



RENISHAW 

Annual General Meeting 2022

30 November 2022



Housekeeping and agenda

Housekeeping issues

- Fire safety / First aid
- Mobile phones
- Q&A session – microphones
- Demonstration area

Agenda

- | | |
|---------|--|
| 10:00 | Welcome and Business review |
| 10:20 | AGM – formal business, including question and answer session with Renishaw Board |
| c.11:00 | Close meeting |



RENISHAW 

Business review

Will Lee, Chief Executive

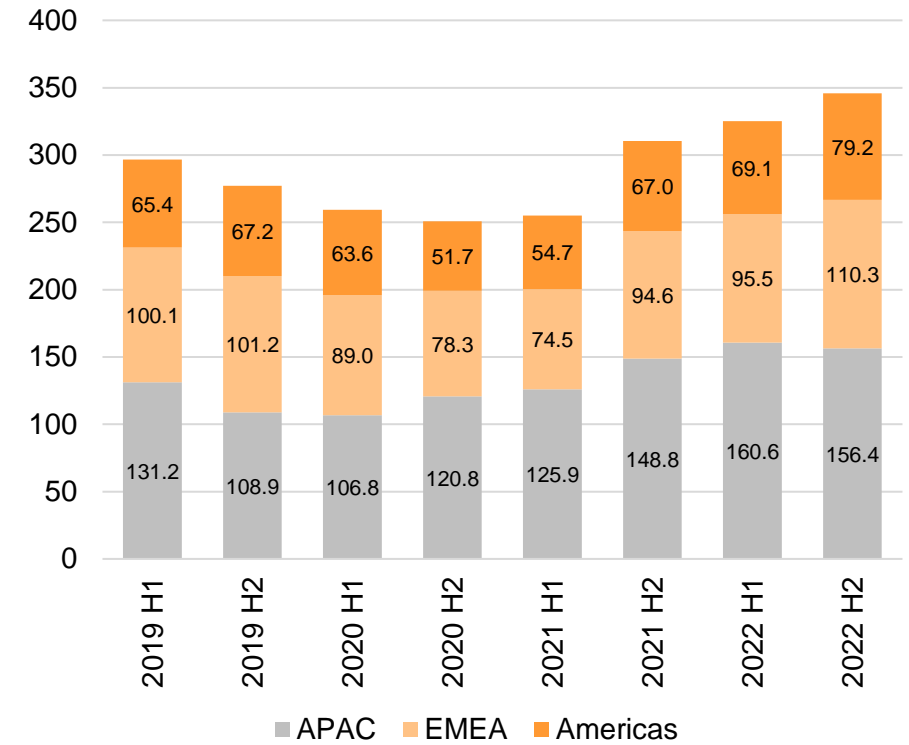
RENISHAW 
FORTiS-S™
2CX733



Financial summary – FY2022

- **Revenue growth of 19% to £671.1m**
- **Maintained delivery to customers** despite significant supply chain pressures
 - Shortages of components, especially electronics was acute during FY22
 - Significant product re-design to maintain supply
- **Adjusted profit before tax increases by 37% to £163.7m**
 - **Inflationary pressures**
 - Rising manufacturing input costs: energy, metals & electronics offset through productivity improvements
 - Salary costs: rising headcount, FX changes and pay benchmarking
 - **Geo-political challenges:**
 - Immediately stopped shipments to Russia after invasion of Ukraine; now closed Moscow and Perm offices and being vigilant about shipments via third countries

Half-year revenue £m

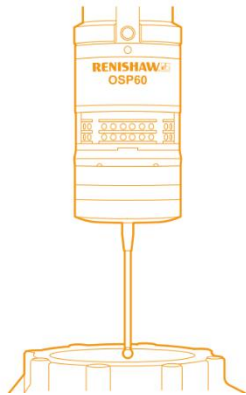


Regional revenue

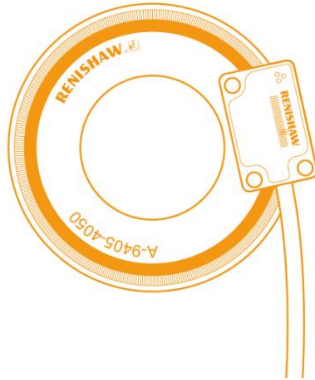
	2022 £m	2021 £m	Change %
APAC	317.0	274.8	15%
EMEA	205.8	169.1	22%
Americas	148.3	121.7	22%

Manufacturing technologies¹

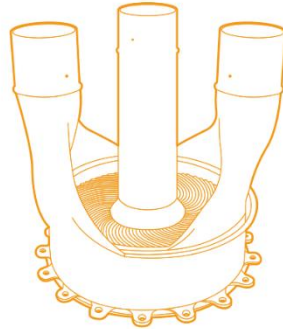
Industrial Metrology



Position Measurement

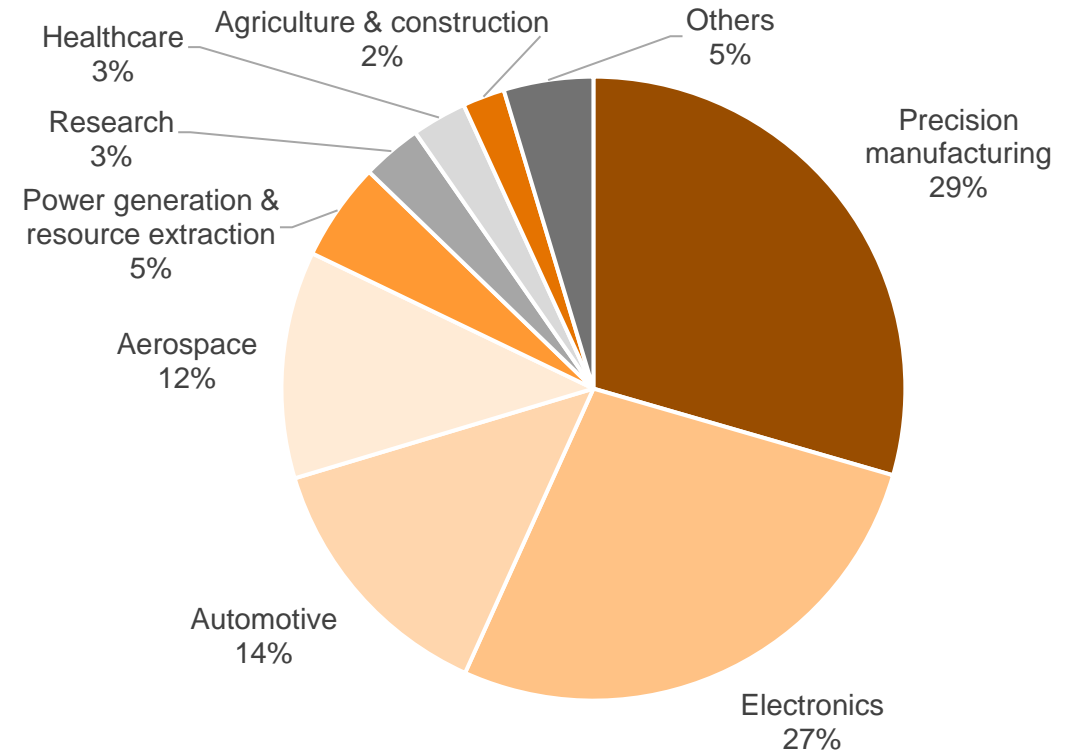


Additive Manufacturing



	2022 £m	2021 £m	Change %
Revenue	634.6	530.4	20%
Adjusted operating profit	158.7	114.1	39%

End market overview²



- Long-term growth drivers from strong positions in high-growth manufacturing technologies: additive manufacturing, robotics, semiconductor manufacturing, 5-axis machining, smart manufacturing analytics
- Metrology is critical to modern, automated manufacturing across all of these sectors

Notes

1. Medical Dental results now integrated into Additive Manufacturing business within Manufacturing technologies segment
2. End market overview is an unaudited management estimate with majority of sales being indirect (through machine builders, distributors etc).

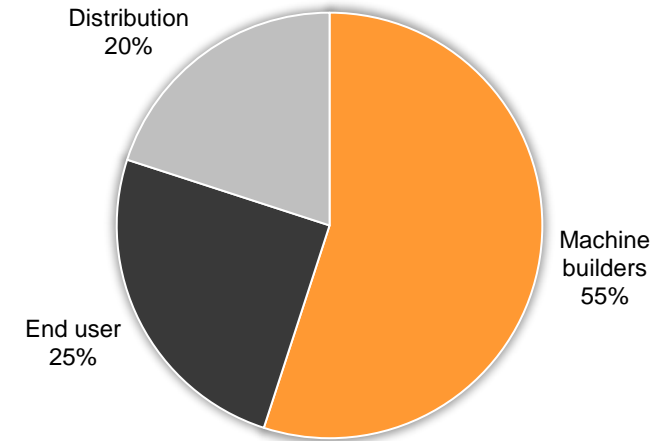
Our strategy in action: Manufacturing Technologies

Global customer support includes all routes to market

- **Machine builder focus** – innovative products to gain market share
- **End user focus** – grow revenue with key accounts with high-value solutions

Diversification into close-adjacent markets

Sales by channel (FY22)



Routes to market



Our strategy in action: machine builder focus

Focused on **gaining market share**:

- We are focused on what additional benefits we can bring to our machine builder customers and their end-users
- Our strong long-term relationships and trust gives us an opportunity to introduce new products where our competitors may have traditionally been strong
- Our extensive range of **absolute and incremental encoders** for machinery manufacturers, plus strong technical support and ability to supply is helping us to win new accounts and grow existing accounts

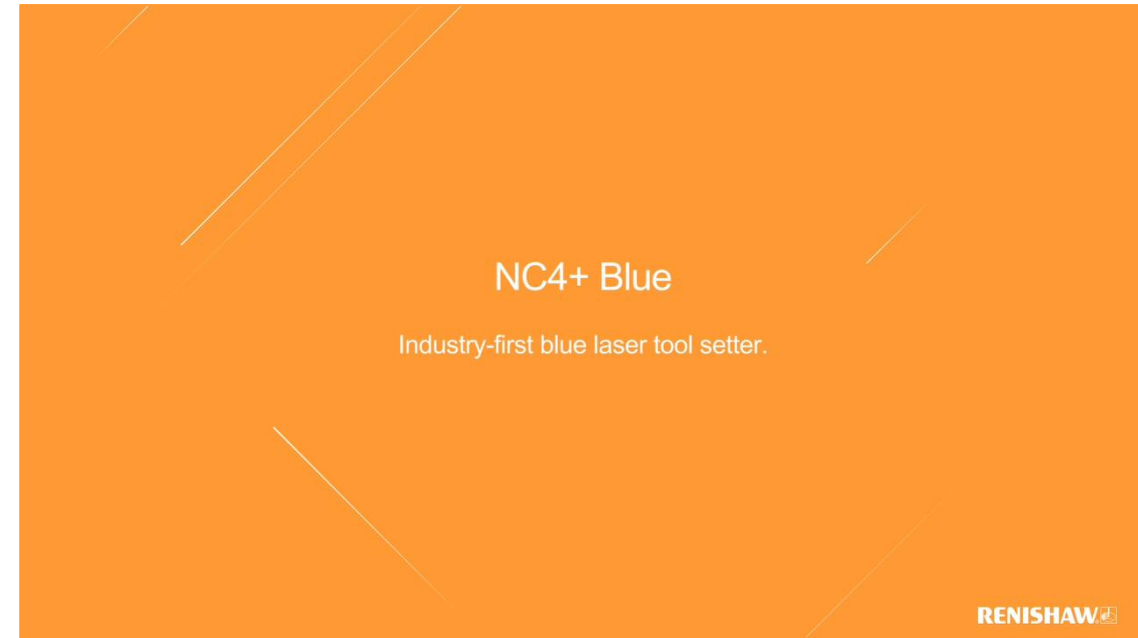


We have a strong portfolio of magnetic, optical and laser encoders

Our strategy in action: machine builder focus

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- Our extensive range of **absolute and incremental encoders** for machinery manufacturers, plus strong technical support and ability to supply is helping us to win new accounts and grow existing accounts
- Our new products for machine tools, such as the **NC4+ Blue laser tool setter** and **RMI-QE radio transmission** system, give a step change in performance to our machine builder customers and their end-users
- Our R&D programmes are targeted at areas in or close to existing Manufacturing technology markets where we can bring innovation



Our strategy in action: diversification

Focused on **close adjacent market segments**:

- **FORTiS™** range of enclosed encoders very positively received by longstanding machine tool builder customers; market demand stronger than expected
 - product innovation allowing easier installation proving very popular with customers
- **SpinCo™** magnetic rotary encoder system, from our associate RLS, is complementary to FORTiS and used to read primary position and speed of machine tool spindles
- The **XK10** alignment laser system is used to measure geometric and rotational errors during machine build, maintenance and service, replacing the need for artefacts

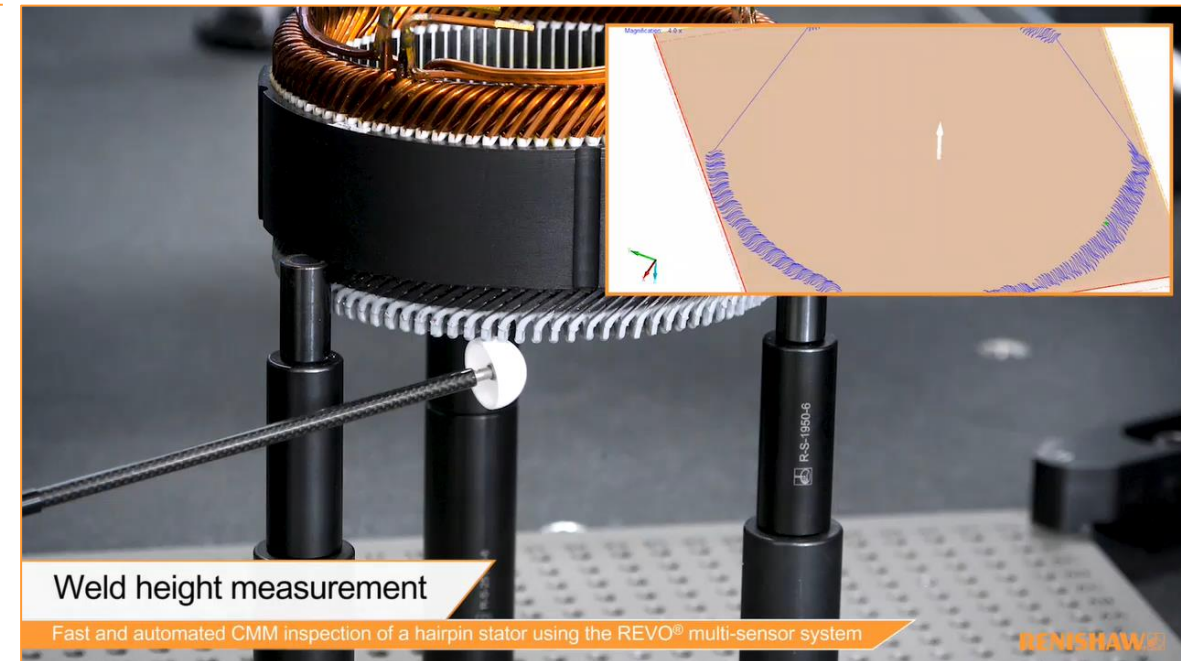


Multiple Renishaw products are used in machine tool production, commissioning and operation

Our strategy in action: end user focus

Focused on **high value solutions** and **repeat business**:

- Through product differentiation aiming to sell more high-value products to end-user accounts
- Success with the **REVO® 5-axis system** which allows our customers to carry out more inspection operations on a CMM, removing the need for dedicated systems - contact, surface finish, optical and ultrasonic measurement (latter with the new RUP system)



Inspection of electric motor component using REVO® multi-sensor system



Our strategy in action: end user focus

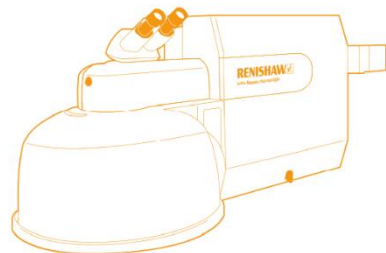
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- Success with our **additive manufacturing** strategy where our RenAM 500Q multi-laser systems give our customers productivity and part quality for the volume manufacture of precision components
- Seeing repeat business from large users of additive manufacturing in areas as diverse as healthcare (orthopaedics and dentistry), aerospace and plastic injection tooling.

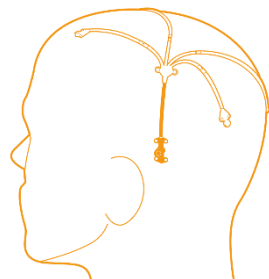


Analytical instruments and medical devices¹

Spectroscopy



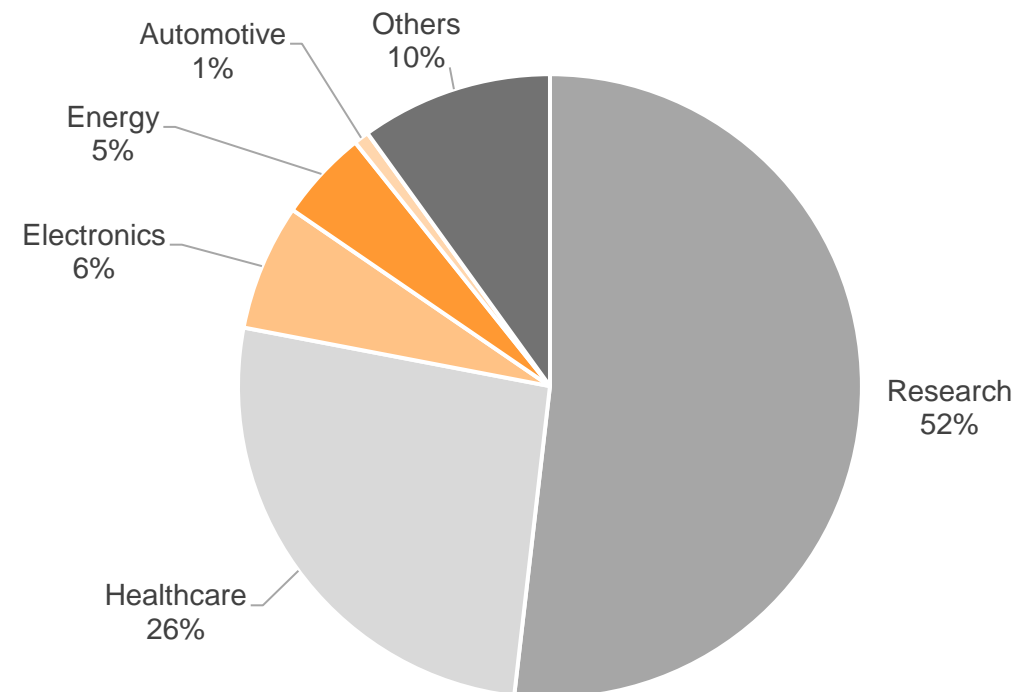
Neurological



	2022 £m	2021 £m	Change %
Revenue	36.5	35.1	4%
Adjusted operating profit	2.7	4.5	-40%

- Strong growth in spectroscopy revenues in H2 as backlog of duty-exemption certificates in China eased
- Reduced neurological business during 2022; engaging with multiple large-pharmaceutical companies to plan clinical trials using our unique drug delivery technology

End market overview²



Notes

1. Medical Dental results now integrated into Additive Manufacturing business within Manufacturing technologies segment
2. End market overview is an unaudited management estimate.

Our strategy in action: Analytical instruments and medical devices

Spectroscopy

- Expanding into new markets beyond the laboratory with portable products for remote sample analysis, including production environments for process monitoring (Virsa™ fibre-fed spectrometer)
- Launched the inLux™ SEM (scanning electron microscope) Raman interface which is compatible with all major SEM manufacturers and enables users to simultaneously carry out Raman and SEM analysis

Neurological

- Focused on strategic growth opportunities supporting pharma companies with trials for their candidate drugs, using our drug delivery system



New inLux SEM Raman interface enables simultaneous Raman and SEM analysis

Both businesses operate as independent units reflecting the technology and market differences compared to our Manufacturing technologies business



Investment in the future

People

- We are investing to attract, develop and retain skilled employees and for 2023 intake will recruit over 100 graduates and 60 apprentices

Capital Expenditure

- Increasing expenditure in FY23, including new production equipment and property build (underway) at our Miskin site in South Wales.



October Trading update for Q1 2023 and outlook

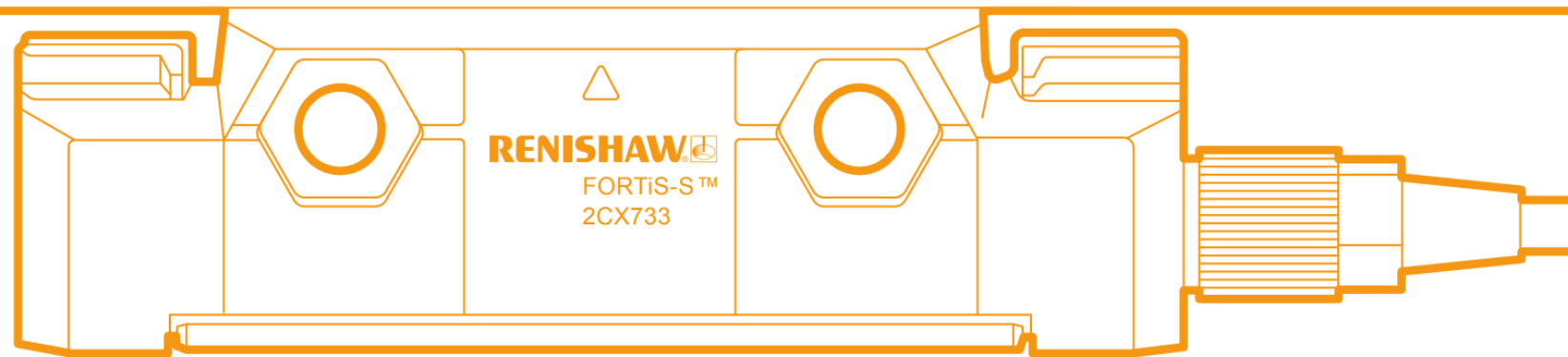
Key metrics

	Q1 2023 £m	Q1 2022 £m	Change %
Revenue	179.9	157.8	+14%
Adjusted profit before tax	40.0	41.7	-4%
Statutory profit before tax	38.6	39.3	-2%

- Revenue growth in all regions, and growth for both our Manufacturing technologies business and Analytical instruments and medical devices business.
- Our order book remains strong, but we have, as recently reported, seen a weakening in order intake from the semiconductor and electronics sectors, and general market sentiment is becoming more cautious. We are managing costs carefully and focusing on productivity.
- Overall, we're confident in our strategy and the investments we're making in people and infrastructure to deliver sustainable, long-term growth, and we look forward to the year ahead.



RENISHAW
Annual General Meeting 2022
Sir David McMurtry, Executive Chairman



Questions

Renishaw Board of Directors



Stephen Wilson
Independent Non-
executive Director



Catherine Glickman
Independent Non-
executive Director



Sir David Grant
Senior Independent
Director



Juliette Stacey
Independent Non-
executive Director



Allen Roberts
Group Finance Director



William Lee
Chief Executive



Sir David McMurtry
Executive Chairman



Jacqueline Conway
Group General Counsel
& Company Secretary

Apologies



John Deer
Non-executive Deputy
Chairman

Poll procedure

Jacqueline Conway
Group General Counsel and Company Secretary

Proxy votes received

Resolution number	Votes For	% Votes For	Votes Against	% of Votes Against	Votes Discretionary	% of Votes Discretionary	Votes Withheld	% Votes Withheld	Total Votes Cast (Incl. Withheld)	% of Voting Capital (Incl. Withheld)
01 – Annual Report	61,782,363	98.46%	963,187	1.54%	1,750	0.00%	946,475	1.49%	63,693,775	87.51%
02 – Rem. Report	60,617,847	96.22%	2,377,891	3.77%	3,884	0.01%	694,153	1.09%	63,693,775	87.51%
03 – Rem. Policy	62,304,878	98.90%	689,939	1.10%	3,974	0.01%	694,984	1.09%	63,693,775	87.51%
04 – Director fees	63,226,140	99.28%	451,891	0.71%	3,884	0.01%	11,860	0.02%	63,693,775	87.51%
05 – Final Dividend	63,691,538	100.00%	87	0.00%	1,750	0.00%	400	0.00%	63,693,775	87.51%
06 – David McMurtry	44,708,137	70.25%	18,935,999	29.75%	1,750	0.00%	47,889	0.08%	63,693,775	87.51%
07 – John Deer	47,187,898	74.14%	16,456,238	25.86%	1,750	0.00%	47,889	0.08%	63,693,775	87.51%
08 – Will Lee	63,262,752	99.34%	418,598	0.66%	1,750	0.00%	10,675	0.02%	63,693,775	87.51%
09 – Allen Roberts	62,521,785	98.77%	777,713	1.23%	1,750	0.00%	392,527	0.62%	63,693,775	87.51%
10 – Catherine Glickman	61,395,171	97.46%	1,601,475	2.54%	1,750	0.00%	695,379	1.09%	63,693,775	87.51%
11 – David Grant	61,005,630	96.28%	2,354,214	3.72%	1,750	0.00%	332,181	0.52%	63,693,775	87.51%
12 – Juliette Stacey	63,665,486	99.97%	14,526	0.02%	1,750	0.00%	12,013	0.02%	63,693,775	87.51%
13 – Stephen Wilson	63,566,925	99.82%	112,937	0.18%	1,750	0.00%	12,163	0.02%	63,693,775	87.51%
14 – Auditors	63,298,160	99.38%	390,645	0.61%	1,750	0.00%	3,220	0.01%	63,693,775	87.51%
15 – Auditor rem.	63,683,231	99.99%	5,911	0.01%	1,750	0.00%	2,883	0.00%	63,693,775	87.51%
16 – Purchase own shares	62,151,841	97.61%	1,519,608	2.39%	1,750	0.00%	20,576	0.03%	63,693,775	87.51%

*INDEPENDENT SHAREHOLDER VOTES ONLY

10* – Catherine Glickman	22,941,912	93.47%	1,601,475	6.52%	1,750	0.01%	695,379	2.76%	25,240,516	73.51%
11* – David Grant	22,552,371	90.54%	2,354,214	9.45%	1,750	0.01%	332,181	1.32%	25,240,516	73.51%
12* – Juliette Stacey	25,212,227	99.94%	14,526	0.06%	1,750	0.01%	12,013	0.05%	25,240,516	73.51%
13* – Stephen Wilson	25,113,666	99.55%	112,937	0.45%	1,750	0.01%	12,163	0.05%	25,240,516	73.51%

PERCENTAGES OF VOTES CAST FOR, AGAINST & DISCRETIONARY HAVE BEEN CALCULATED EXCLUDING THE WITHHELD VOTES. PERCENTAGES ARE ROUNDED TO 2 DECIMAL PLACES.



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