back	Greer Aviv
Financial Framework	Dennis Fehr
<i>Afternoon Q&A</i>	

* Not available via webcast. Webcast restarts at 1:15PM ET.

Cognex Corporate Video



We are Cognex



Rob Willett

Chief Executive Officer

Key messages

Advanced machine vision made easy

- 1 We are the **clear technology leader** in advanced machine vision
- 2 We win with **strong differentiation** in an industry with **high and enduring barriers to entry**
- 3 We are driving best-in-class **customer experience** while **expanding our served customer base**
- 4 Our strategy sustains **high-margin** revenue growth, substantial **cash generation**, and strategic **capital allocation**

Our Purpose
and Culture

To preserve and enhance vision

Work Hard!

Play Hard!

Move Fast!



To preserve and enhance vision

Cognex snapshot (NASDAQ: CGNX)

\$915M

2024 REVENUE

28%

ADJ. EBITDA MARGIN
10-YR HISTORICAL AVERAGE

~1,400

PATENTS ISSUED & PENDING

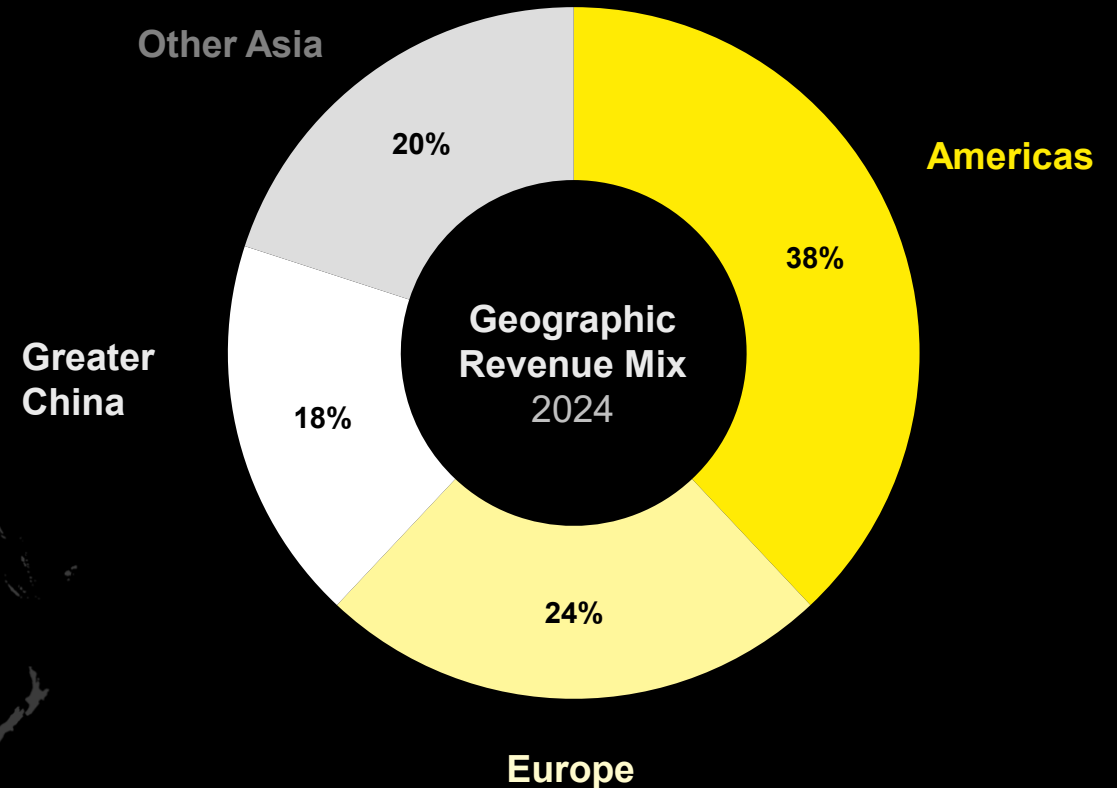
40+

YEARS OF MACHINE
VISION LEADERSHIP

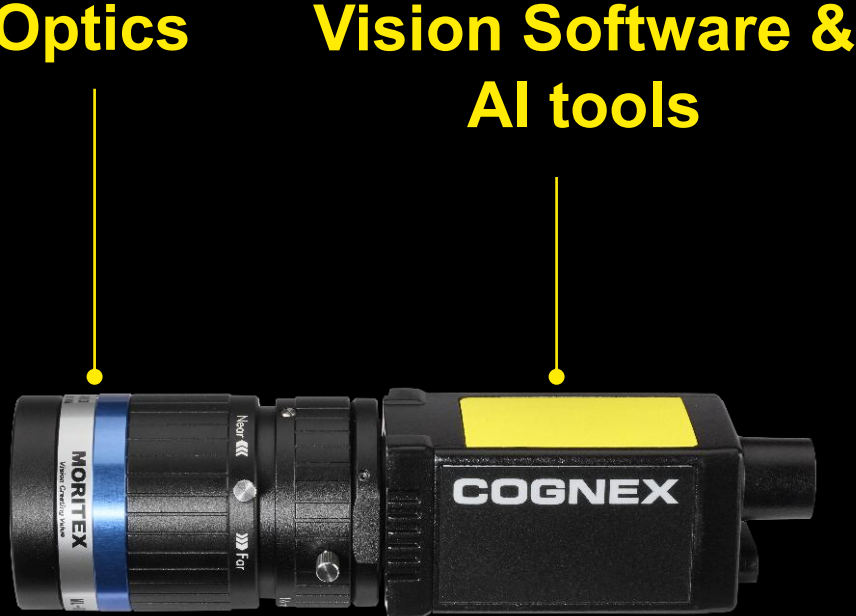
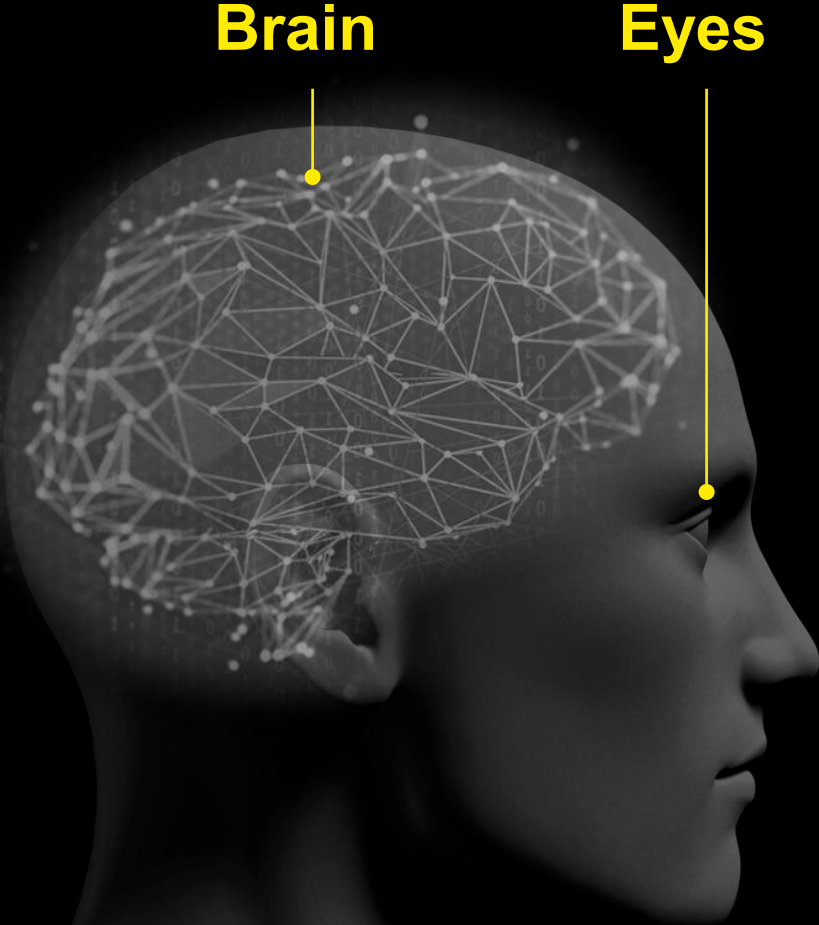
COGNEX GLOBAL HQ
NATICK, MA, USA

2,900+

Cognoids globally

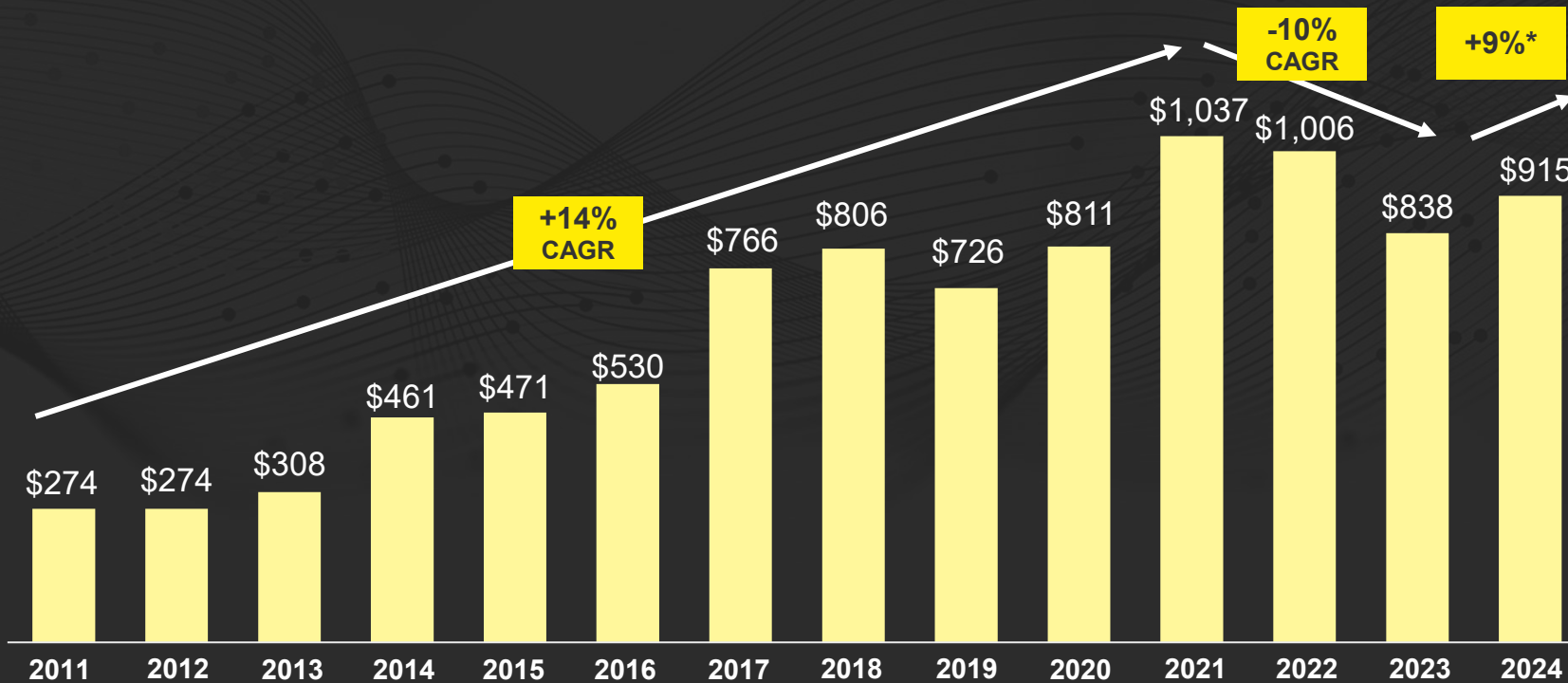


What is machine vision?



Proven track record of long-term double-digit growth

\$ in millions



MARKET DYNAMICS AND DEVELOPMENTS SINCE 2020

- Cyclical growth shaped by major technology transitions
- COVID overinvestment led to excess capacity
- Macro conditions more difficult, particularly in key end markets, such as Automotive
- Moritex contributed 8% to top-line growth in 2024
- Strong Y/Y Logistics growth resumed in 2024

We delivered on our 2024 strategic priorities

1

Infused AI into more products

- ✓ Further strengthened technology leadership
 - RD&E ~15% of revenue
- ✓ Launched new products & tools
 - In-Sight L38
 - AI-driven counting tool
 - AI-assisted labeling functionality
 - Launched custom transformer model

2

Transformed & expanded sales force

- ✓ Deployed a new type of salesnoid to broaden sales reach
- ✓ Logged more than 80,000 customer visits
- ✓ Added 3,000+ new customers
- ✓ ~\$10 million referred to experienced sales engineers

3

Integrated Moritex

- ✓ Largest acquisition to date in company's history
- ✓ Adds optics for a more complete machine vision offering
- ✓ Increases penetration of Japan and the semi market
- ✓ Accretive to 2024 adjusted EPS

Matt Moschner

PRESIDENT AND CHIEF OPERATING OFFICER



COGNOID SINCE 2017

Held key leadership positions in:

- Technology and Innovation
- Logistics
- Product and Engineering
- Operations and Supply Chain

Led the successful integration of Moritex

PRIOR TO COGNEX

- Boston Consulting Group & Boeing
- MBA from Northwestern's Kellogg School of Management
- BS in Electrical Engineering & Economics from Duke University

The right leader to become the next CEO of Cognex

Strategic Vision



Matt Moschner

*President and
Chief Operating Officer*

INVESTMENT THESIS

Well positioned to capture expansive market opportunity

TECHNOLOGY LEADER

Strong brand with deep domain expertise and continuous investment into AI.

LARGE GROWTH MARKET

\$7B¹ market across diverse set of verticals with ~10%-11% CAGR² through-cycle.

DIRECT SALES AS A COMPETITIVE EDGE

Work with customers at every step of the customer journey to create sticky relationships.

TOP-TIER CUSTOMER BASE

Leader with sophisticated tech users and opportunity to significantly expand # of served customers.

HIGH-MARGIN BUSINESS

Software embedded on-device.

CAPITAL LIGHT BUSINESS MODEL

Enabling consistent cash generation and strong balance sheet.

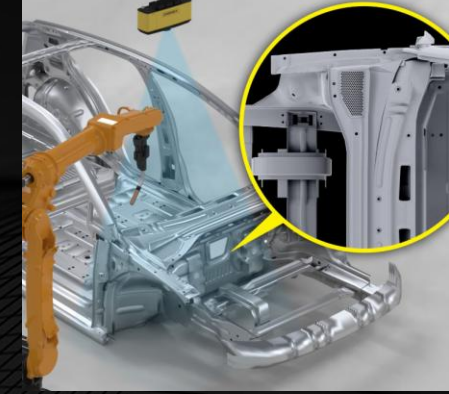
UNIQUE COMPANY CULTURE

We sell into a diverse set of attractive verticals

LOGISTICS



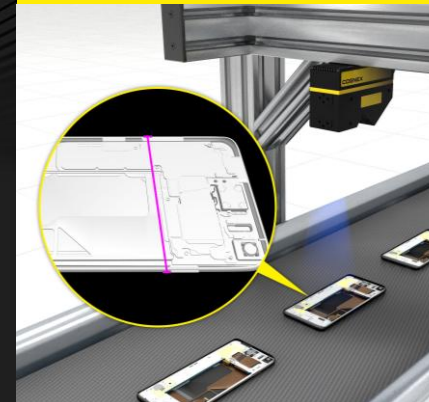
AUTOMOTIVE



PACKAGING²



CONSUMER ELECTRONICS



SEMI

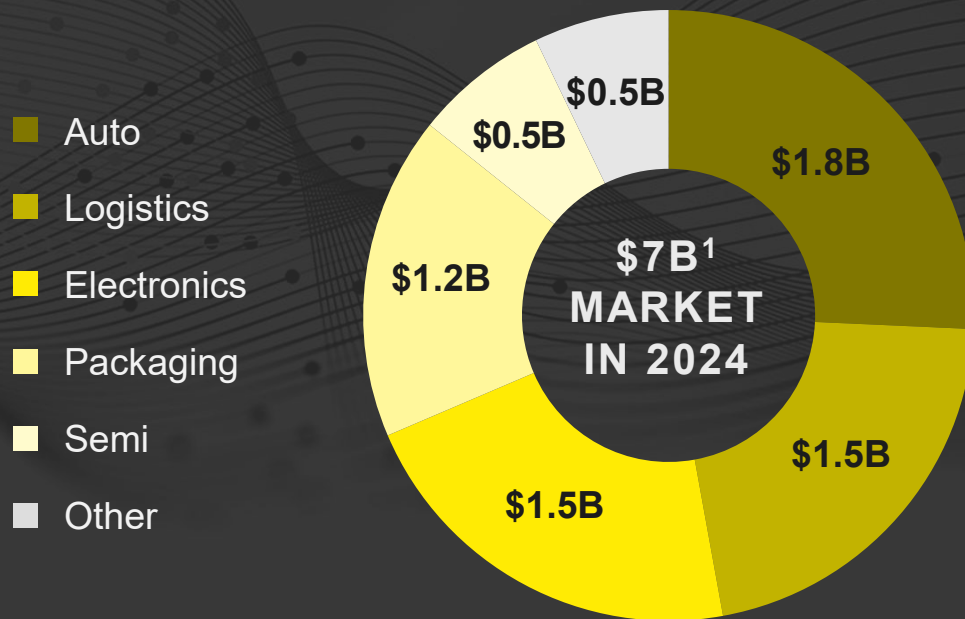


Expect **~10%–11%** market **CAGR¹** through the cycle

1) Source: Interact Analysis 2024 Machine Vision report and company research; 2) Packaging includes Fast Moving Consumer Goods (FMCG) and Healthcare

We serve a ~\$7B machine vision market with overall market share in the mid-teens

SERVED MARKET BY VERTICAL



\$7B MARKET TODAY VS \$6.5B AT 2022 INVESTOR DAY

- Moritex added \$0.5B to our served market
- Logistics peak in 2021/22 due to post-COVID e-commerce boom

OPTIMIZED PRESENTATION OF VERTICALS

- EV now included in Auto
- Packaging includes FMCG and Healthcare
- Semi split out from Consumer Electronics

1) Source: Cognex estimates based on full year 2024 market data

Secular trends drive machine vision penetration



Continuous cost and quality optimization



Ease-of-use drives penetration



Demographics drive manufacturing labor shortage¹



Recalibration of global supply chain

1) Source: Deloitte Insights study: Creating pathways for tomorrow's workforce today.

We are taking our Right To Win to the next level

EXISTING RIGHT TO WIN

Guide, inspect, gauge, and identify products with speed and precision

Vision inspection ready to deploy today, from **a partner who is there tomorrow**

Enabling customers to standardize global operations



Maintain Leadership

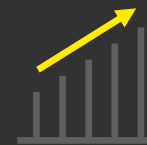


NEXT LEVEL RIGHT TO WIN

Apply **advanced AI** broadly to unlock **new market opportunities** for inspection applications

Make it easy to deploy machine vision, enhancing the **customer experience**

Launch a **comprehensive product ecosystem** with **benefits to standardizing** on Cognex



Extend Leadership

Salesforce transformation and expansion

Increases reach and enables new customer acquisition opportunities

COGNEX TODAY
~30,000
customers

OPPORTUNITY TO
double # of served customers
over next five years

The most **tech savvy**, large customers with the most **complex** problems

New logos, entering with **easy-to-use** and **easy-to-deploy** products

Five-Year Strategic Objectives

#1

AI technology for industrial
machine vision applications

#1

In Customer Experience
across the industry

2x

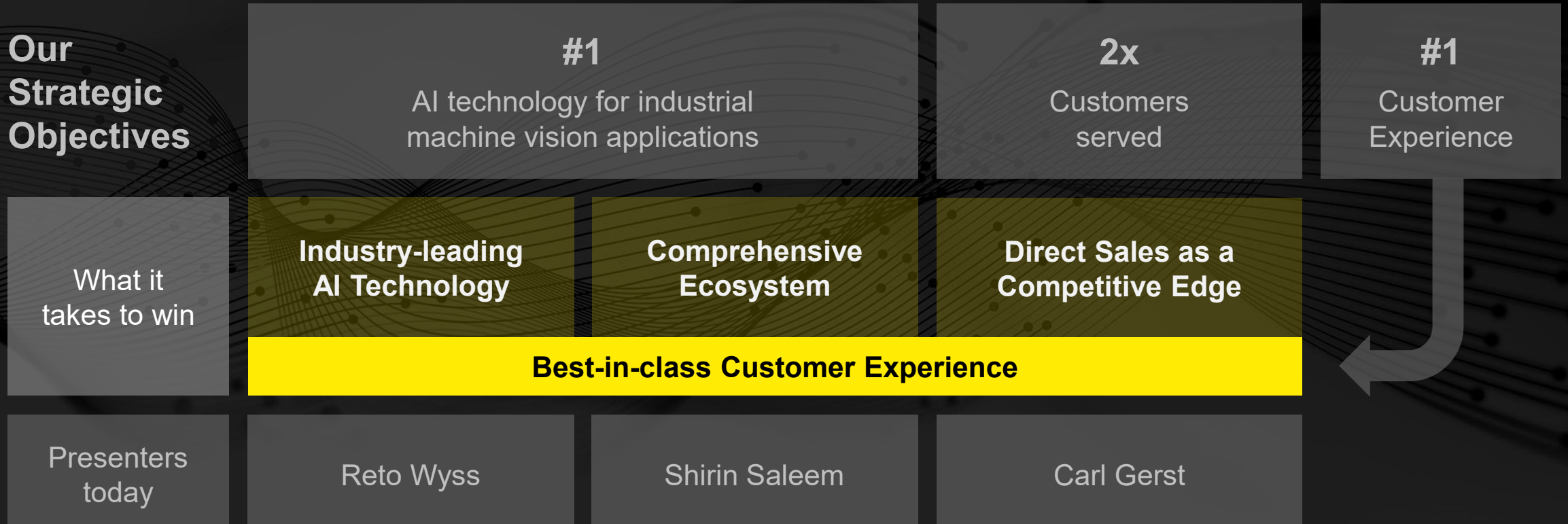
Customers served

#1 or #2

Market Position in all major markets¹

Focused execution against our Strategic Objectives

Our Strategic Objectives



Through-cycle financial framework targets drive shareholder value

13% - 14%

Revenue CAGR
incl. 3% Inorganic Growth

20% - 30%

Adjusted EBITDA Margin

>100%

Free Cash Flow Conversion¹

**long-term
Value Creation**

Industry-leading AI Technology

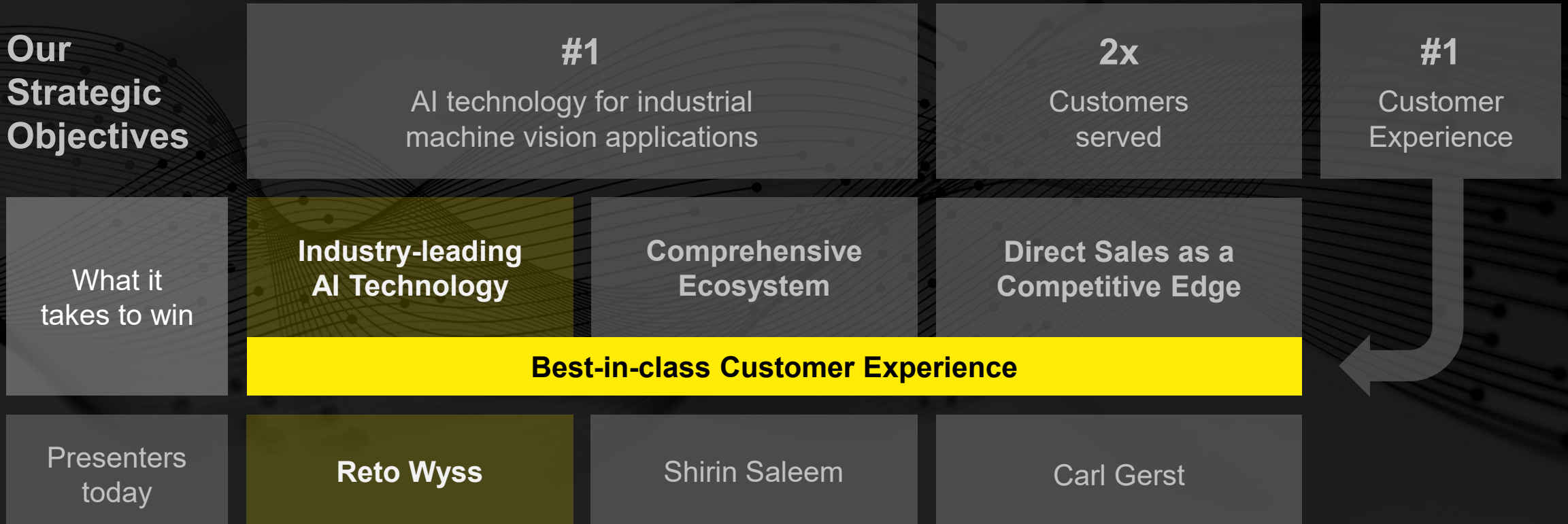


Reto Wyss, PhD

Vice President, AI Technology

Focused execution against our Strategic Objectives

Our Strategic Objectives



TWO DECADES AGO

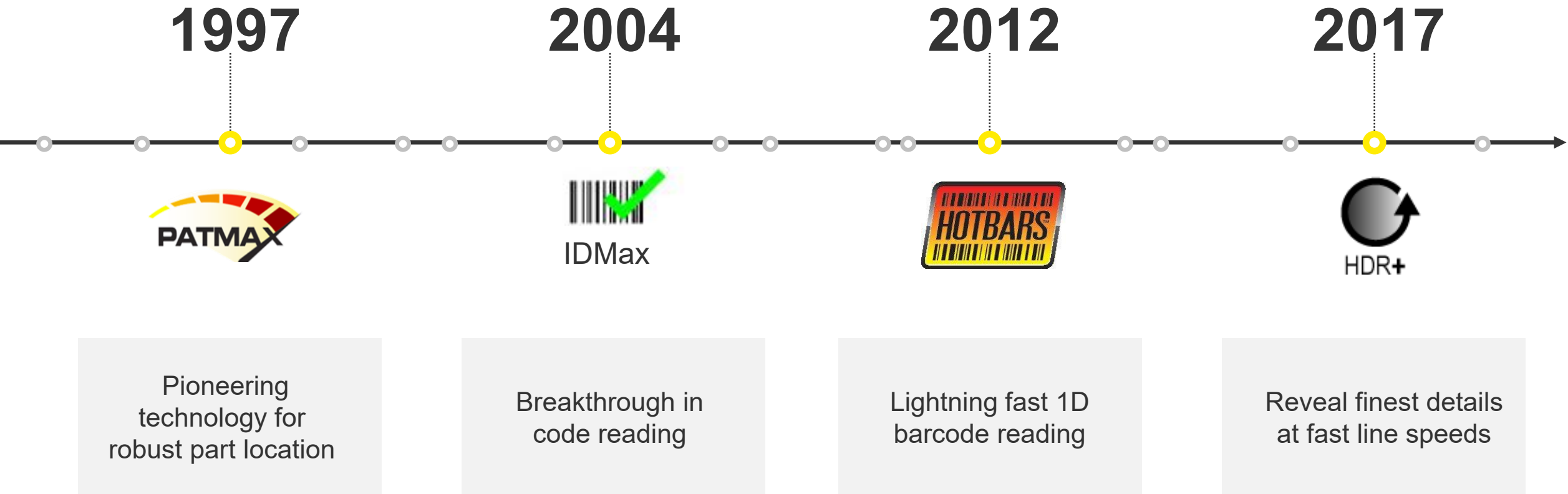
How does Cognex compete with Open Source?

COGNEX

VS



Decades of continuous innovation in rules-based vision



TODAY

How does Cognex compete with Open Source in the Age of AI?

COGNEX

VS

 PyTorch

 python™

 **Hugging Face**

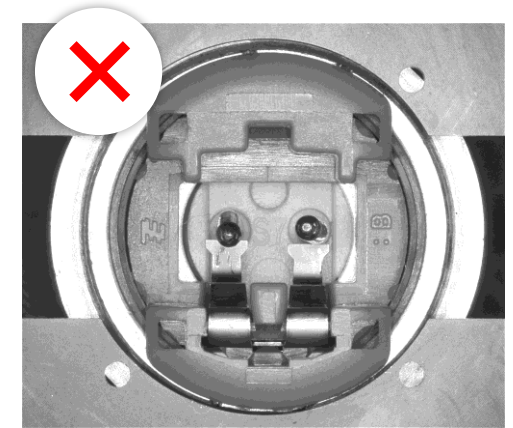
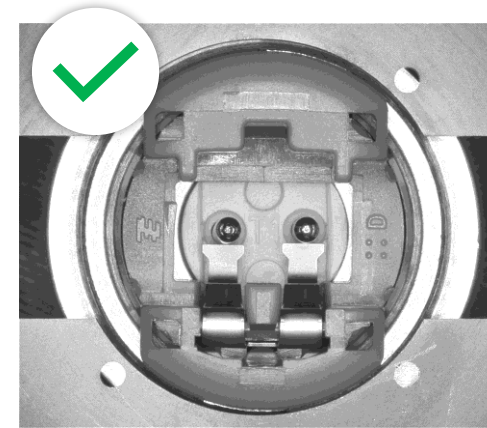
AI for industrial machine vision is different

Generic Computer Vision



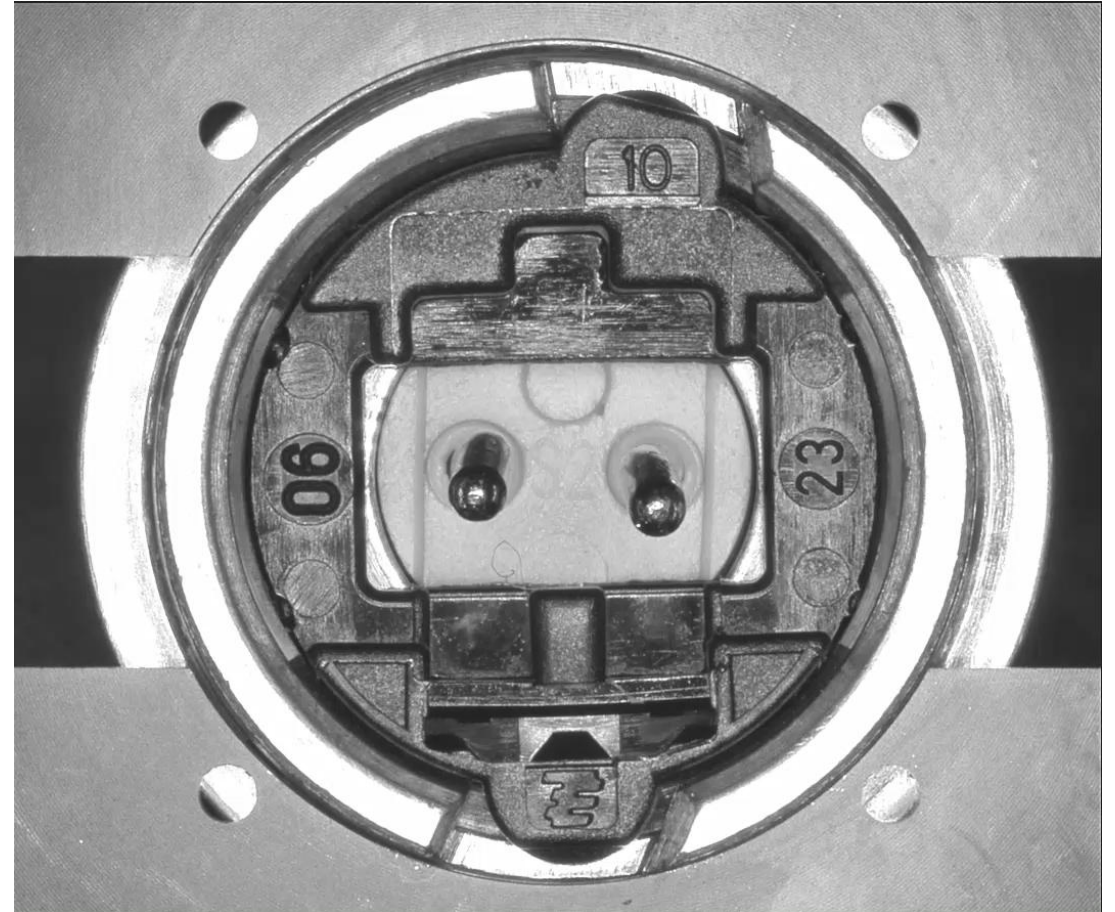
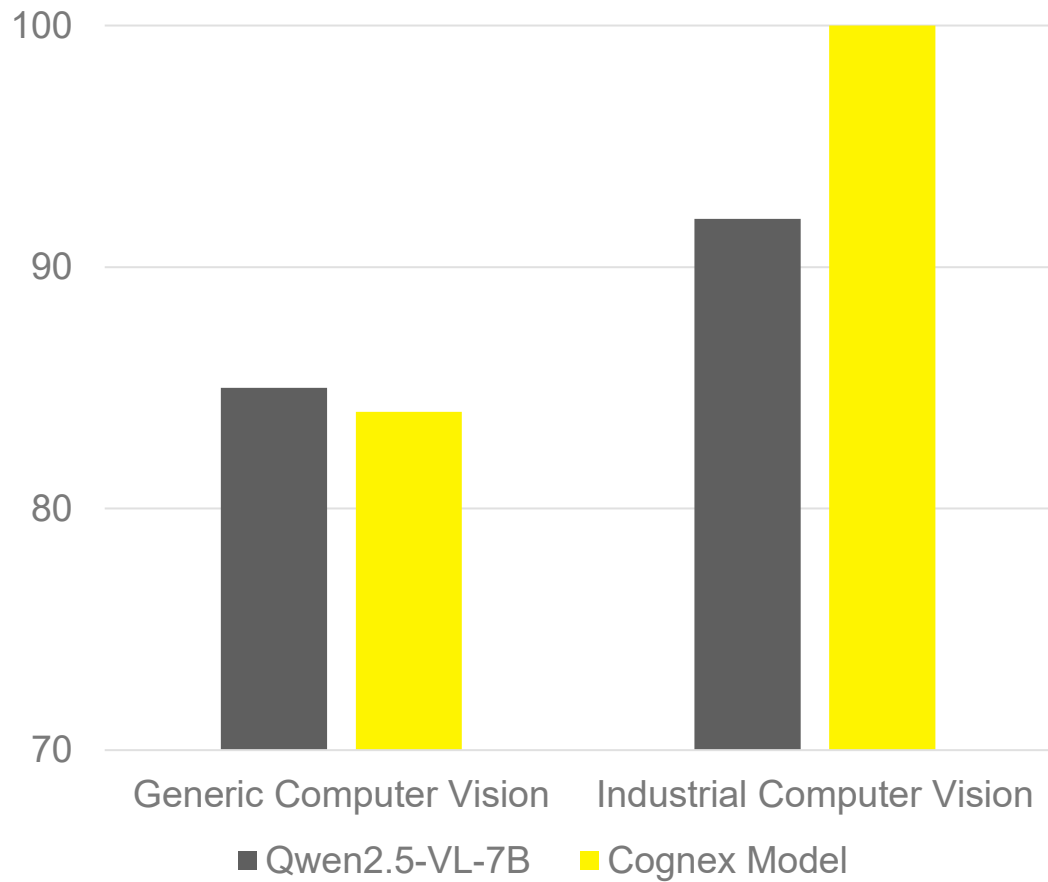
VS

Industrial Computer Vision



- Highly task specific
- Complex textures and backgrounds

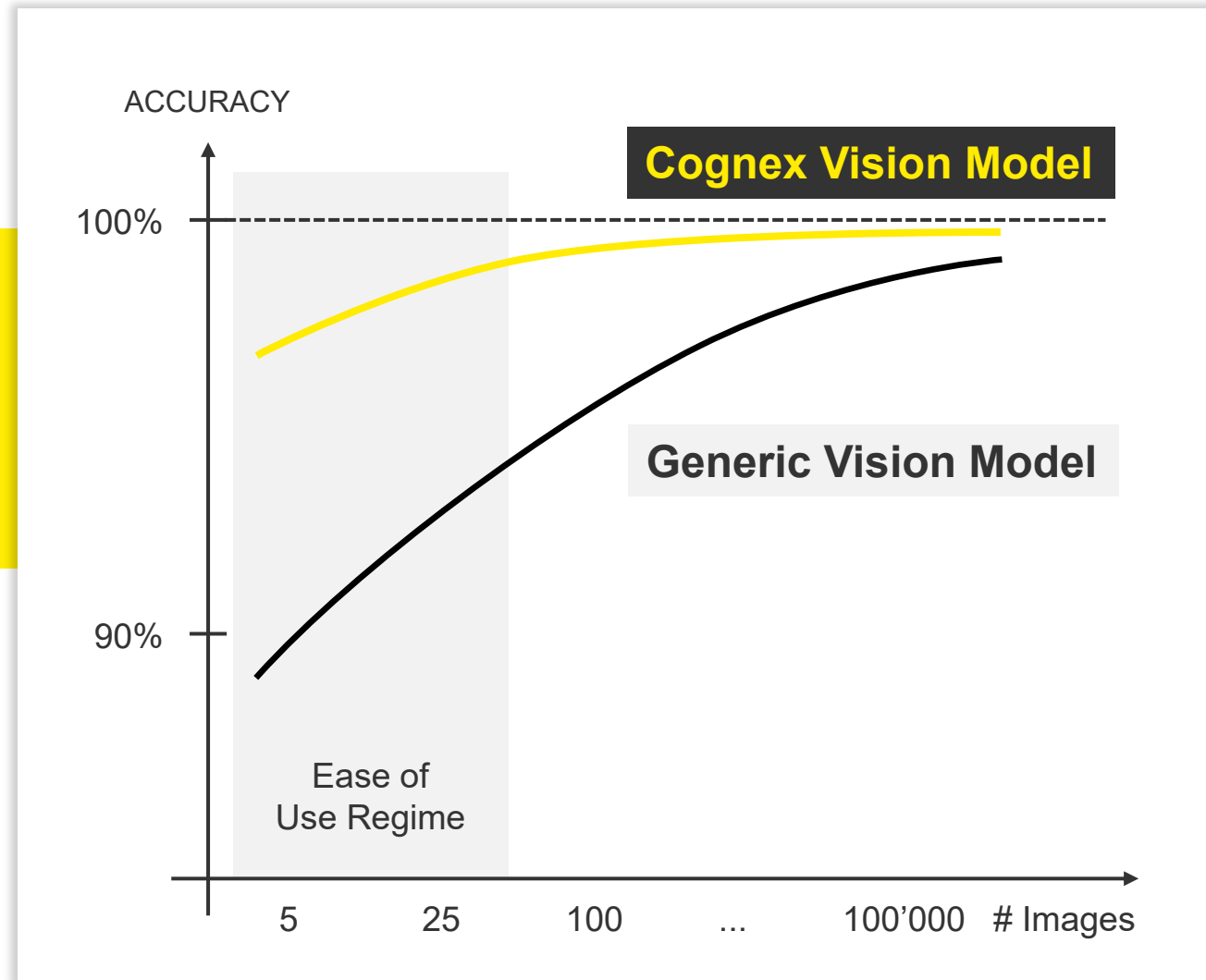
Highly accurate ...



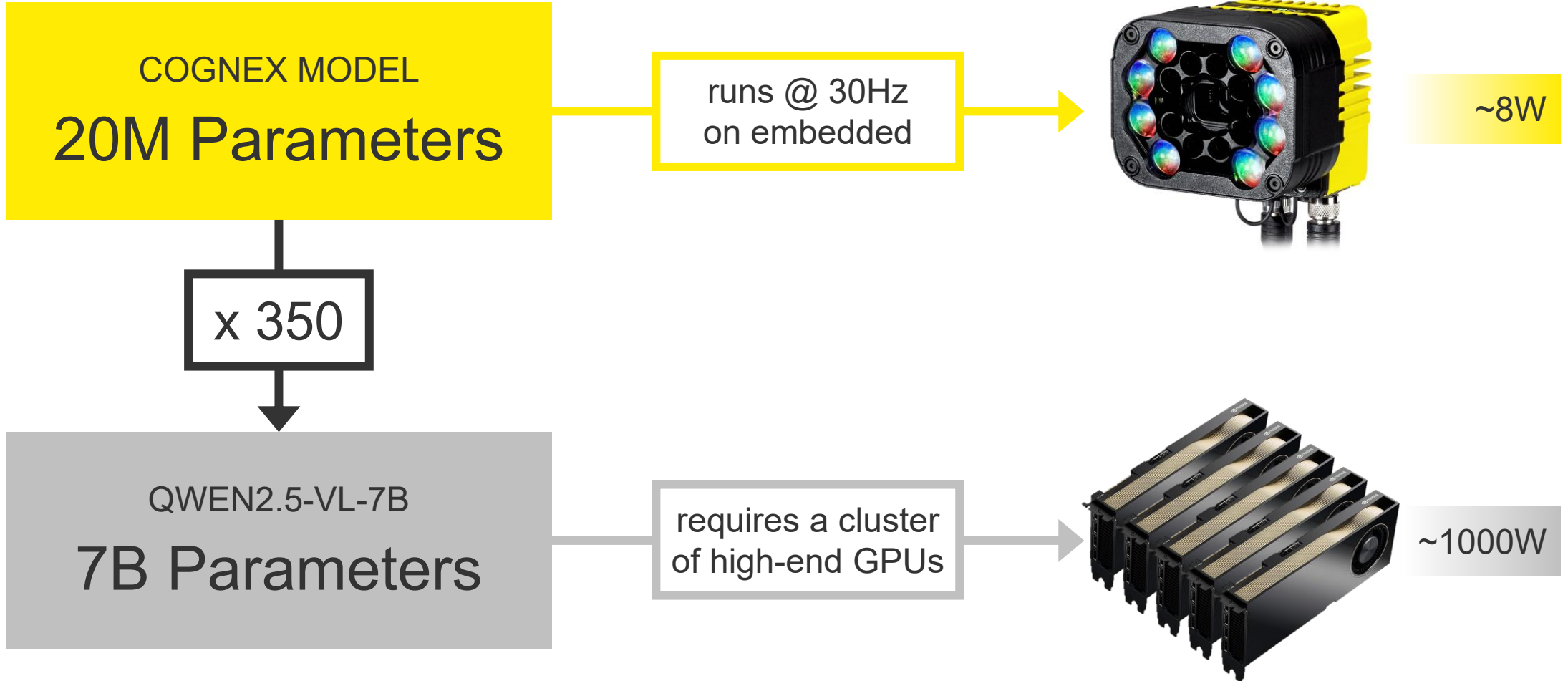
Easy to use ...

Learning from very few samples

High accuracy from 10s of samples per case, not 1000s



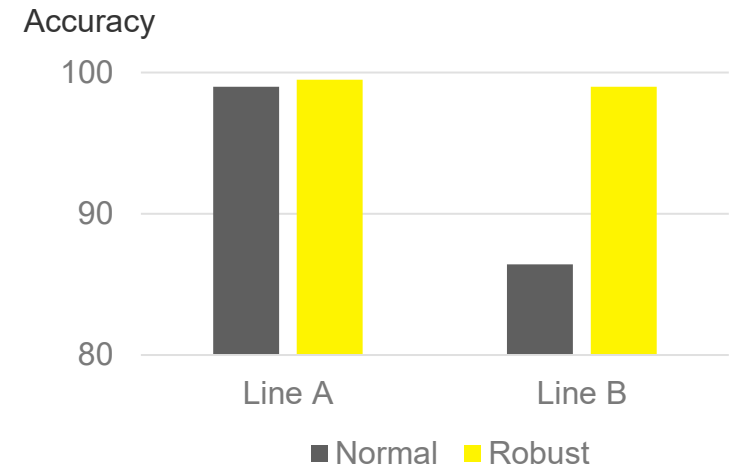
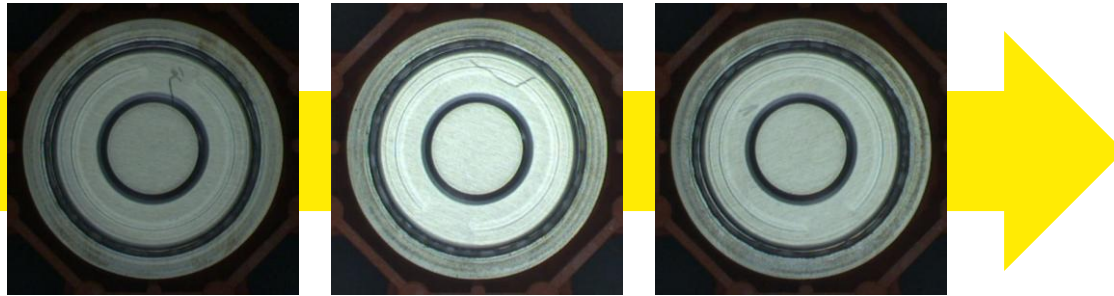
Fast ...



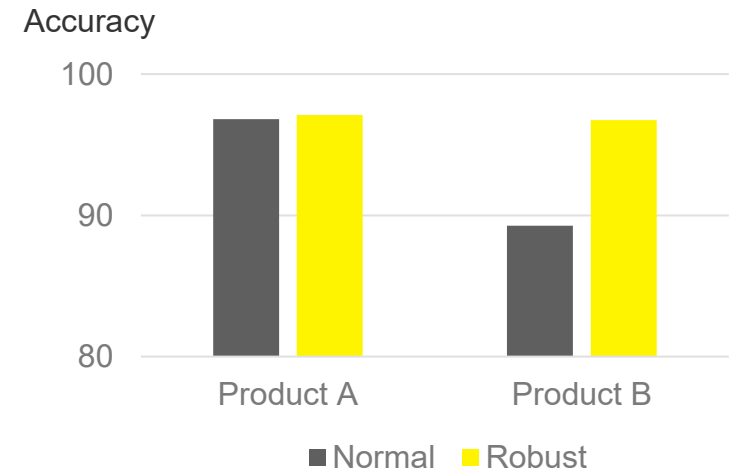
... and scalable!

New “robust” models maintain high accuracy across environmental variations and product variants

Lighting Variations



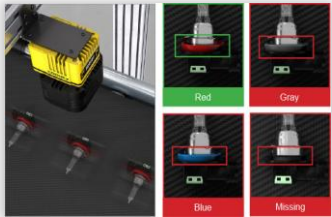
Product Variants



Extending continuous innovation with AI

2022

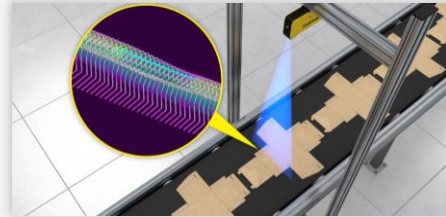
Edge Learning on Smart Cameras



Pioneered “learning on the edge” from 5-10 images for 2D part inspection

2024

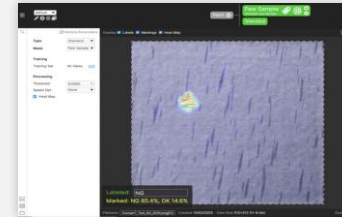
3D AI on Smart Cameras



3D edge learning for precise measurement applications

2025

Transformer Models for Few Sample Classification



First transformer models for complex high accuracy inspection using 5-10 images

Barcode Reading Powered by AI

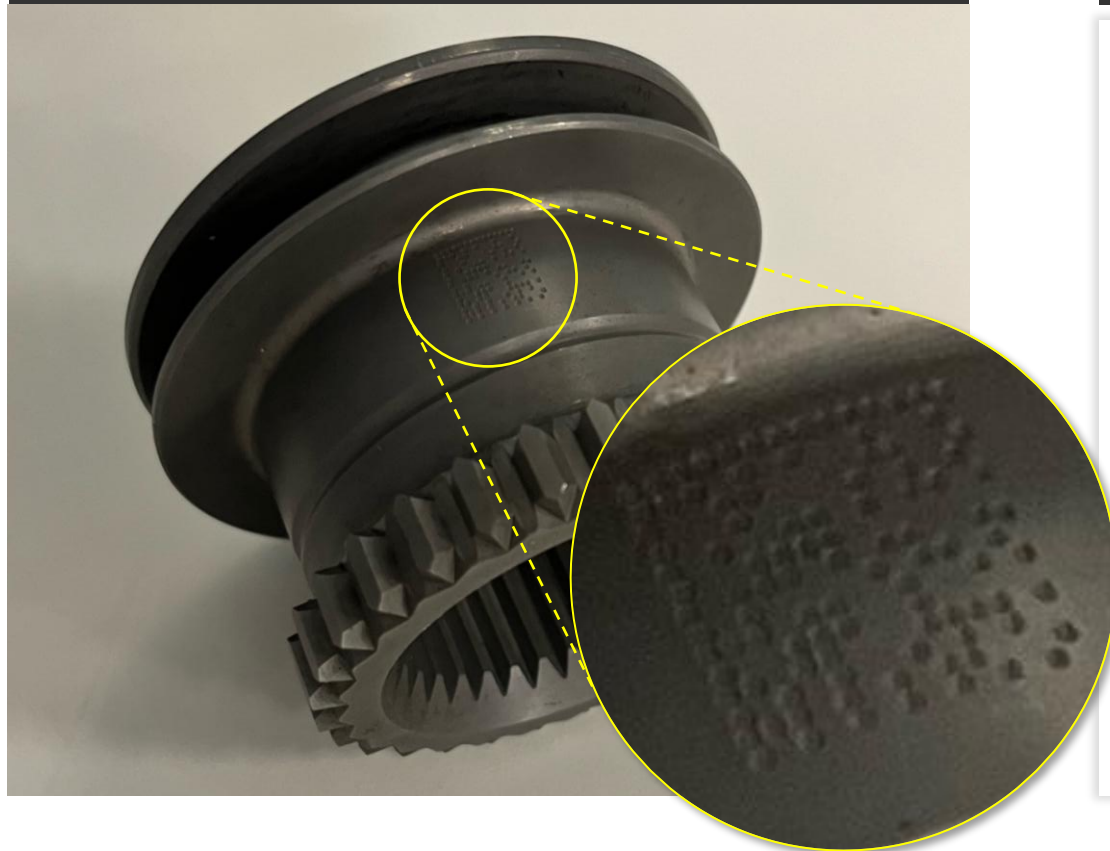


AI for drastically simplified setup and improved reading performance

AI to simplify ID Reader setup

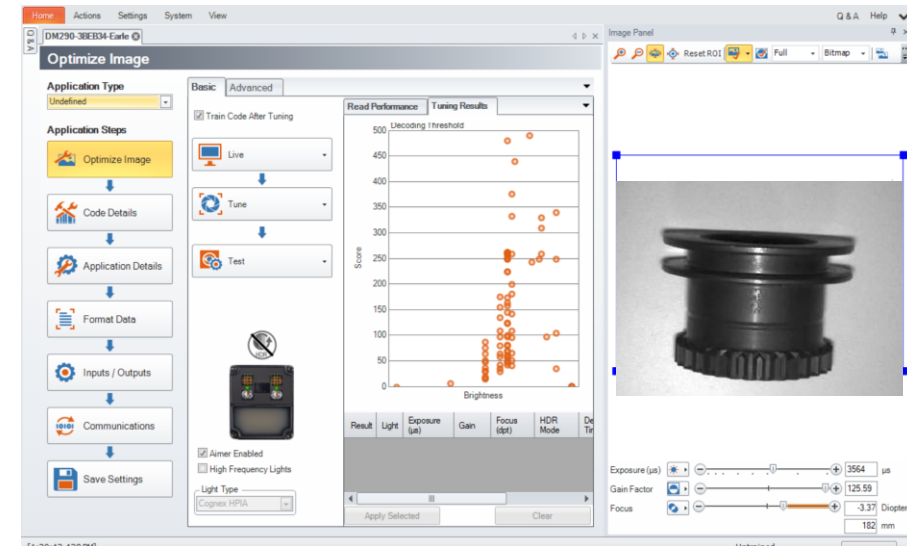
VISION TASK

Read the barcode
on this automotive part

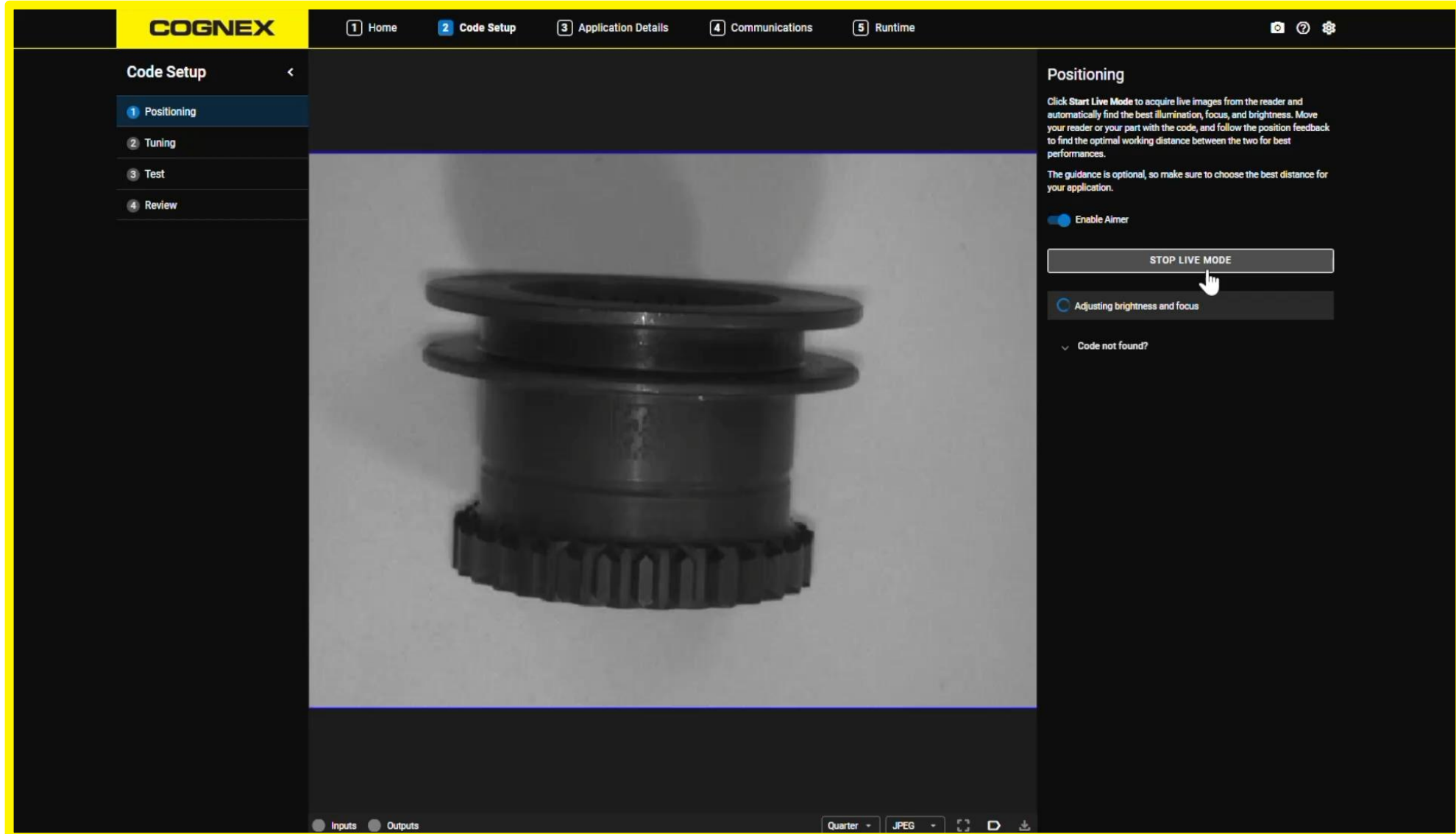


Traditional Rules-based Setup









- Hours to Setup
- Involves complex parameter optimization



Fast & easy tuning with AI



Generic computer vision vs Cognex machine vision

	CUSTOMER REQUIREMENTS	COGNEX MACHINE VISION	GENERIC COMPUTER VISION
MODEL ACCURACY	99%+ result accuracy		 Not for industrial applications
EASE-OF-USE	On device model training with <10 images		
EFFICIENCY	Run @30Hz on the production line		
SCALABILITY	Maintain high accuracy across lines and products		

Comprehensive Ecosystem

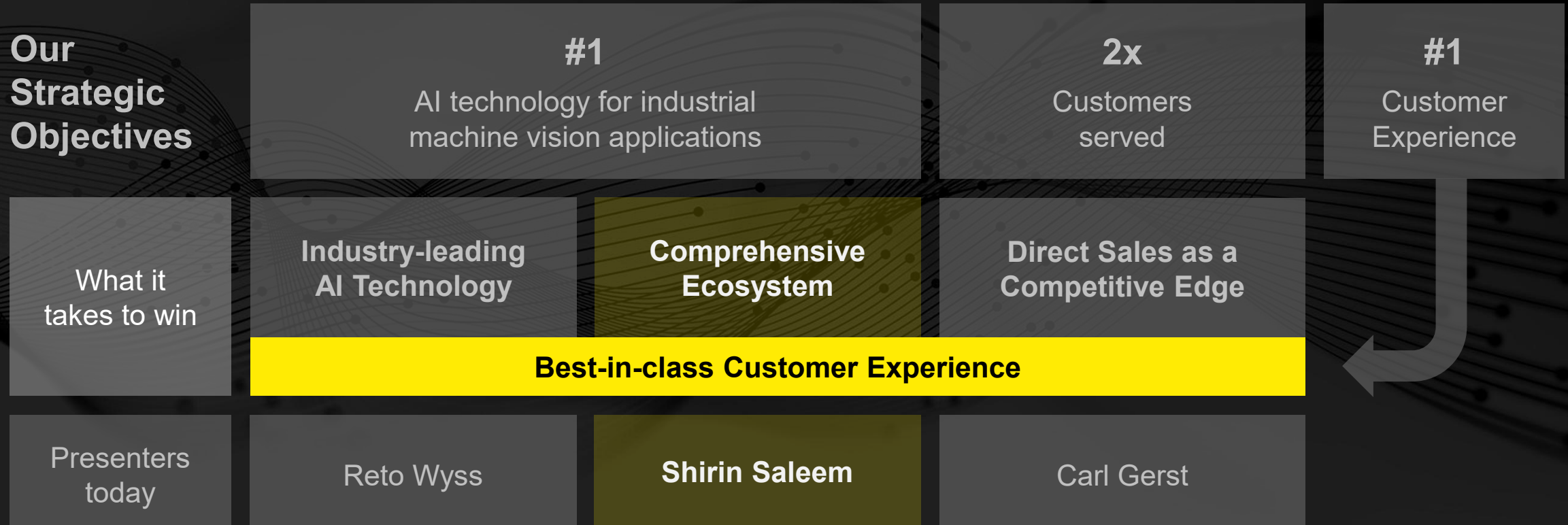


Shirin Saleem

*Vice President,
Product Engineering*

Focused execution against our Strategic Objectives

Our Strategic Objectives



Comprehensive machine vision ecosystem

	COGNEX	GLOBAL COMPETITORS
COMPLETE PRODUCT LINE UP	<input checked="" type="checkbox"/>	Have components, but can't match the comprehensive Cognex ecosystem
COMMON SOFTWARE PLATFORM	<input checked="" type="checkbox"/>	
COMMON HARDWARE PLATFORM	<input checked="" type="checkbox"/>	
DEEP LEARNING AND EDGE LEARNING	<input checked="" type="checkbox"/>	
CLOUD FOR SEAMLESS AI INTEGRATION NEW	<input checked="" type="checkbox"/>	

Our existing ecosystem drives benefits to standardize on Cognex



BENEFITS TO CUSTOMERS

Great customer experience

Cost (TCO) optimization

Complete Product Line-Up



Common Software Environment



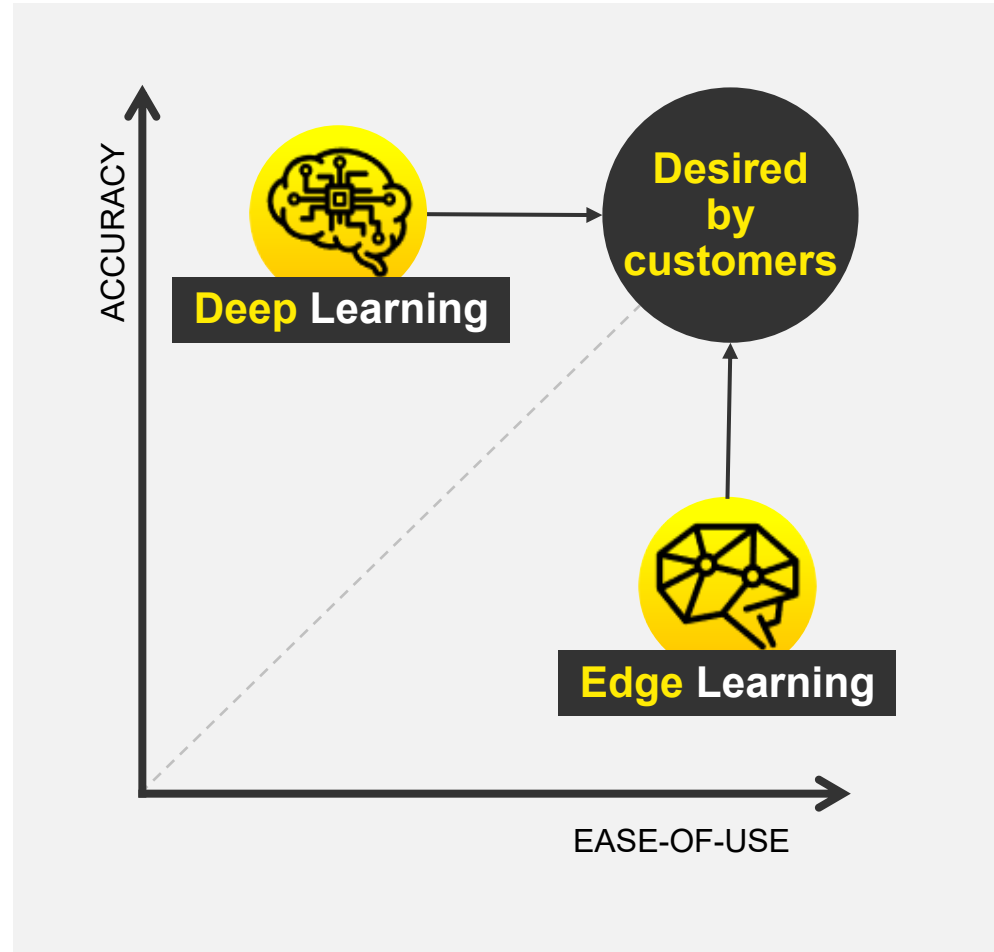
Common Hardware Components



Common Service and Support Teams

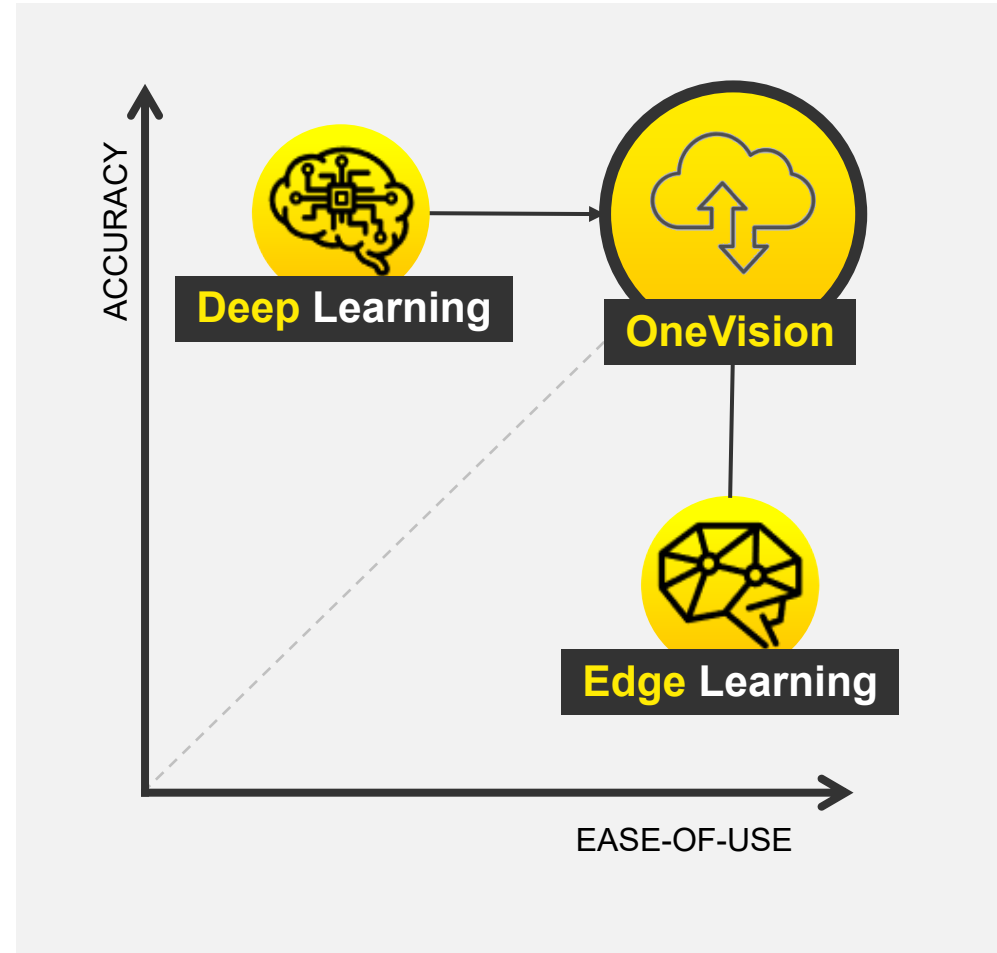


Customers increasingly want both accuracy and ease-of-use from their AI vision tools



Introducing OneVision: A better way to create and manage advanced AI vision tools

OneVision
Deep Learning
performance,
with Edge
Learning ease-
of-use



OneVision unlocks new applications by creating more advanced AI models quickly & easily

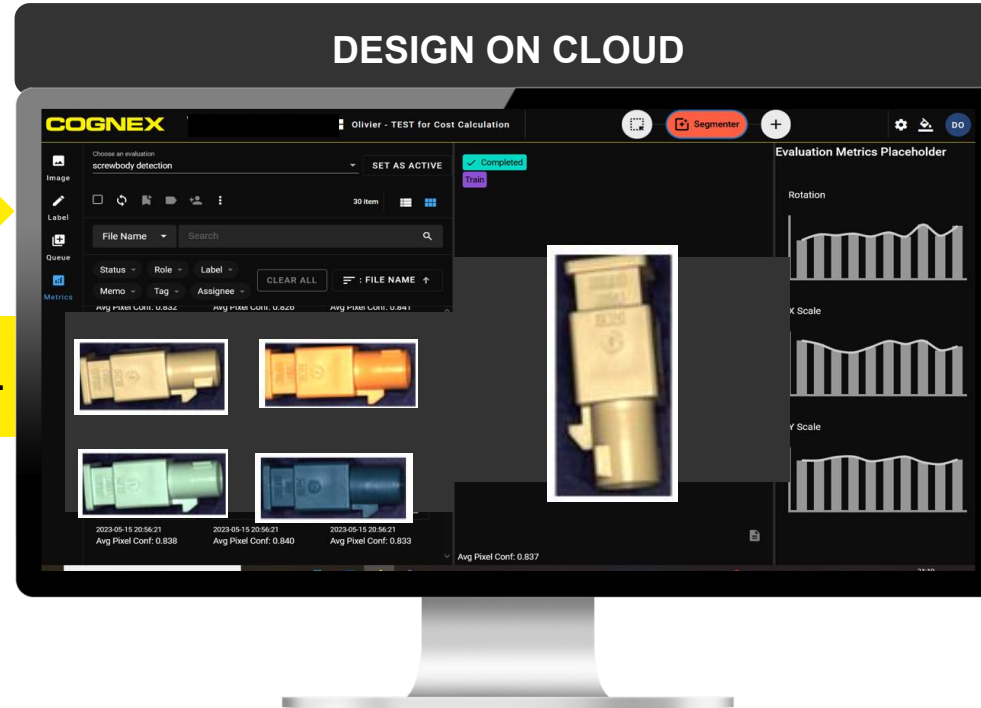
DEPLOY ON EDGE



IMAGES

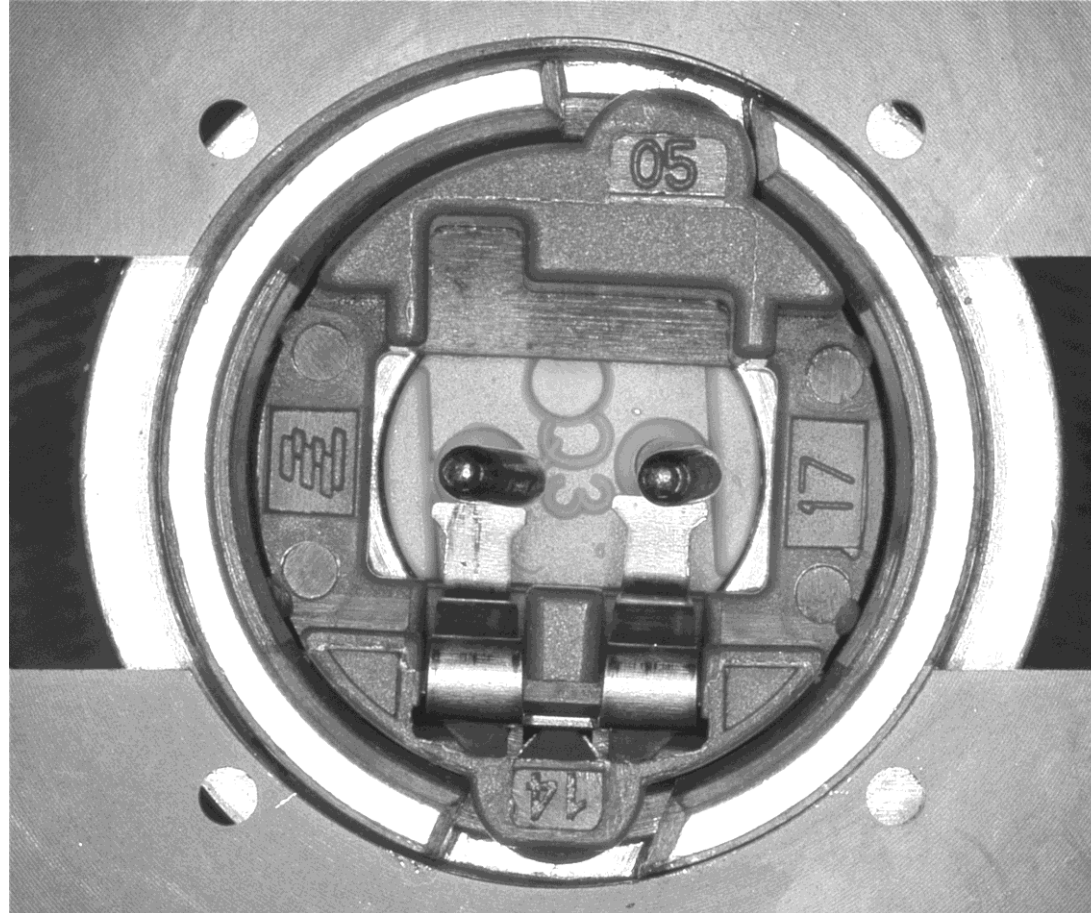
IMPROVED MODEL

DESIGN ON CLOUD

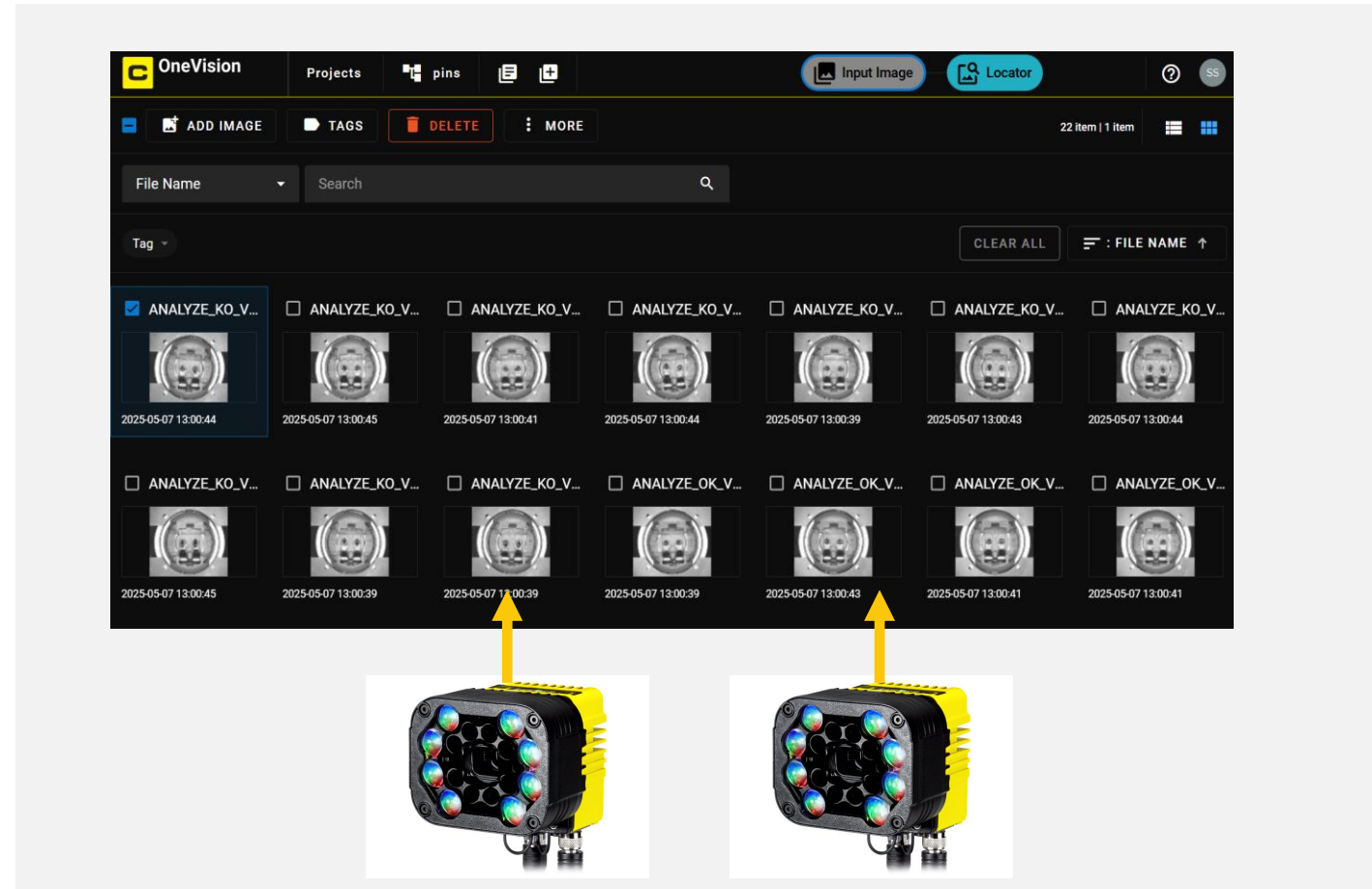


- Upload images directly from vision system
- Curate data quickly with AI assisted labeling
- Train, Validate, Optimize, Re-deploy new model
- Manage projects across different lines or sites

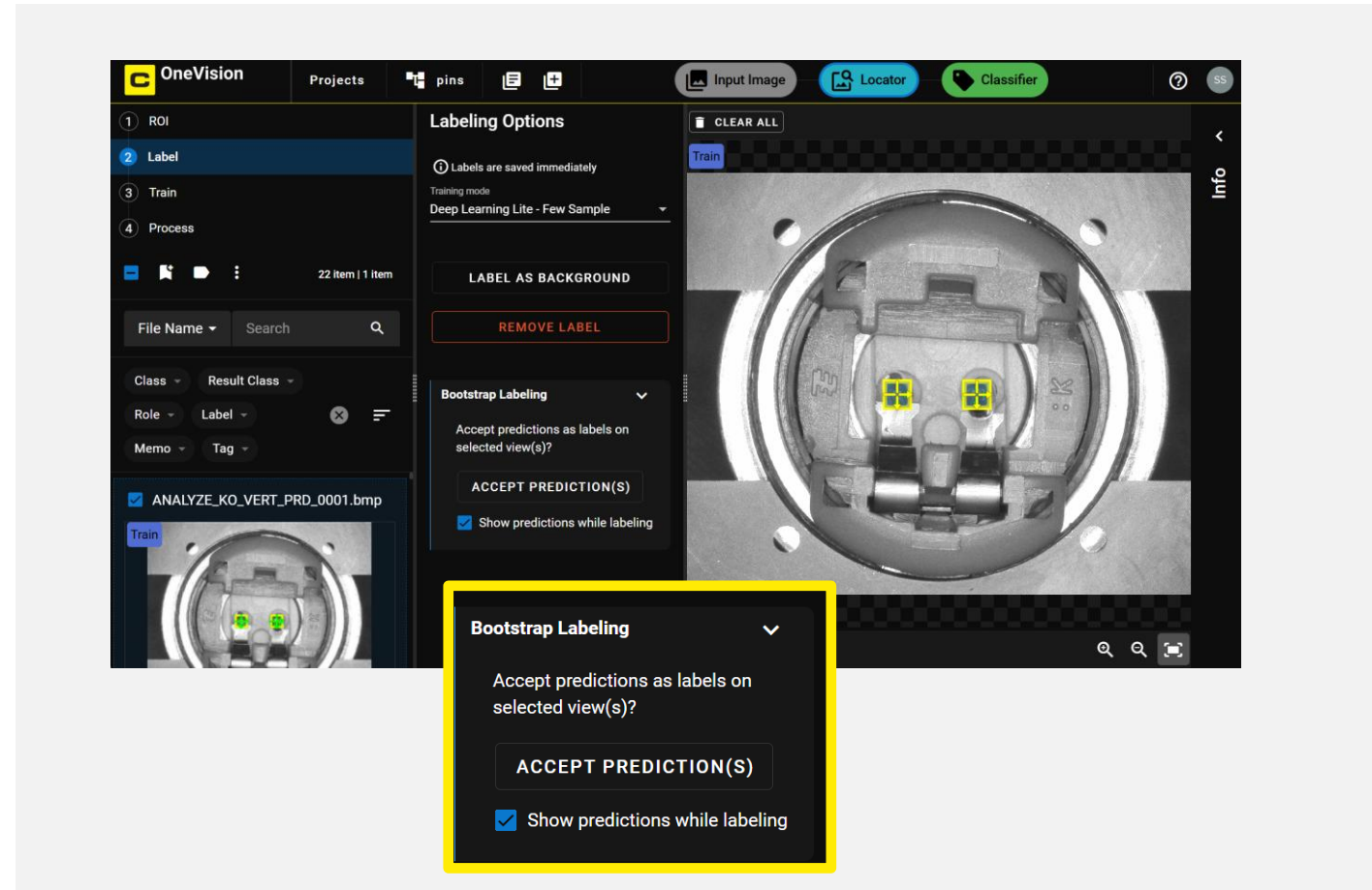
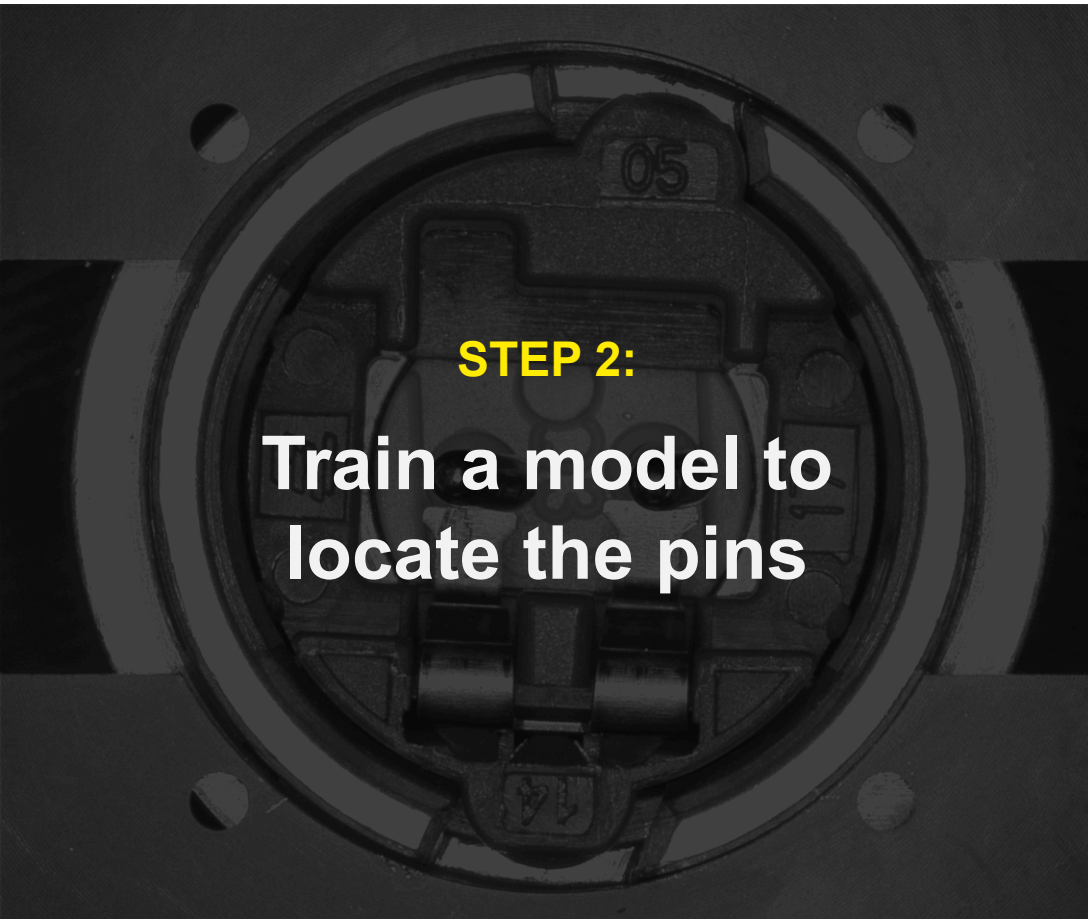
Pin inspection in OneVision



Pin inspection in OneVision



Pin inspection in OneVision



Pin inspection in OneVision



OneVision Projects Pin Inspection Locator Classifier

1 ROI
2 Label
3 **Train**
4 Process

44 Item | 1 Item

File Name Search

Class Result Class
Role Label
Memo Tag

ANALYZE_OK_VERT_PRD_0001.bmp

OK OK 97% Test

Training Options

TRAIN MODEL

Training mode
Deep Learning Lite - Few Sample

Resize Parameters
Resize Parameters Options *
Default

Labeled Views by Role

Role	Train	Test	Unassigned
Train	36	8	0

AUTO-ASSIGN ROLES

Deep Learning Lite - Few Sample
Trainable with only a few images. (Default)

Deep Learning Lite - Accurate
Optimized for Accuracy, requires more images to train.

Confusion Matrix

Labeled \ Predicted	OK		NG		Total
	OK	NG	OK	NG	
OK	24	1	0	0	25
NG	0	19	0	0	19
Total	24	20	0	0	44

Rate per labelled class
0% 100%

Class	Predicted	Unc.
OK	24	0
NG	0	20
Total	24	20

Average (2 classes)

Pin inspection in OneVision

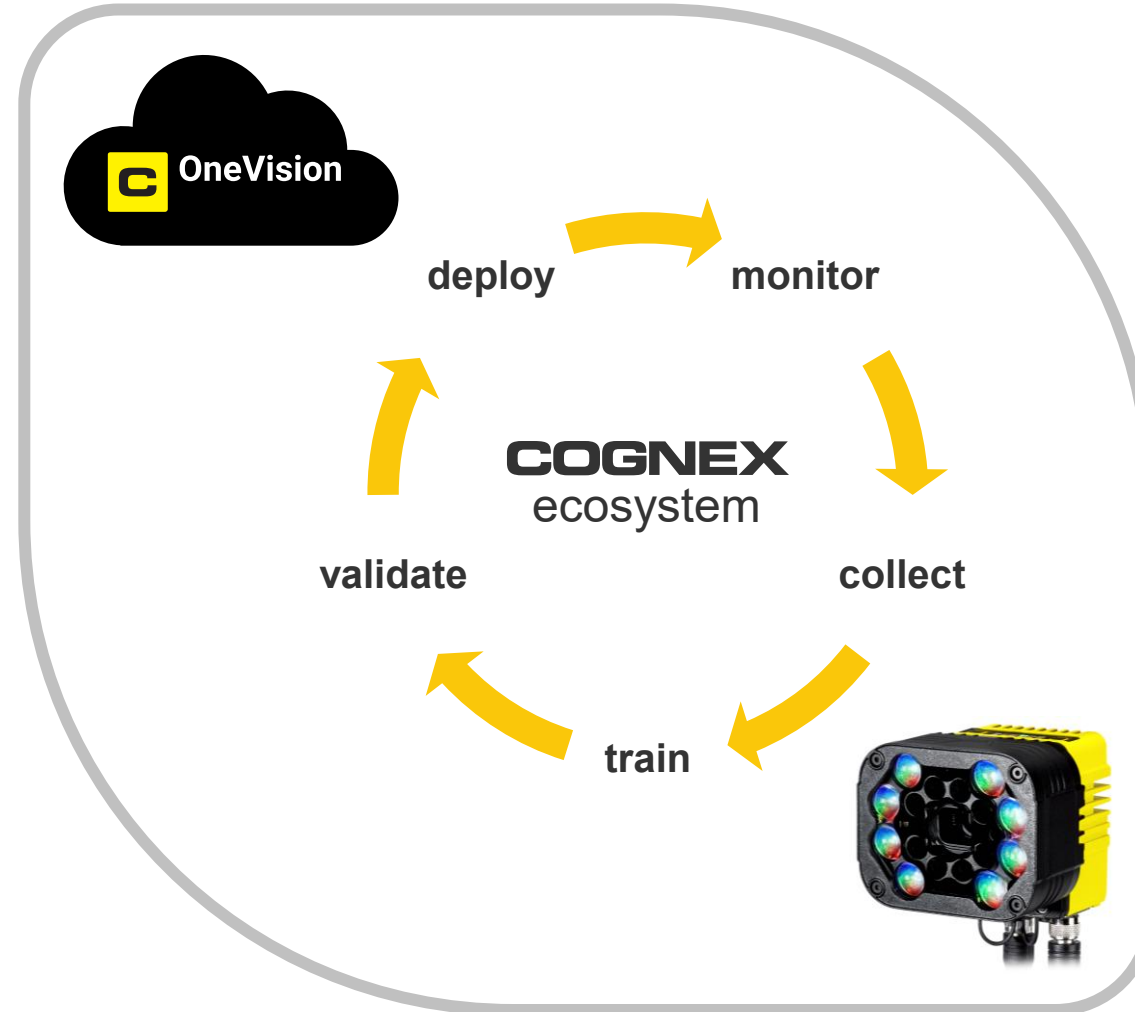


The screenshot displays the OneVision 'Projects' page. At the top, there is a '+ CREATE NEW PROJECT' button and a search bar. Below, three project cards are visible:

- Pin Inspection**: Image # 22 images, Created 2025.05.07, 12:59
- Food Packaging Inspection**: Image # 7 images, Created 2025.01.28, 08:55
- Damaged Code Reading**: Image # 5 images, Created 2024.12.12, 12:43

Three Cognex sensors are shown below the screenshot, with yellow arrows pointing from the 'Pin Inspection' project to each of them.

With OneVision, the cycle accelerates much faster across the Cognex ecosystem



OneVision creates differentiated value for our customers...



CUSTOMER PROBLEM

Experience required to design a vision application

Lead time to adapt to diverse items

Effort required to deploy AI models for every line/site

MARKET SOLUTION



Engineers with years of experience



Weeks to curate data and train models



Hours of repeated effort

Cognex machine vision ecosystem powered by advanced AI and OneVision



3 days of experience



Hours to train models



Deploy across multiple lines/sites "on-the-fly"

...and complements and strengthens our ecosystem



BENEFITS	
Best customer experience	Cost (TCO) optimization

Complete Product Line-Up



Common Software Environment



Common Hardware Components



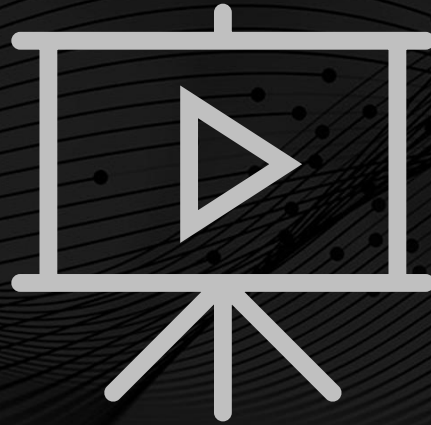
Common Service and Support Teams



OneVision



Cognex Easy-to-Use Video



Direct Sales as a Competitive Edge

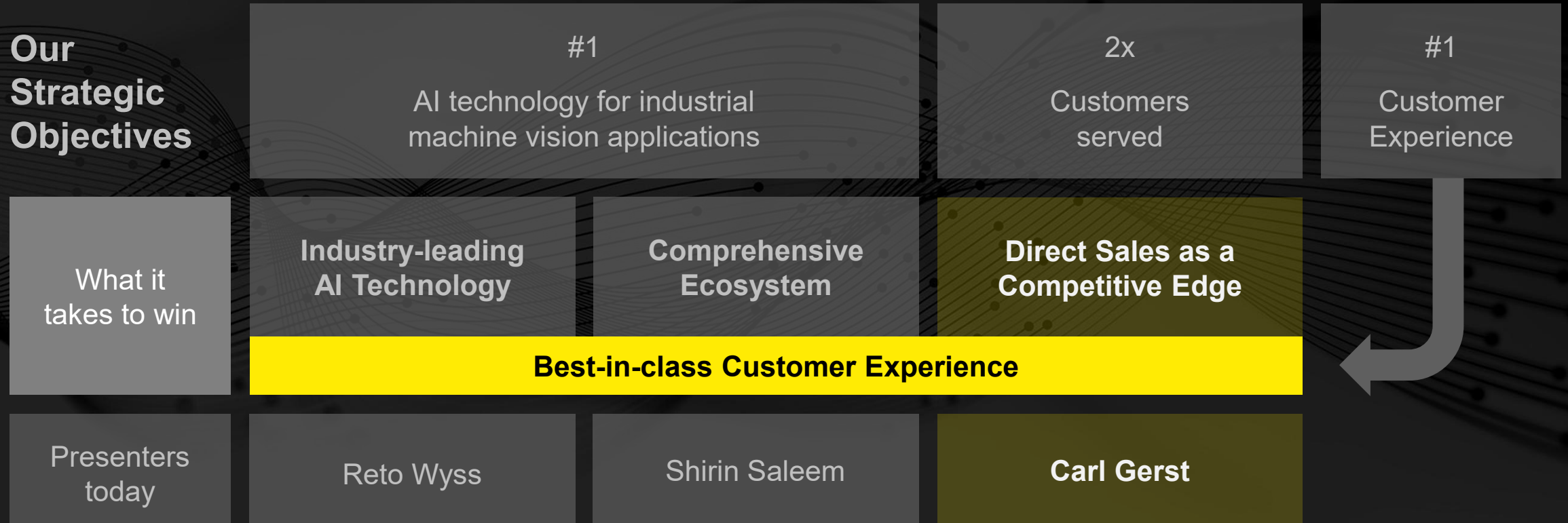


Carl Gerst

*Executive Vice President,
Vision and ID Products*

Focused execution against our Strategic Objectives

Our Strategic Objectives



Salesforce transformation and expansion

Increases reach and enables new customer acquisition opportunities

COGNEX TODAY
~30,000
customers

OPPORTUNITY TO
double # of served customers
over next five years

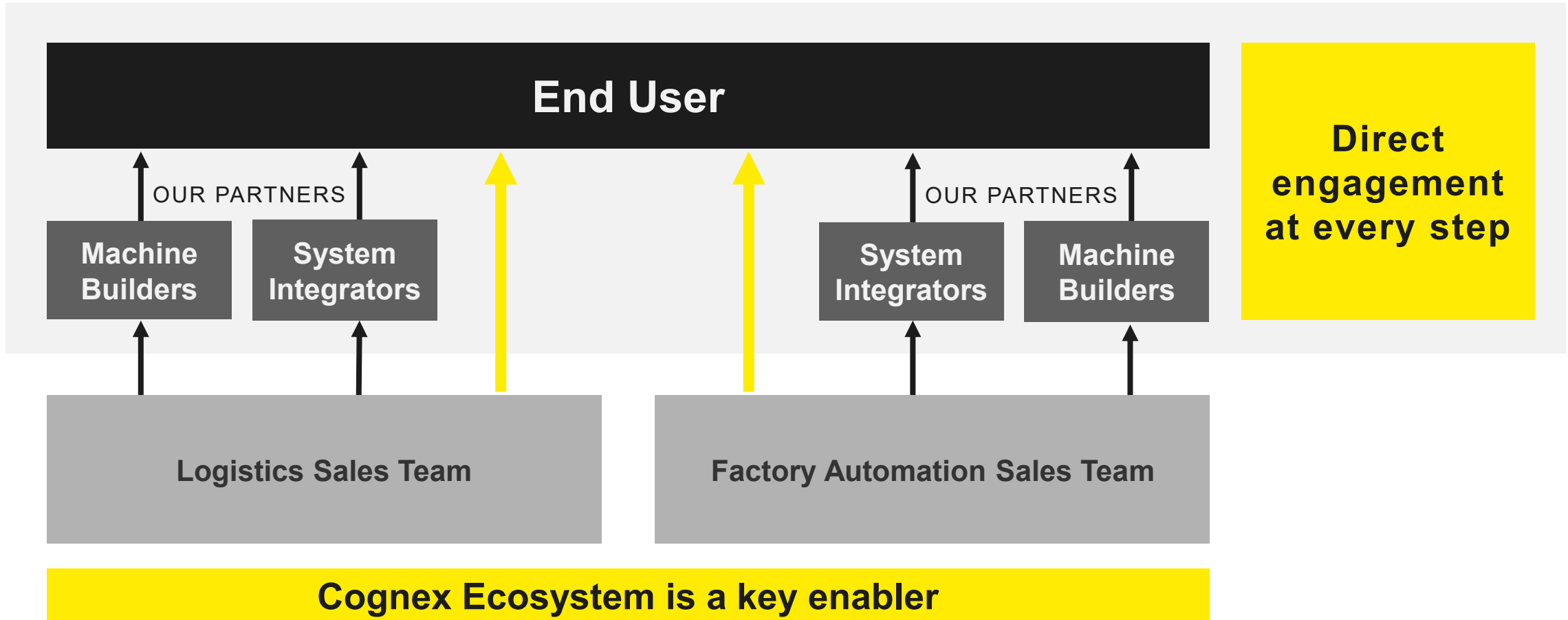
The most **tech savvy**, large customers with the most **complex** problems

New logos, entering with **easy-to-use** and **easy-to-deploy** products

Flywheel of customer acquisition and customer experience increases the number of customers served



Our focus is working directly with the end user at every step of the customer journey



We structure our sales team on three themes

MARKET CREATION AND EXPANSION

Find new logos

Easy-to-use products

EXAMPLE CUSTOMER

EXAMPLE PRODUCT

federal package

OSARO

兆信科技
PANPASS



DM290
AI-powered ID reader

MARKET PENETRATION

Grow share of wallet

Cognex Ecosystem

EXAMPLE CUSTOMER

EXAMPLE PRODUCT



Unilever

BOSCH

AMERICAN EAGLE



L38
AI-powered 3D camera

HELPING PARTNERS MOVE FASTER

Spec-in and share gain

Cognex Ecosystem + Solutions made Easy

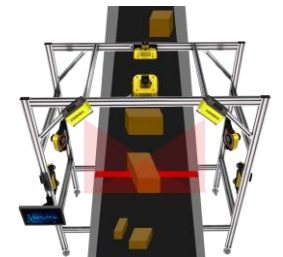
EXAMPLE CUSTOMER

EXAMPLE PRODUCT



IMA SPA

BORGWARNER



MVT
Modular vision tunnel

Market creation and expansion enabled by easy-to-use AI-powered products

“The main advantage of using Cognex is the ease of use of the products. The software, the setting up of the tools is one of the easiest I've seen by far in the industry.”

Mathieu Van Parys – Co-founder and Head of Research & Development,
Ansomat

Increased sales coverage to reach underpenetrated customers

EASY-TO-USE EXAMPLES

- Single-button AI powered image formation
- AI-guided positioning, tuning and decoding

TOP MARKETS

- Packaging and Logistics

SHOWCASED IN THE PACKAGING PRODUCT DEMO



MARKET CREATION
AND EXPANSION

Penetrating the market with power and flexibility of the full ecosystem

“Cognex’s edge learning-based vision systems make our best even better.”

Jerry Blise - Senior Vice President of Operations,
Federal Package



**MARKET
PENETRATION**

Consultative sales approach promotes the complete Cognex ecosystem

POWER AND FLEXIBILITY EXAMPLES

- First AI powered 3D smart camera
- Inspecting tiny scratches on shiny objects
- Ecosystem approach simplifies deployment and accelerates results

TOP MARKETS


- Automotive and Logistics

SHOWCASED IN THE AUTOMOTIVE PRODUCT DEMO

Providing standard solutions that are made easy

“If I would have to describe working with Cognex in three words, they would probably be: professional, reliable, and easy.”

Denis Schmidt – Director of Sales and Marketing, OCTUM GmbH



**HELPING
PARTNERS
MOVE FASTER**

Spec-in sales approach and enabling partners to deploy advanced machine vision

STANDARD SOLUTIONS MADE EASY EXAMPLES

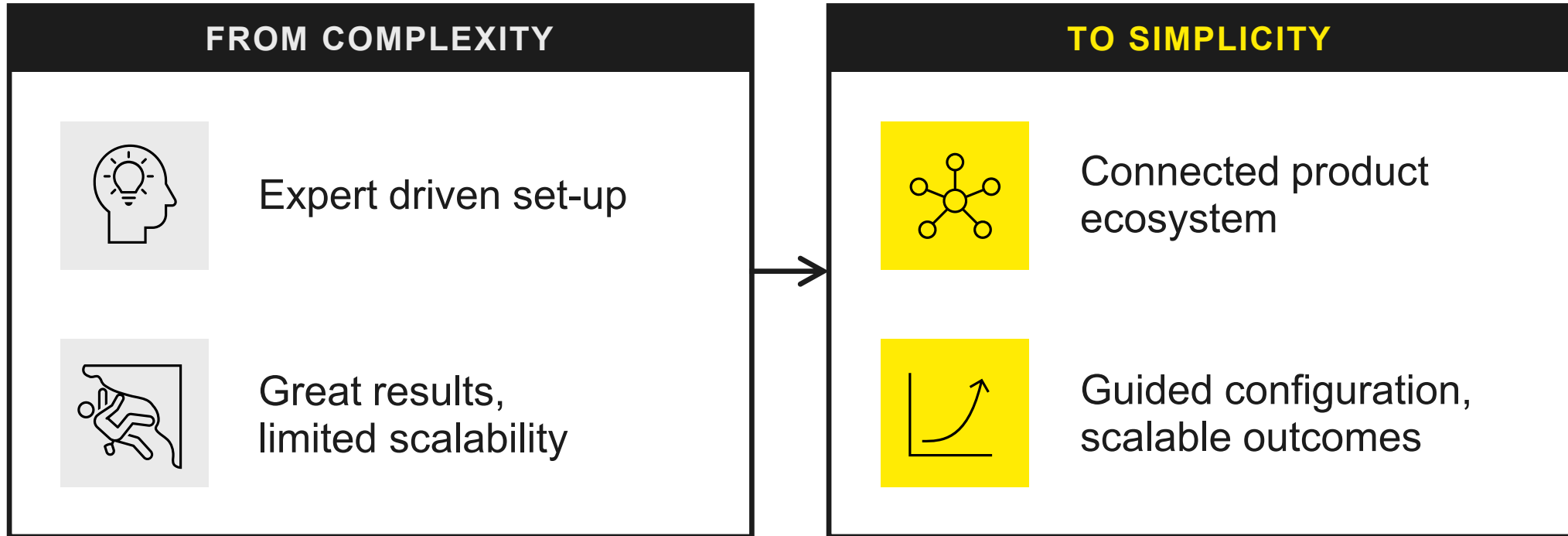
- Solutions that are easy to quote, order, install, commission and support
- Standardization to drive improvements in customer experience and operating efficiency

TOP MARKETS

- Logistics and Consumer Electronics

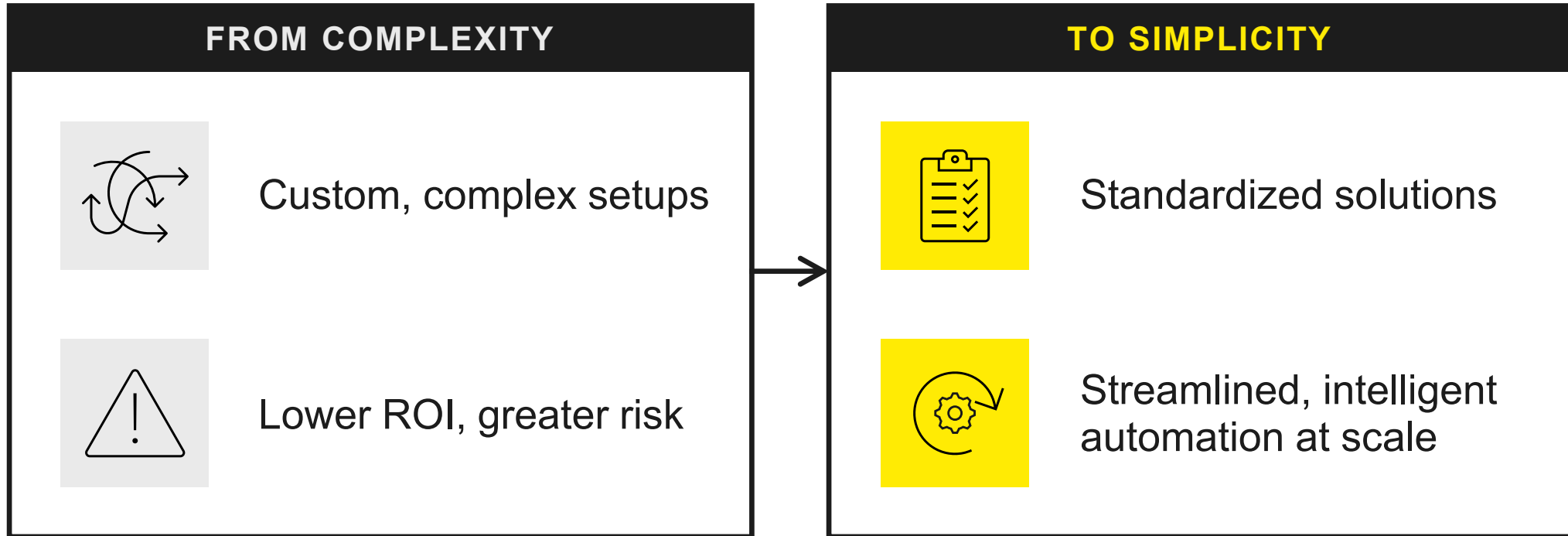
SHOWCASED IN THE LOGISTICS PRODUCT DEMO

Specify the path forward...



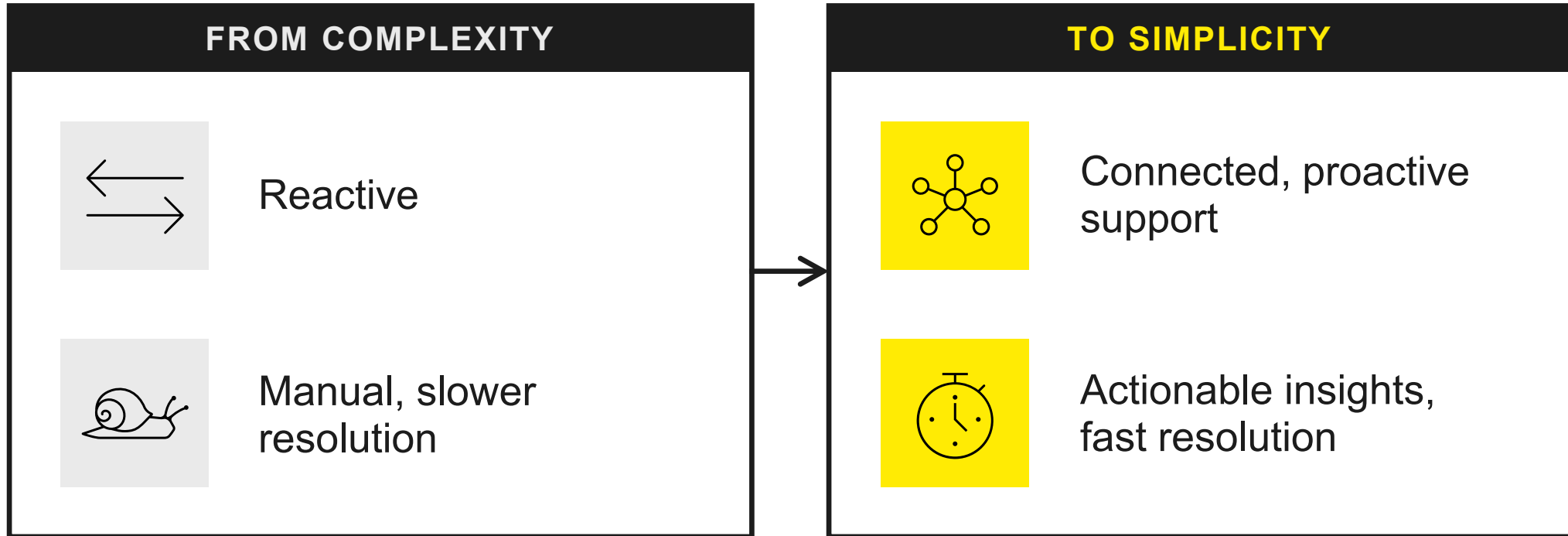
... with an adaptive ecosystem, ready for whatever is next

Rapidly deploy...



... leveraging Cognex know-how through out-of-box AI guidance

Maintain and support...



... with always-on resources and localized value-add services

Flywheel of customer acquisition and customer experience increases the number of customers served



Morning Q&A



Reto Wyss



Shirin Saleem



Carl Gerst



Product Demos & Lunch

Not available via webcast. Webcast restarts at 1:15PM ET.



Break

Webcast restarts at 1:15PM ET.

Team Assignments

AGENDA

8 – 9 AM	Breakfast and Registration
9 – 11 AM	Strategy, Technology, and Q&A
11 AM – 1 PM	Product Demos and Lunch
1 – 2 PM	Financial Framework and Q&A

TEAM ASSIGNMENT

Team **Name**

CONNECTING TO COGNEX GUEST WI-FI

Network: Cognex-guest Password: cogwears

SCAN FOR YOUR CUSTOM ENGRAVED PEN



Team Eddie the Yeti



Darren Long

Team Ultimate Frisbee



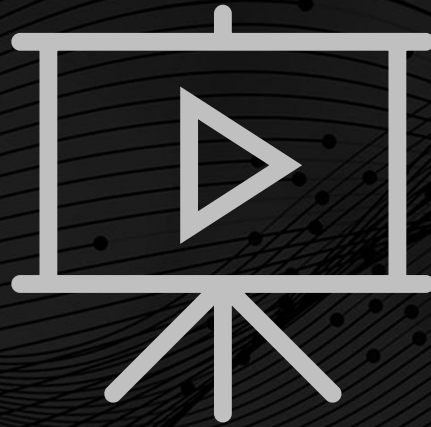
Shirin Saleem

Team Halloween



Reto Wyss

Cognex Culture Video



Welcome back



Greer Aviv

Head of Investor Relations

Financial Framework



Dennis Fehr
Chief Financial Officer

Through-cycle financial framework targets drive shareholder value

13% - 14%

Revenue CAGR
incl. 3% Inorganic Growth

20% - 30%

Adjusted EBITDA Margin

>100%

Free Cash Flow Conversion¹

**long-term
VALUE CREATION**

13% - 14% revenue growth is enabled by attractive market growth in combination with inorganic growth

COMPONENTS OF REVENUE GROWTH

		GROWTH CATEGORY	% CONTRIBUTION TO CAGR	
MARKET CAGR	1	Underlying Industry Growth	4%	
	2	Increasing Machine Vision penetration		6 – 7%
		Machine Vision Market CAGR¹		10 – 11%
COGNEX CAGR	3	Inorganic Growth		3%+
		Total Revenue CAGR THROUGH THE CYCLE		13 – 14%

1) Source: Interact Analysis 2024 Machine Vision report and company research

Diverse set of verticals - underlying industry growth is compounded by increase of machine vision penetration

VERTICAL MARKET GROWTH AND DRIVERS

VERTICAL MARKET	①	②	THROUGH THE CYCLE	MARKET DRIVERS
	UNDERLYING INDUSTRY GROWTH ¹	INCREASE OF MV PENETRATION	TOTAL MARKET CAGR ²	
Logistics	MSD	HSD	MID-TEENS	<ul style="list-style-type: none"> Investments into e-commerce, adding vision applications
Packaging	LSD	MSD	HSD	<ul style="list-style-type: none"> More stringent requirements on traceability, quality, compliance
Auto	LSD	MSD	HSD	<ul style="list-style-type: none"> Greater complexity to inspect and more customizable options
Consumer Electronics	MSD	MSD	HSD	<ul style="list-style-type: none"> Retrofit and cyclical investment driven by form factor changes
Semiconductor	HSD	LSD	LOW-TEENS	<ul style="list-style-type: none"> AI driven supercycle, re-shoring of semi manufacturing
Machine Vision Market CAGR	4%	6 - 7%	10 – 11%	

LOW
LEVEL OF MV PENETRATION
HIGH

1) Source: TD Cowen and Melius industry growth research, Goldman Sachs Wafer Fab equipment report and UBS F&B report

2) Source: Company research and Interact Analysis 2024 Machine Vision report

3 Targeted M&A with clear strategic and financial priorities

STRATEGIC PRIORITIES

- Advances our strategic objectives: #1 in AI technology and customer experience, expanding the customer base, #1 or #2 market position
- Strengthens core business, including tech bolt-on's
- Entering near adjacencies such as sensors to expand served market
- **Is highly synergistic with existing business**

FINANCIAL PRIORITIES

- Supports revenue growth with clear path to Adj. EBITDA margin target range
- Larger acquisitions expected to be EPS accretive
- **Yields attractive expected returns and contributes to long-term value creation**

3 Case Study: highly synergistic and accretive Moritex acquisition

DEAL METRICS:

\$257M purchase price

Largest acquisition to date

Closed Q4-2023

STRATEGIC RATIONALE

Close portfolio gap through vertical integration by acquiring **highly synergistic** and **bottom-line accretive tech leader**.



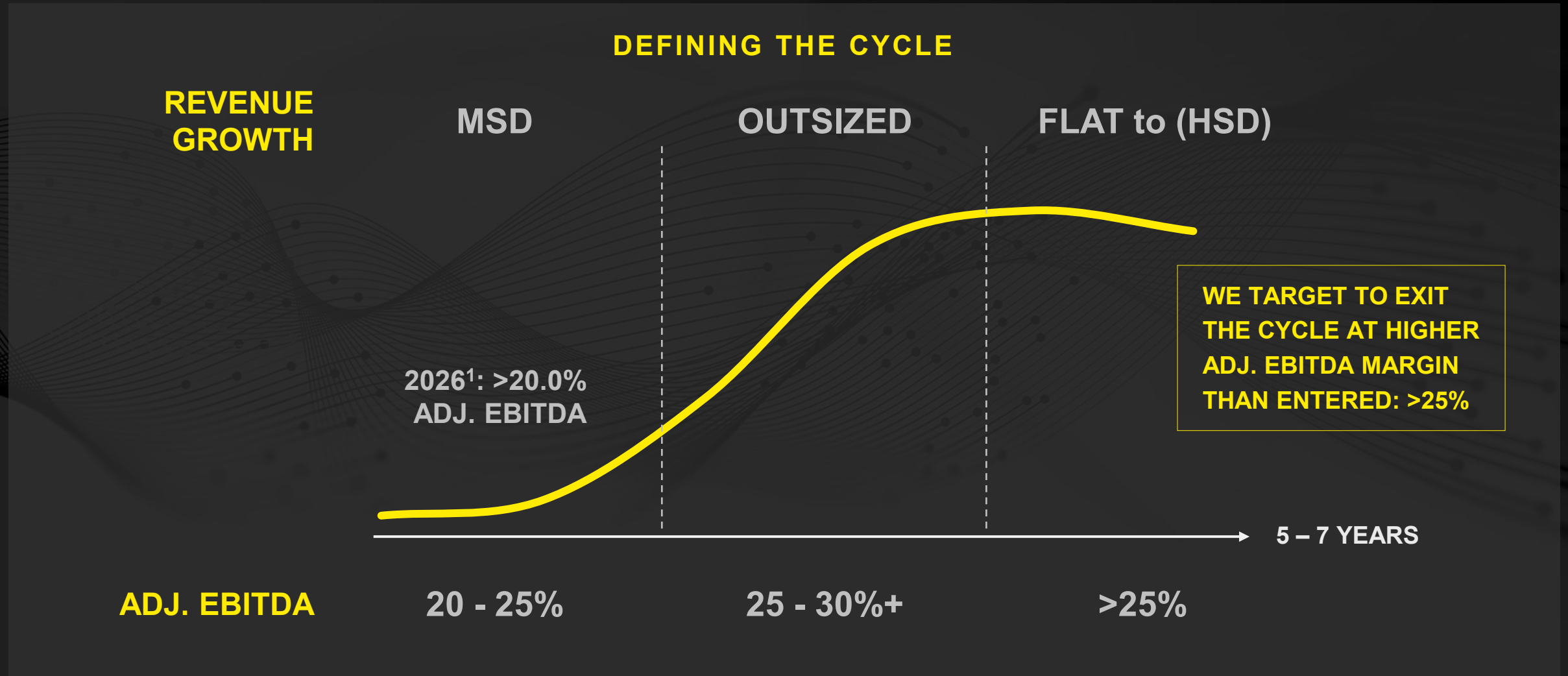
SYNERGIES

- Moritex lenses are now ~95% of non-integrated lenses sold by Cognex
- Using Moritex's strong market position in Asia, and especially Japan, to further penetrate market
- Moritex's deep engineering talent in image capture & formation contributing to vision system development

FINANCIAL VALUE

- Accretive to 2024 Adj. Operating & EBITDA margins
- ~\$.05 accretive to 2024 Adj. Earnings per Share

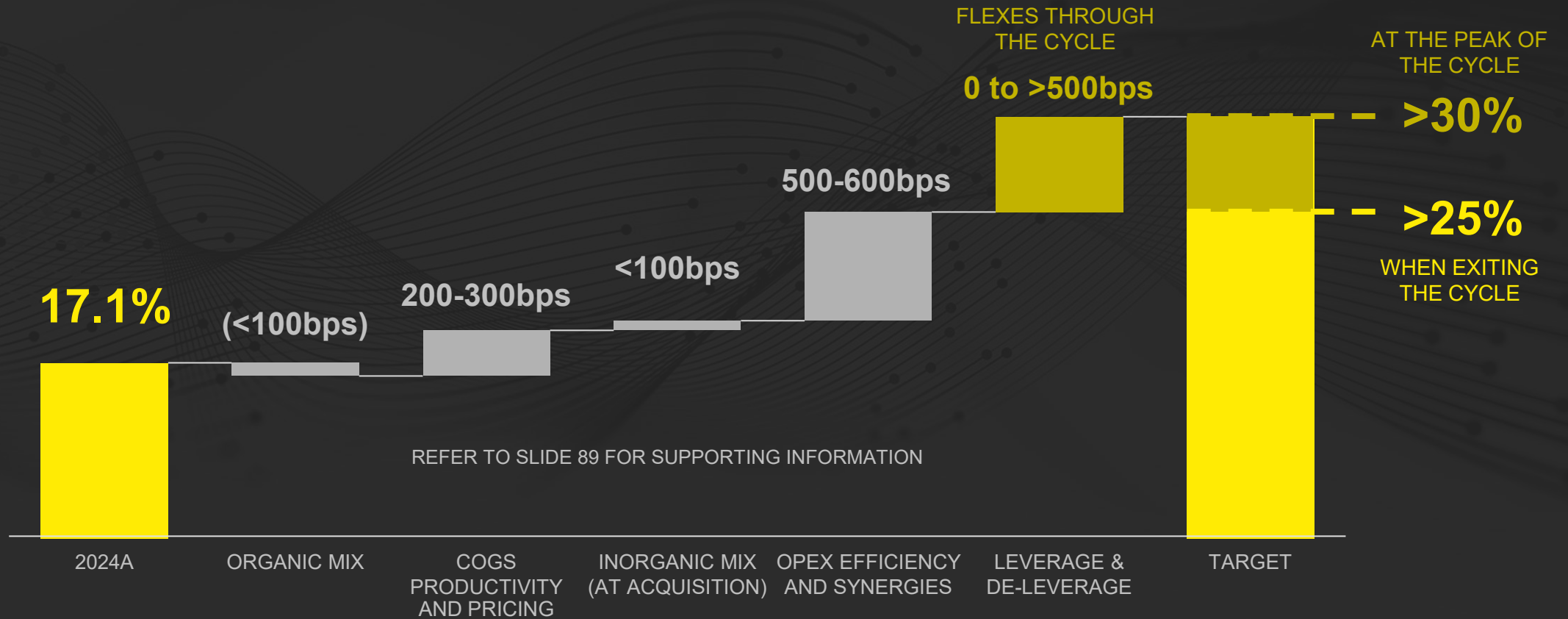
Driving sustainable, profitable growth through the cycle



1) based on non-recessionary macro environment

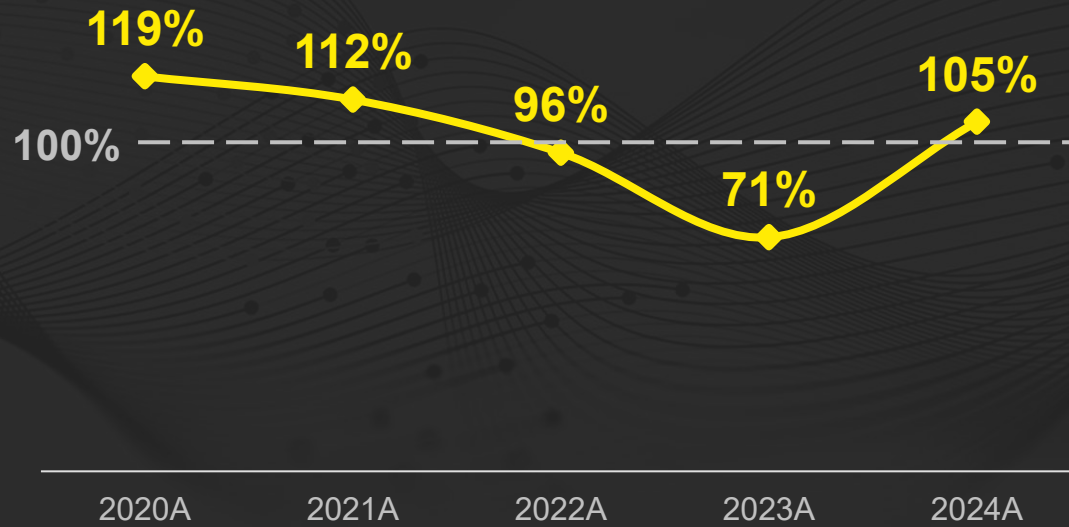
Focus on OPEX efficiency and operating leverage, combined with COGS productivity drive Adj. EBITDA margin increase

ADJ. EBITDA MARGIN WALK

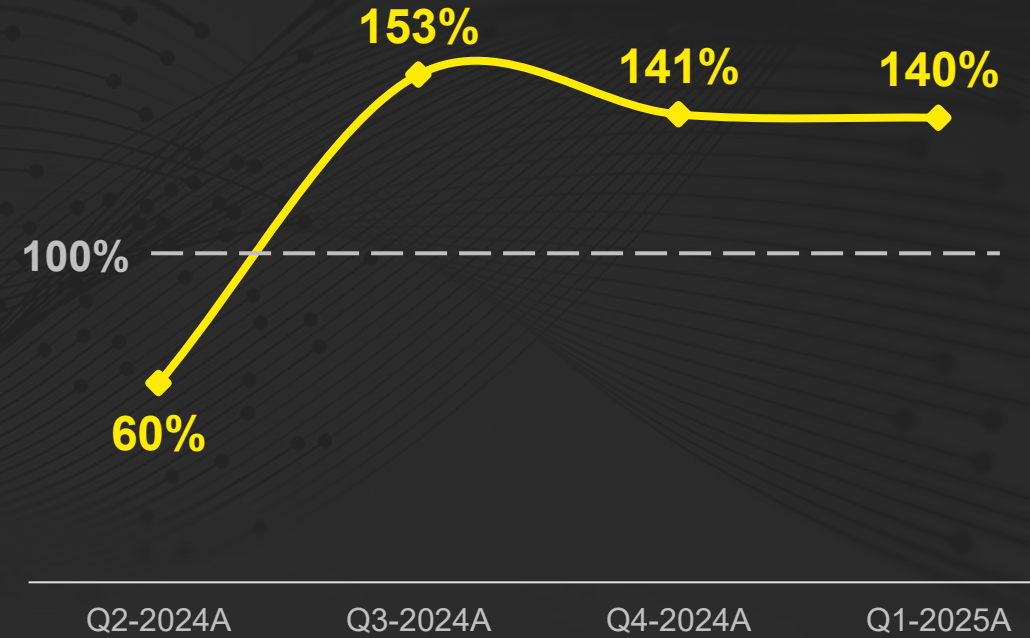


Capital light business model enables FCF conversion of >100%; strong execution in the last quarters

FCF CONVERSION¹ 2020 - 2024



FCF CONVERSION¹ LAST FOUR QUARTERS



CAPITAL LIGHT BUSINESS MODEL: Capex 2% of revenue, actively managing working capital

1) FCF conversion is defined as Free Cash Flow divided by Adj. Net Income

Disciplined capital allocation accelerates growth and shareholder value creation

1

MERGERS & ACQUISITION

Accelerating profitable growth in core business or near adjacencies.

2

SHARE BUYBACK

Opportunistic to min. offset dilution. (measured over a five-year period)

3

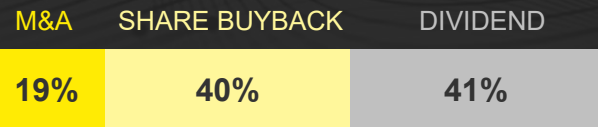
DIVIDEND

Annual growth at increments comparable to prior years.

ACTUAL

2020 – 2024

CAPITAL DEPLOYED

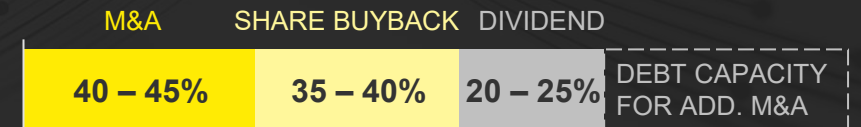


22% excl. \$350M special dividend paid in 2020

VISION

2025 – 2029

CAPITAL DEPLOYED



Illustrative size

STRONG BALANCE SHEET: Currently debt free, long-term leverage up to 1.0x – 2.0x Adj. EBITDA through the cycle.

INVESTMENT THESIS

Well positioned to capture expansive market opportunity

TECHNOLOGY LEADER

Strong brand with deep domain expertise and continuous investment into AI.

LARGE GROWTH MARKET

\$7B¹ market across diverse set of verticals with ~10%-11% CAGR² through-cycle.

DIRECT SALES AS A COMPETITIVE EDGE

Work with customers at every step of the customer journey to create sticky relationships.

TOP-TIER CUSTOMER BASE

Leader with sophisticated tech users and opportunity to significantly expand # of served customers.

HIGH-MARGIN BUSINESS

Software embedded on-device.

CAPITAL LIGHT BUSINESS MODEL

Enabling consistent cash generation and strong balance sheet.

UNIQUE COMPANY CULTURE

Afternoon Q&A



Rob Willett



Matt Moschner



Dennis Fehr

The background features a complex, abstract pattern of thin, dark lines that form a series of overlapping, wavy bands across the page. Small, dark dots are scattered throughout, often at the intersections of the lines, creating a sense of depth and movement. The overall aesthetic is technical and futuristic.

Appendix

Components of Adj. EBITDA margin walk

ORGANIC MIX

(<100bps)

- Logistics vertical market with highest growth rates drives slightly unfavorable mix

COGS PRODUCTIVITY AND PRICING

200 - 300bps

- Driving product cost efficiency during product development and post launch
- Targeted pricing actions for specific products and NPI
- Defending market share where applicable with more aggressive pricing of N-1 and N-2 products

INORGANIC MIX AT ACQUISITION

<100bps

- Selective M&A within or with clear path to Adj. EBITDA margin target range

OPEX EFFICIENCY AND SYNERGIES

500 - 600bps

- Focused actions to adjust cost structure
- Annual SG&A growth substantially lower than revenue growth
- Steady annual R&D growth targeting low-teens % of revenue
- Focus on M&A which is highly synergistic

LEVERAGE & DE-LEVERAGE

0 to >500bps

- COGS and Opex leverage especially in outsized growth years
- De-leverage in COGS and R&D in the down cycle

The background features a complex, abstract pattern of thin, dark lines that flow and curve across the frame, creating a sense of motion and depth. Small, dark dots are scattered throughout, often at the ends of the lines, resembling a network or data visualization. A solid yellow vertical bar is positioned on the left side of the slide, partially overlapping the text.

Speaker bios



Rob Willett

Chief Executive Officer

As Chief Executive Officer, Mr. Willett oversees all aspects of strategy and operations for Cognex Corporation. Mr. Willett came to Cognex in 2008 from Danaher Corporation, a diversified manufacturer of industrial controls and technologies, where he served as Vice President of Business Development and Innovation for the company's Product Identification business group. Prior to that Mr. Willett was President of Videojet Technologies, a leader in coding and marking products, which is a subsidiary of Danaher. Mr. Willett also served as Chief Executive Officer of Willett International Ltd., a \$125 million privately owned coding company with 30 wholly owned sales companies around the world, which he sold to Danaher in 2003 and which was merged with Videojet. He holds a B.A. from Brown University and an M.B.A. from Yale University. Mr. Willett currently serves on the Board of Clean Harbors, Inc, a publicly held company listed on the New York Stock Exchange.



Matt Moschner

*President and
Chief Operating Officer*

As President and Chief Operating Officer, Mr. Moschner oversees global engineering, products, sales and operations. Since joining Cognex in 2017, Mr. Moschner has held key positions of leadership across product and engineering teams, helping grow the Company's barcode reading portfolio and leading the Company's strategic technology and product innovation process. In addition to advancing organic innovation, Mr. Moschner has contributed significantly to the Company's acquisitions, including leading the successful integration of Moritex, the largest acquisition in the Company's history. Prior to joining Cognex, Mr. Moschner worked within the industrial technology practice of the Boston Consulting Group (BCG) and prior to that for Boeing's commercial airplane group. Mr. Moschner holds a B.S. in Electrical Engineering & Economics from Duke University and a M.B.A. from Northwestern's Kellogg School of Management.



Reto Wyss

*Vice President,
AI Technology*

As Vice President of AI Technology, Mr. Wyss leads Cognex's AI R&D and Vision Tools development. He joined Cognex in 2017 through the acquisition of ViDi Systems SA, a Swiss company that he co-founded in 2012, which pioneered the use of Deep Learning based visual inspection technology for factory automation. At Cognex he leads the invention of new key AI technologies like Edge Learning that dramatically simplified how AI tools can be trained for specific inspection tasks. During his tenure at Cognex, he helped to introduce new AI based vision tools to all major product lines helping to simplify and expand the use of machine vision technology in factories. He holds an M.S. in Physics, a PhD in Computational Neuroscience and a M.B.A. from ETH and University of Zürich, Switzerland.



Shirin Saleem

*Vice President,
Software Engineering*

As Vice President of Product Engineering, Ms. Saleem leads the software and applications stack of Cognex's product portfolio. Ms. Saleem joined Cognex in May 2023, bringing with her two decades of experience in AI applications for both consumer and enterprise sectors. She was a founding member of the Alexa AI team at Amazon, where she worked on revolutionizing far-field speech recognition, culminating in the successful launch of the Amazon Echo. In her two years at Cognex, Ms. Saleem launched the Cognex's latest state-of-the-art AI-powered barcode readers and introduced advanced AI models in the VisionPro Deep Learning software product, emphasizing innovative AI solutions for superior ease-of-use. She holds an M.S. from the School of Computer Science at Carnegie Mellon University and a Bachelor's degree in Electronics and Communication Engineering from the National Institute of Technology Karnataka, India



Carl Gerst

*Executive Vice President,
Vision and ID Products*

Mr. Gerst oversees global engineering and product development, product management, and product marketing for Cognex's Vision and ID products. Since joining Cognex in 1999, Mr. Gerst has been instrumental in managing and scaling the development, innovation, and performance of the company's products. Under his leadership, Cognex has released market-leading products in the areas of embedded vision systems, high-performance barcode readers, 3D dimensioning systems, vision-enabled mobile terminals, and logistics solutions. Prior to joining Cognex, Mr. Gerst held roles in engineering, sales, and product marketing for Hand Held Products (now Honeywell Imaging and Mobility), a leading supplier of Automatic Identification and Data Collection equipment. Mr. Gerst holds a B.S. Degree in Electrical Engineering from Clarkson University and an M.B.A. from the Simon School of Business at the University of Rochester.



Dennis Fehr

Chief Financial Officer

As Senior Vice President of Finance and Chief Financial Officer, Mr. Fehr leads Cognex's global finance and information technology organization. Before joining Cognex in April of 2024, Mr. Fehr was the CFO of 6K Inc, a manufacturing technology company focused on strategic materials in the battery supply chain and for additive materials. Prior to 6K, Inc., he was the CFO of Fluence Energy, Inc. (NASDAQ: FLNC), which he helped take public in 2021. Prior to Fluence Energy, Mr. Fehr was Vice President of Finance at Siemens, where he spent the first 15 years of his career. He holds a B.A. from Cooperative State University, Villingen-Schwenningen, Germany.

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Non-GAAP Reconciliations

Non-GAAP financial measures

This presentation includes certain non-GAAP financial measures, including adjusted EBITDA and margin and free cash flow. Cognex defines its non-GAAP metrics as follows:

Adjusted earnings per share (EPS) of common stock, diluted

Adjusted net income divided by diluted weighted average common and common-equivalent shares.

Adjusted EBITDA and margin

Operating income adjusted for amortization of acquisition-related intangible assets and depreciation, as well as, if applicable, restructuring charges, reorganization charges, acquisition and integration costs and one-time discrete events.

Adjusted net income

Net income adjusted for amortization of acquisition-related intangible assets, as well as, if applicable, restructuring charges, reorganization charges, acquisition and integration costs, discrete tax items, and one-time discrete events.

Adjusted operating income and margin

Operating income adjusted for amortization of acquisition-related intangible assets, as well as, if applicable, restructuring charges, reorganization charges, acquisition and integration costs and one-time discrete events.

Free cash flow

Cash provided by operating activities less cash for capital expenditures.

Free cash flow conversion rate

Free cash flow divided by adjusted net income.

Cognex may also disclose results on a constant-currency basis as one measure to evaluate its performance and compare results between periods as if the exchange rates had remained constant period-over-period.

Cognex believes these non-GAAP financial measures are helpful because they allow investors to more accurately compare results over multiple periods using the same methodology that management employs in its budgeting process, in its review of operating results, and for forecasting and planning for future periods. Cognex's definitions may differ from the definitions used by other companies and therefore comparability may be limited. In addition, other companies may not publish these or similar metrics. Furthermore, these measures have certain limitations in that they do not include the impact of certain non-recurring expenses that are reflected in our consolidated statement of operations that are necessary to run our business. Thus, our non-GAAP financial measures should be considered in addition to, not as substitutes for, or in isolation from, measures prepared in accordance with GAAP.

GAAP to Non-GAAP tables

Cognex Corporation RECONCILIATION OF SELECTED ITEMS FROM GAAP TO NON-GAAP

Dollars in thousands, except per share amounts (Unaudited)

	Twelve-months Ended	
	December 31, 2024	December 31, 2023
Operating income (GAAP)	\$115,065	\$130,702
Loss (recovery) from fire		(8,000)
Acquisition and integration costs	6,524	9,962
Amortization of acquisition-related intangible assets	11,418	4,610
Reorganization charges	2,990	
Adjusted operating income	\$135,997	\$137,274
Depreciation (adjusted for amounts included in Acquisition and integration costs)	20,393	17,270
Adjusted EBITDA	\$156,390	\$154,544
Earnings per share of common stock, diluted (GAAP)	\$0.62	\$0.65
Loss (recovery) from fire		(0.05)
Acquisition and integration costs	0.04	0.06
Amortization of acquisition-related intangible assets	0.07	0.03
Foreign currency (gain) loss on forward contract to hedge Moritex purchase price		0.05
Reorganization charges	0.02	
Discrete tax (benefit) expense	0.03	0.01
Tax impact of reconciling items	(0.03)	(0.02)
Adjusted earnings per share of common stock, diluted	\$0.74	\$0.73

Note: Beginning in the fourth quarter of 2023, we updated the calculation of our Non-GAAP measures to exclude acquisition and integration costs and amortization of acquisition-related intangible assets. These changes have been applied retrospectively to the period ended December 31, 2023.

Note: For the 10-year adjusted EBITDA margin average calculated on page 10, adjusted EBITDA for periods prior to the twelve-month period ended December 31, 2023 was calculated by adding back to GAAP operating income depreciation, amortization of acquisition-related intangible assets, acquisition and integration costs, and other one-time costs such as restructuring costs, loss (recovery) from fire, and intangible asset impairment charges. For reference only, the 10-year average for GAAP operating income, adding back depreciation and amortization of acquisition-related intangible assets, as a percentage of revenue, (all set forth in Cognex's Annual Reports on Form 10-K for the years 2014 through 2024) equals 27%.

GAAP to Non-GAAP tables

Cognex Corporation RECONCILIATION OF SELECTED ITEMS FROM GAAP TO NON-GAAP

Dollars in thousands (Unaudited)

	Three-months Ended			
	March 30, 2025	December 31, 2024	September 29, 2024	June 30, 2024
Net income (GAAP)	\$23,603	\$28,346	\$29,591	\$36,212
Loss (recovery) from fire				
Acquisition and integration costs	780	974	1,243	1,436
Amortization of acquisition-related intangible assets	2,628	2,492	3,386	2,727
Foreign currency (gain) loss on forward contract to hedge Moritex purchase price				
Reorganization charges	1,708	2,990		
Discrete tax (benefit) expense	(307)	2,220	889	(463)
Tax impact of reconciling items	(1,365)	(2,008)	(1,176)	(1,033)
Adjusted net income	\$27,047	\$35,014	\$33,933	\$38,879
Cash provided by operating activities (GAAP)	\$40,502	\$51,404	\$56,271	\$27,763
Capital expenditures	(2,501)	(2,073)	(4,399)	(4,510)
Free cash flow	\$38,001	\$49,331	\$51,872	\$23,253

GAAP to Non-GAAP tables

Cognex Corporation RECONCILIATION OF SELECTED ITEMS FROM GAAP TO NON-GAAP

Dollars in thousands (Unaudited)

	Twelve-months Ended				
	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020
Net income (GAAP)	\$106,171	\$113,234	\$215,525	\$279,881	\$176,186
Excess and obsolete inventory charges					9,908
Restructuring charges			1,657		15,924
Intangible asset impairment charges					19,571
Loss (recovery) from fire		(8,000)	20,779		
Acquisition and integration costs	6,524	9,962	280		
Amortization of acquisition-related intangible assets	11,418	4,610	3,274		
Foreign currency (gain) loss on forward contract to hedge Moritex purchase price		8,456			
Reorganization charges	2,990				
Discrete tax (benefit) expense	5,731	2,338	(4,874)	(12,340)	(20,591)
Tax impact of reconciling items	(5,571)	(3,207)	(4,748)		(7,719)
Adjusted net income	\$127,263	\$127,393	\$231,894	\$267,541	\$193,279
Cash provided by operating activities (GAAP)	\$149,081	\$112,916	\$243,406	\$314,065	\$242,400
Capital expenditures	(15,043)	(23,077)	(19,667)	(15,455)	(13,303)
Free cash flow	\$134,038	\$89,839	\$223,739	\$298,610	\$229,097

Note: Beginning in the fourth quarter of 2023, we updated the calculation of our Non-GAAP measures to exclude acquisition and integration costs and amortization of acquisition-related intangible assets. These changes have been applied retrospectively to the twelve-month period ended December 31, 2023, and the twelve-month period ended December 31, 2022. Periods prior to the twelve-month period ended December 31, 2022 were not updated.

COGNEX

INVESTOR DAY 2025

Thank you

Advanced machine vision
made easy*

**Easy is Hard to Do!*