



Fiscal 4th Quarter and Full-Year 2024

FINANCIAL RESULTS

March 22, 2024



Forward-Looking Statements

Information included in this presentation may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not statements of historical fact, but rather reflect our current expectations concerning future events and results. These statements may include the use of the words “believes,” “expects,” “intends,” “plans,” “anticipates,” “likely,” “continues,” “may,” “will,” and similar expressions to identify forward-looking statements. Such forward-looking statements, including those concerning the Company’s anticipated performance, involve risks, uncertainties and other factors, some of which are beyond our control, which may cause our actual results, performance or achievements to be materially different from those expressed or implied by such forward-looking statements. These risks, uncertainties and factors include, but are not limited to, (i) the risk that we may not be able to realize the expected synergies from our acquisition of Astro Machine, (ii) the risk that apparent improvements in the Aerospace and Defense sectors may not continue and (iii) those factors set forth in the Company’s Annual Report on Form 10-K for the fiscal year ended January 31, 2023 and subsequent filings AstroNova makes with the Securities and Exchange Commission. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The reader is cautioned not to unduly rely on such forward-looking statements when evaluating the information presented herein.

Non-GAAP Financial Measures

In addition to financial measures prepared in accordance with generally accepted accounting principles (GAAP), this presentation contains the non-GAAP financial measures Adjusted EBITDA, non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income, non-GAAP operating margin, non-GAAP net income, and non-GAAP net income per common share. AstroNova believes that the inclusion of these non-GAAP financial measures helps investors gain a meaningful understanding of changes in the Company’s core operating results and can help investors who wish to make comparisons between AstroNova and other companies on both a GAAP and a non-GAAP basis. AstroNova’s management uses these non-GAAP financial measures, in addition to GAAP financial measures, as the basis for measuring its core operating performance and comparing such performance to that of prior periods and to the performance of its competitors. These measures are also used by the Company’s management to assist with their financial and operating decision-making. Please refer to the financial reconciliation tables included in this presentation for a reconciliation of GAAP measures to the most directly comparable non-GAAP measures for the three and 12 months ended January 31, 2024, and January 31, 2023.

AstroNova has not reconciled the forward-looking Adjusted EBITDA growth percentage included in its 2025 financial targets and outlook to the most directly comparable forward-looking GAAP measure because this cannot be done without unreasonable effort due to the lack of predictability regarding cost of sales, operating expenses, depreciation and amortization, and stock-based compensation. The impact of any of these items, individually or in the aggregate, may be significant.

Agenda and Speakers

- 01** CEO Commentary
- 02** FY'24 Review
- 03** Business Outlook
- 04** Q4'24 Review
- 05** Summary



Greg Woods

President and Chief Executive Officer



David Smith

VP and Chief Financial Officer

CEO Commentary

FY 2024 highlights

- Realignment of Product Identification segment enables strategic focus on highest return opportunities
- Test & Measurement segment delivers strongest revenue in 4 years, supported by a resurgent aerospace industry
- Launch of multiple new products in FY 2024 positions PI segment on a growth trajectory



AstroNova Operating System Drives Sustainable Competitive Advantages

FY'24 Financial Results

Increased efficiencies help fuel record FY operating income

Strong growth in FY'24

- Record revenue of \$148.1M, up 4% YoY
- Record operating income of \$8.8M, up 62% YoY
- GAAP EPS of \$0.63
- Adjusted EBITDA Less Restructuring & Retrofit-Related Items¹ of \$17.6M, up 60% YoY

Robust order flow as we begin FY'25

- FY24 bookings of \$143.7M, up 4% YoY
- Bookings higher YoY in both segments

Positive operating cash flow for FY'24

- Generated \$12.4M in cash from operating activities (vs. use of \$3M in FY'23)



\$0.97 (+126%)

FY Non-GAAP Diluted EPS¹



34.9% (+110 bps)

FY Gross Margin



11.9% (+420 bps)

FY Adjusted EBITDA Margin¹



\$12.4M

FY Cash from ops

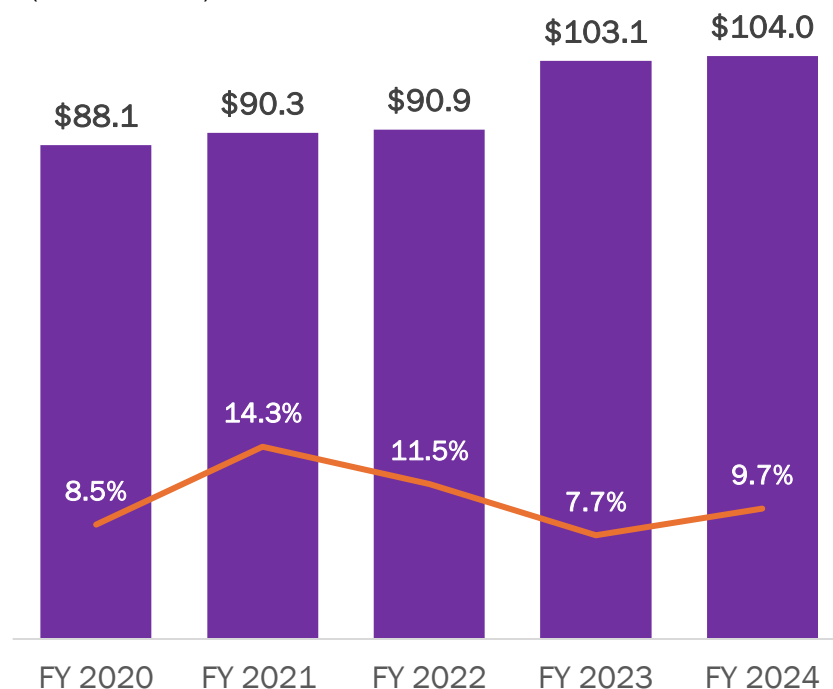
¹Full reconciliations between GAAP and Non-GAAP are included in the Appendix of this presentation.

FY'24 Segment Results

PI and T&M segments deliver year-over-year profitability growth

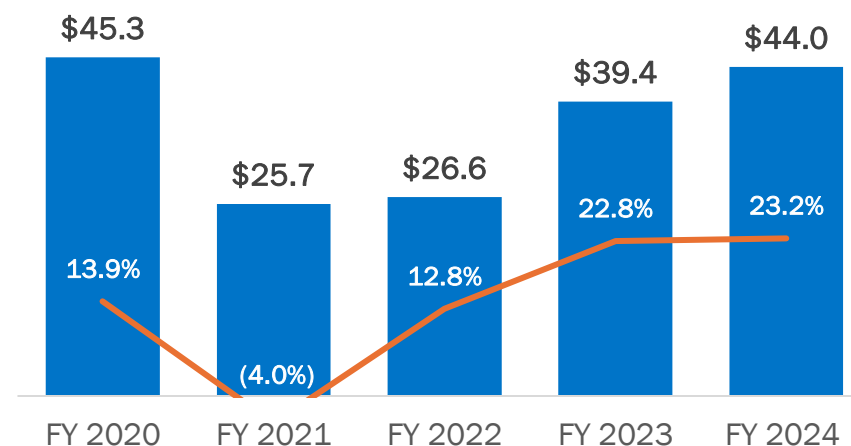
PI Revenue and Segment Operating Profit Margin

(\$ in millions)



T&M Revenue and Segment Operating Profit Margin

(\$ in millions)



FY'25 Financial Targets and Outlook

Strong growth and continued operational improvements

1

Mid-single-digit organic revenue percentage growth

2

FY 2025 Adjusted EBITDA margin of 13% to 14%

3

Continued Adjusted EBITDA margin improvement of 100 bps over the following two fiscal years

Q4'24 Financial Results

Strong operating margin of 9.9% highlights increased efficiencies

Quarterly Profitability Drivers

- Synergies from strategic realignment of PI segment
- Continued momentum in the commercial aerospace market
- Strong pricing in Aerospace and data acquisition product lines
- Improved working capital management

(\$ in thousands, except per share data)	Q4 FY 2024	Q4 FY 2023	YoY
Revenue	\$39,594	\$39,853	(1%)
Gross Profit	\$14,746	13,562	9%
Gross Margin	37.2%	34.0%	320 pts.
Operating Expenses	\$10,831	11,465	(6%)
Operating Income	\$3,915	2,097	87%
Operating Margin	9.9%	5.3%	460 pts.
Net Income	\$2,711	1,363	99%
Net Income per Common Share	\$0.36	\$0.18	100%

**Q4'24 Adjusted EBITDA Less Restructuring and Retrofit Items of
\$5.2M, Up 33% YoY**

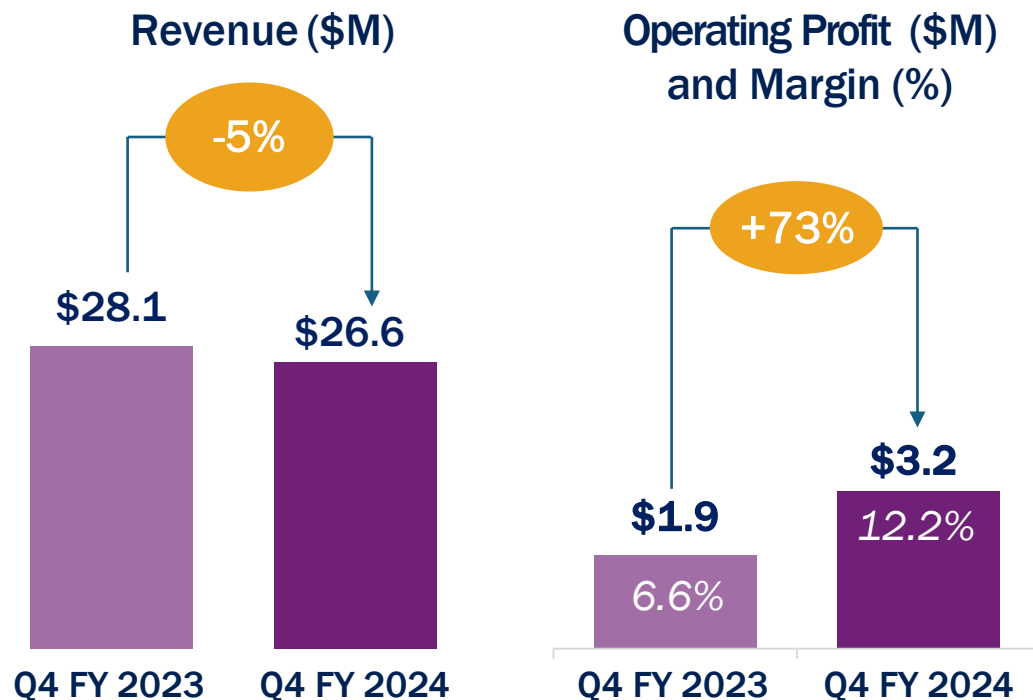
¹Full reconciliations between GAAP and Non-GAAP are included in the Appendix of this presentation.

Strong and Balanced Margin Growth

Q4 FY24 segment review

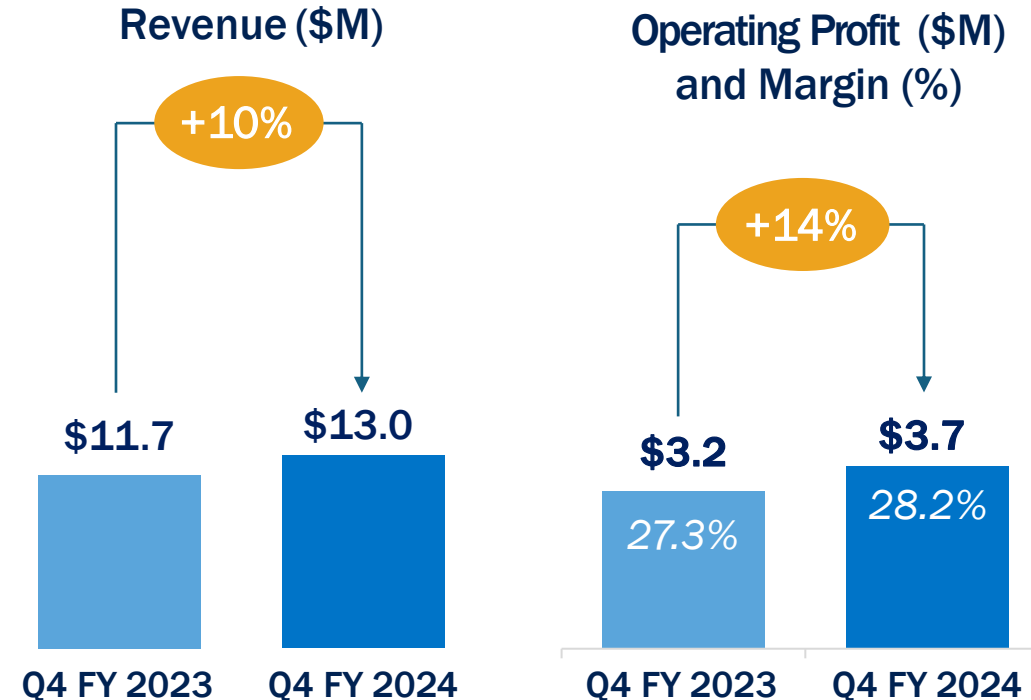
Product Identification Segment

Results underscore the successful implementation of strategic realignment and Astro Machine synergies



Test & Measurement Segment

Ongoing post-pandemic recovery of commercial aerospace market continues to drive solid performance

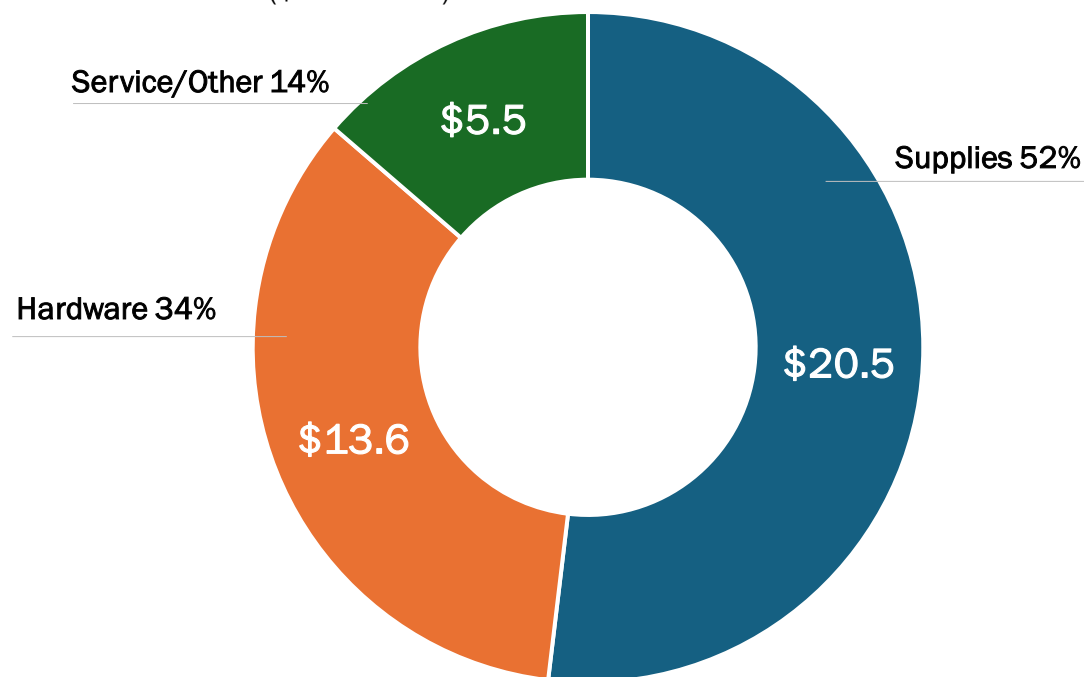


Revenue by Type and Geography

Strong recurring revenue stream; U.S. and ROW revenue up

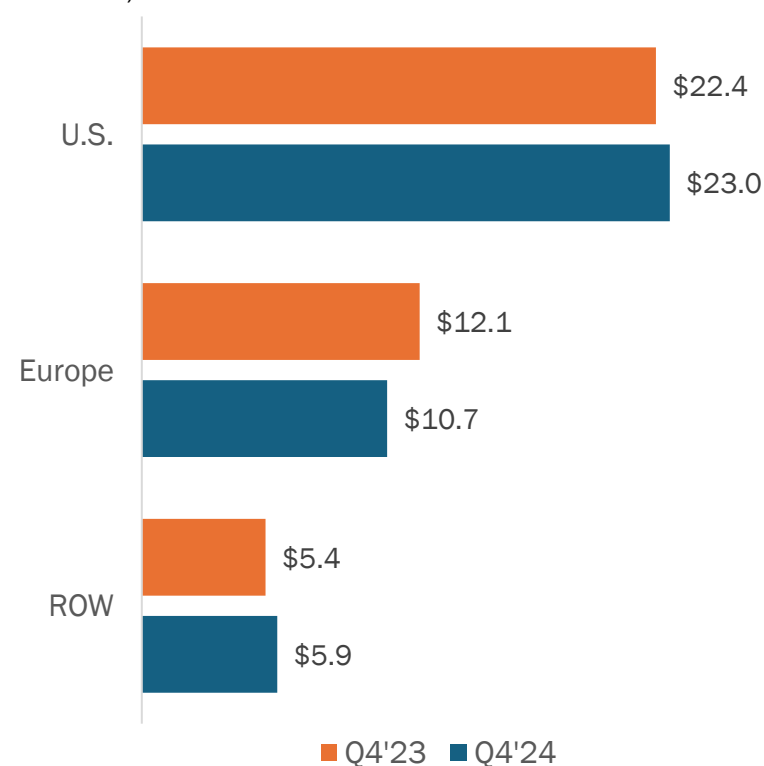
Q4 FY24 Revenue by Category

(\$ in millions)



Q4 FY24 Revenue by Geography

(\$ in millions)



Balance Sheet and Cash Flow Highlights

- Cash and cash equivalents of \$4.5M at 1/31/2024 versus \$3.9M at year-end 2023
- Generated \$12.4M in cash from operations in FY 2024, of which \$7M was used to pay down revolver debt. Debt \$21.8M at FYE.
- Significantly reduced total debt-to-trailing 12-month EBITDA (bank basis): Ratio at year-end was 1.3 times
- Sufficient committed revolving credit capacity to support our operating needs
- Strong banking relationship expected to support non-organic growth

Strong Foundation for Growth and Value Creation

AstroNova is positioned to win in a dynamic market environment

Leading Market Positions and Brands

Capitalizing on Secular Trends in All Lines of Business

High Recurring Revenue

Track Record of Value-Generating M&A

Appendix

Reconciliation of GAAP to Non-GAAP Results

ASTRONOVA, INC.
Reconciliation of GAAP to Non-GAAP Results
In Thousands Except for Per Share Data
(Unaudited)

	Three Months Ended		Twelve Months Ended	
	January 31, 2024	January 31, 2023	January 31, 2024	January 31, 2023
GAAP Revenues	\$ 39,594	\$ 39,853	\$ 148,086	\$ 142,527
Non-GAAP Revenues	\$ 39,594	\$ 39,853	\$ 148,086	\$ 142,527
GAAP Cost of Revenues	\$ 24,848	\$ 26,291	\$ 96,465	\$ 94,371
Restructuring Charges, net	(32)	-	2,064	-
Product Retrofit Costs, net	(410)	-	642	-
Non-GAAP Cost of Revenues	\$ 25,290	\$ 26,291	\$ 93,759	\$ 94,371
GAAP Gross Profit	\$ 14,746	\$ 13,562	\$ 51,621	\$ 48,156
Restructuring Charges, net	(32)	-	2,064	-
Product Retrofit Costs, net	(210)	-	642	-
Non-GAAP Gross Profit	\$ 14,504	\$ 13,562	\$ 54,327	\$ 48,156
GAAP Operating Expenses	\$ 10,831	\$ 11,465	\$ 42,825	\$ 42,713
Transaction Costs	-	-	-	(717)
Restructuring Charges, net	43	-	(512)	-
Non-GAAP Operating Expenses	\$ 10,874	\$ 11,465	\$ 42,313	\$ 41,996
GAAP Operating Income	\$ 3,915	\$ 2,097	\$ 8,796	\$ 5,443
Transaction Costs	-	-	-	717
Restructuring Charges, net	(75)	-	2,576	-
Product Retrofit Costs, net	(210)	-	642	-
Non-GAAP Operating Income	\$ 3,630	\$ 2,097	\$ 12,014	\$ 6,160
GAAP Other Income/(Expense)	\$ (563)	\$ (367)	\$ (2,723)	\$ (2,033)
Non-GAAP Other Income/(Expense)	\$ (563)	\$ (367)	\$ (2,723)	\$ (2,033)
GAAP Income Tax Expense	\$ 641	\$ 367	\$ 1,379	\$ 749
Tax Adjustments of Non-GAAP Adjustments	(65)	-	732	177
Non-GAAP Income Tax Expense	\$ 576	\$ 367	\$ 2,111	\$ 926
GAAP Net Income	\$ 2,711	\$ 1,363	\$ 4,694	\$ 2,661
Transaction Costs	-	-	-	540
Restructuring Charges, net	(58)	-	1,990	-
Product Retrofit Costs, net	(162)	-	496	-
Non-GAAP Net Income	\$ 2,491	\$ 1,363	\$ 7,180	\$ 3,201
GAAP Diluted Earnings Per Share	\$ 0.36	\$ 0.18	\$ 0.63	\$ 0.36
Transaction Costs	-	-	-	0.07
Restructuring Charges, net	(0.01)	-	0.27	-
Product Retrofit Costs, net	(0.02)	-	0.07	-
Non-GAAP Diluted Earnings Per Share	\$ 0.33	\$ 0.18	\$ 0.97	\$ 0.43

Reconciliation of Net Income to Adjusted EBITDA

ASTRONOVA, INC.
Reconciliation of Net Income to Adjusted EBITDA
Amounts In Thousands
(Unaudited)

	Three Months Ended		Twelve Months Ended	
	January 31, 2024	January 31, 2023	January 31, 2024	January 31, 2023
GAAP Net Income	\$ 2,711	\$ 1,363	\$ 4,694	\$ 2,661
Interest Expense	779	592	2,697	1,678
Income Tax Expense	641	367	1,379	749
Depreciation/Amortization	1,108	1,295	4,266	3,916
Share-Based Compensation	282	313	1,347	1,290
Adjusted EBITDA	<u>\$ 5,521</u>	<u>\$ 3,930</u>	<u>\$ 14,383</u>	<u>\$ 10,294</u>
Transaction Costs	-	-	-	540
Restructuring Charges, net	(58)	-	1,990	-
Product Retrofit Costs, net	(162)	-	496	-
Income Tax Expense - Transaction Costs	-	-	-	176
Income Tax Expense - Restructuring Charges, net	(17)	-	586	-
Income Tax Expense - Product Retrofit Costs, net	(48)	-	146	-
Adjusted EBITDA Less Restructuring & Retrofit Items	<u>\$ 5,236</u>	<u>\$ 3,930</u>	<u>\$ 17,601</u>	<u>\$ 11,010</u>

Reconciliation of Segment GAAP to Non-GAAP Operating Income

ASTRONOVA, INC.
Reconciliation of Segment GAAP to Non-GAAP Operating Income
Amounts In Thousands
(Unaudited)

	Three Months Ended						Twelve Months Ended					
	January 31, 2024			January 31, 2023			January 31, 2024			January 31, 2023		
	Product Identification	Test & Measurement	Total	Product Identification	Test & Measurement	Total	Product Identification	Test & Measurement	Total	Product Identification	Test & Measurement	Total
GAAP - Segment Operating Profit	\$ 3,239	\$ 3,652	\$ 6,891	\$ 1,869	\$ 3,206	\$ 5,075	\$ 10,087	\$ 10,200	\$ 20,287	\$ 7,889	\$ 8,989	\$ 16,878
Restructuring Charges, net	(75)	-	(75)	-	-	-	2,494	-	2,494	-	-	-
Product Retrofit Costs, net	(210)	-	(210)	-	-	-	642	-	642	-	-	-
Non-GAAP - Segment Operating Profit	<u>\$ 2,954</u>	<u>\$ 3,652</u>	<u>\$ 6,606</u>	<u>\$ 1,869</u>	<u>\$ 3,206</u>	<u>\$ 5,075</u>	<u>\$ 13,223</u>	<u>\$ 10,200</u>	<u>\$ 23,423</u>	<u>\$ 7,889</u>	<u>\$ 8,989</u>	<u>\$ 16,878</u>