



ready to go.
ALWAYS

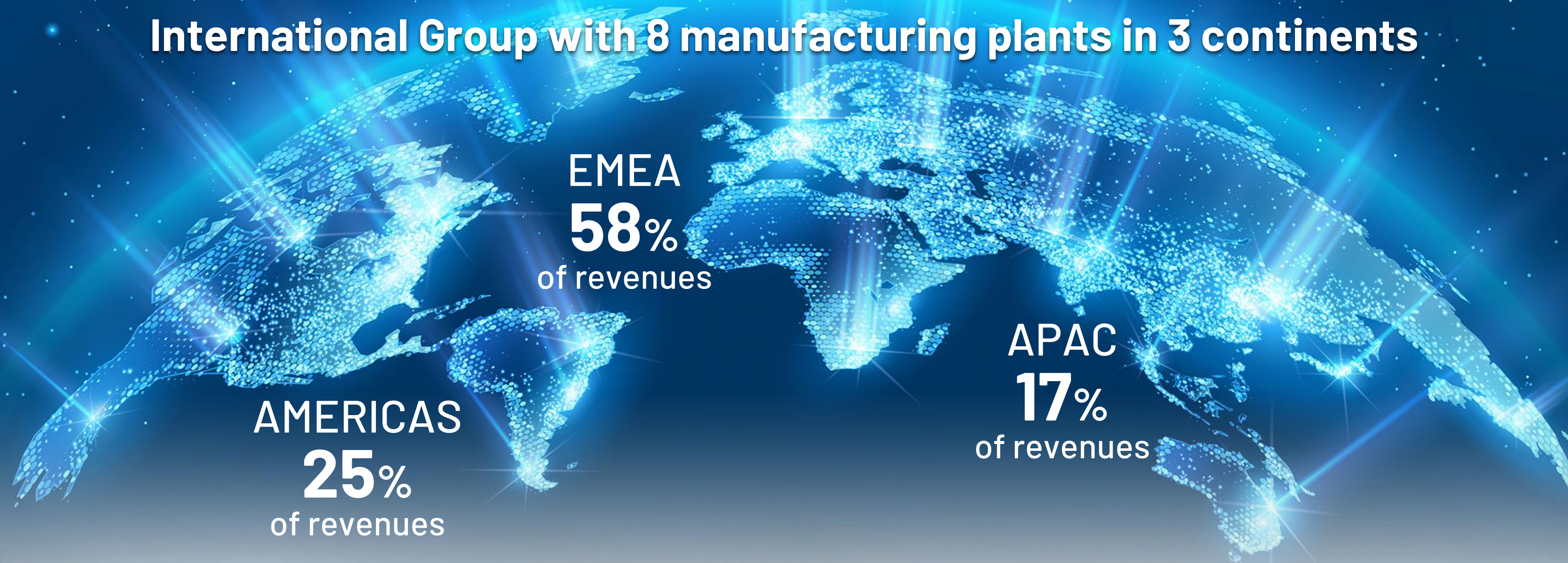


MID & SMALL IN MILAN
DECEMBER 2nd, 2021

VIRGILIO
investor relations

WHO WE ARE

International Group with 8 manufacturing plants in 3 continents



Listed on Borsa Italiana (Euronext) since 1999

Focus on innovation
(5%+ yearly investment in R&D)

Direct presence in **30 countries**

Large installed base in 80 countries
and significant share (30%)
of revenues from **after-sale services**

Commitment to ESG values
("green" machines, sustainable factories,
diversity, gender equity, business ethics)

Company structured on 4 Business units

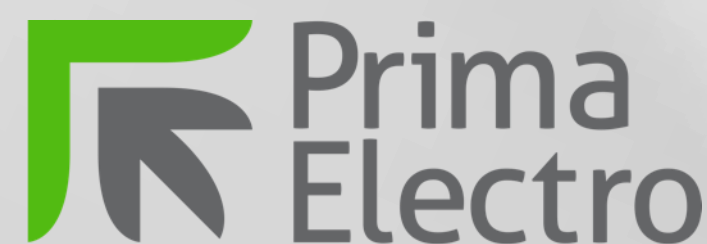
Machinery, Automation & Software



Additive Manufacturing Solutions



Industrial Electronics



Laser Sources



PRODUCT RANGE

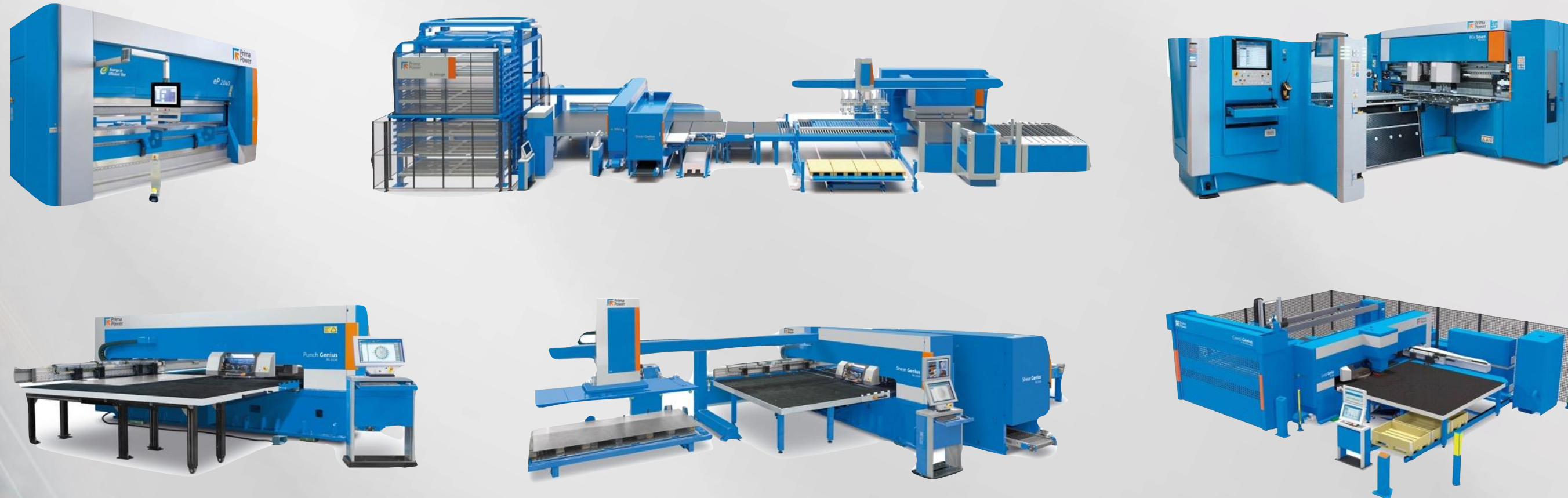
LASER MACHINES



ADDITIVE MANUFACTURING



SHEET METAL PROCESSING MACHINES & SYSTEMS



AUTOMATION AND STORAGE



ELECTRONICS



LASER SOURCES



SERVICES



SOFTWARE



**WHO
WE
ARE**

A leader in **laser** and **sheet-metal**
fabrication machines and **systems**



1



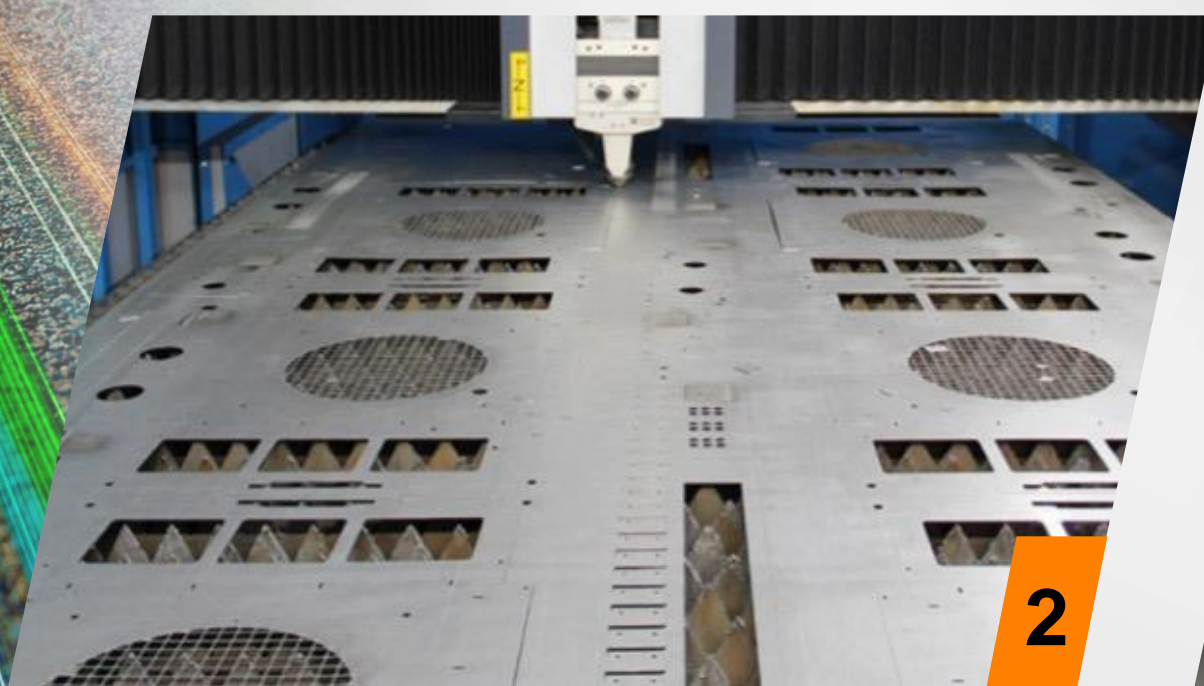
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7



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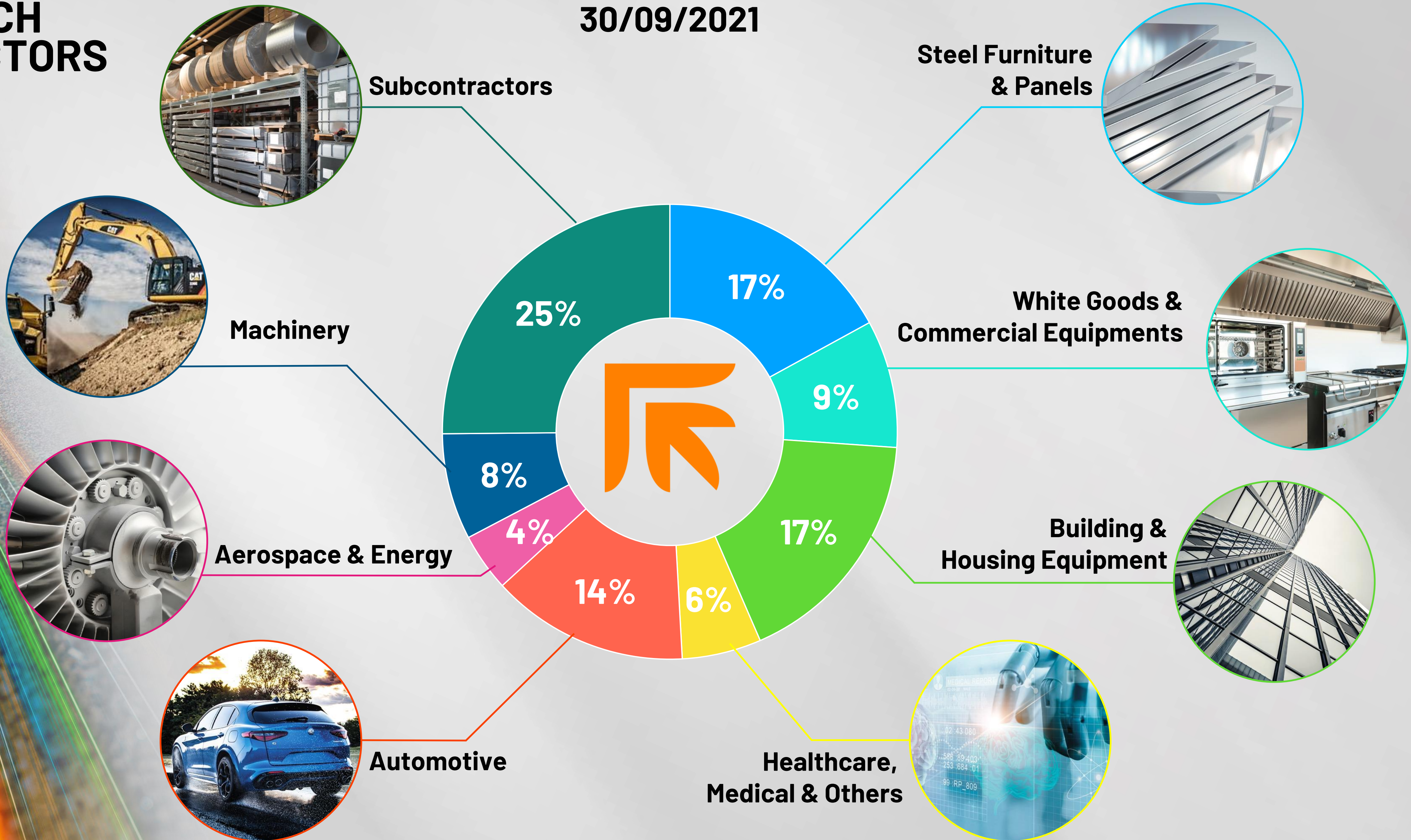


9

Strong know-how in
mechatronics, opto-electronics,
automation and **software**

IN WHICH SECTORS

High-standing customer base in a wide range of industrial sectors 30/09/2021



SELECTION OF MAIN CUSTOMERS

AUTOMOTIVE



AEROSPACE



ENERGY



CONSTRUCTION & BUILDING



MECHANICS & MACHINERY



WHITE GOODS & COMMERCIAL EQUIP.



ELECTRONICS, MEDICAL & OTHERS



**WHO
WE
ARE**



2015

**LASER - PUNCHING -
Wujiang - Suzhou (CHINA)**



2019

**PUNCHING - COMBI - SYSTEMS
Seinäjoki (FINLAND)**

5 years of investments for new efficient and sustainable plants



2020

LASERDYNE - Brooklyn Park - MN (USA)



2021

**2D, 3D LASERS - ADDITIVE
WW HQ - Collegno - TO (ITALY)**

**WHO
WE
ARE**



PANEL BENDERS - PRESS BRAKES
Cologna V.ta - VR (ITALY)



SALES & SERVICE
Munich (GERMANY)



North America HQ -
Arlington Heights - IL (USA)

100.000 m² of plants and offices around the world



LASER - ELECTRONIC SYSTEMS
Barone C.se - TO (ITALY)



ELECTRONICS - Moncalieri - TO
(ITALY)



CONVERGENT LASERS
Chicopee - MA (USA)

MACHINE TOOL WORLD MARKET

USD/Bln

80

60

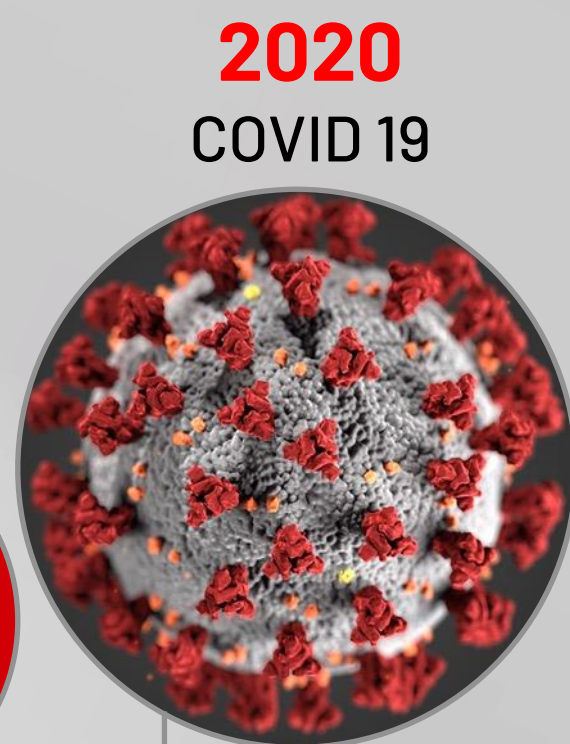
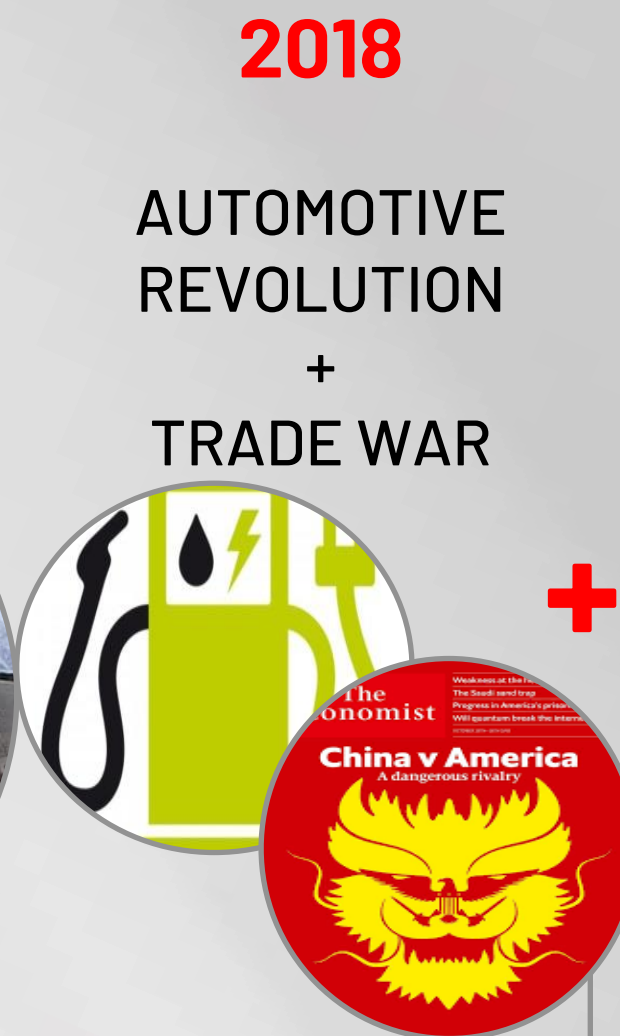
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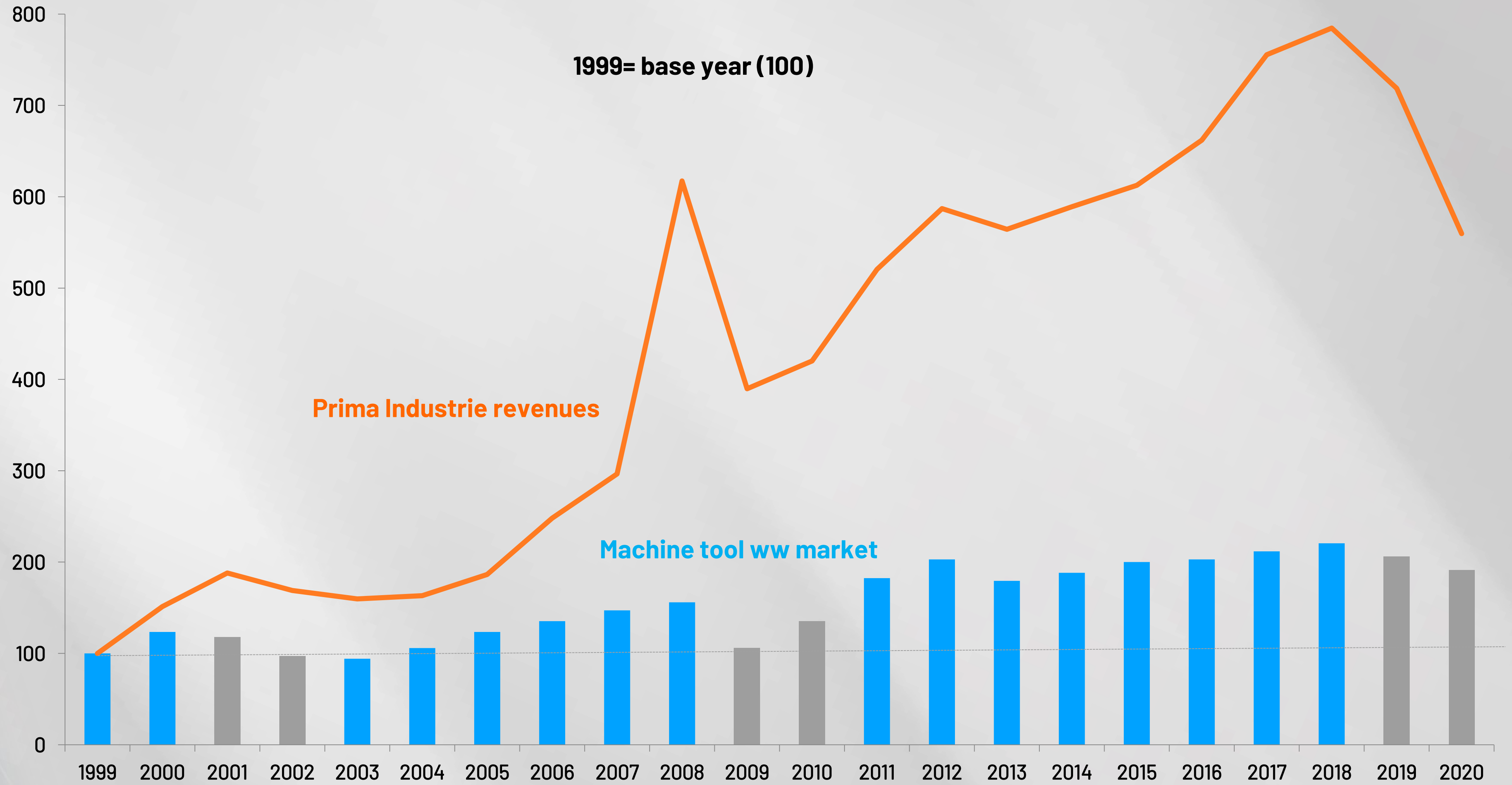
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1980 1981 1982 1983 1984 1985 1986 1987 1988 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020

SECULAR GROWTH
 WITH RELEVANT CYCLICALITY
 "UP-PERIOD" of 7-8 years
 "DOWN-PERIOD" of 2-3 years



PI vs MACHINE TOOL MARKET





WHAT'S NEXT ?

EXTERNAL MARKET RESEARCH

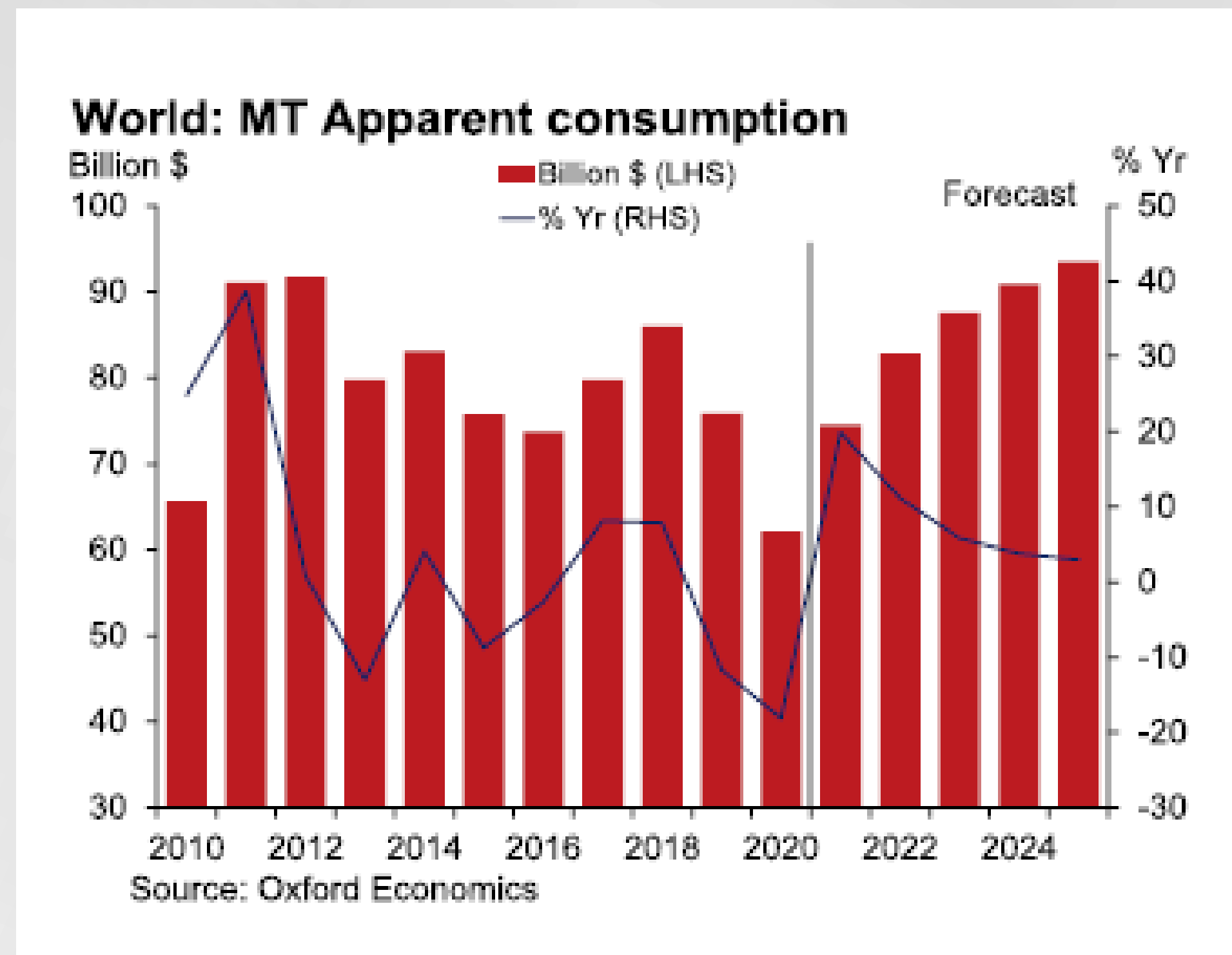


- ✓ **Global industry has recovered strongly from the pandemic.**
- ✓ **However, the recovery has encountered headwinds from material and component shortages as well as transportation bottlenecks, with several sectors not able to increase production fast enough to accommodate the strong rebound in demand.**
- ✓ **We expect the easing in supply chain disruptions will be gradual, with capacity remaining tight and price pressures firm for the rest of this year. Rebuilding inventories and clearing backlogs will take time.**
- ✓ **Many of the key MT (Machine Tool) purchasing industries performed relatively well during H1 2021, with output and investment growth revised higher in 2021 and 2022.**
- ✓ **A number of countries have seen strong increases in MT imports as well as domestic orders, which will support future growth as supply disruptions gradually ease.**
- ✓ **We forecast global MT consumption will rebound by 16.3% in 2021 and 11.1% in 2022.**
- ✓ **Europe, Asia and the Americas have all seen forecast upgrades. Despite the forecast upgrade, we remain cautious about the outlook. The spread of the Delta variant and persistent chip shortages are the key risks.**

Global Industry								
Annual percentage changes unless specified								
	% of GDP (2020)	2019	2020	2021	2022	2023	2024	2025
GDP	100	2.6	-3.5	5.8	4.7	3.4	2.9	2.7
Industrial Production	22.5	0.9	-4.5	7.3	4.7	4.0	3.3	2.9
Manufacturing	17.4	2.2	-2.6	8.7	4.8	3.9	3.3	2.8
Aerospace	0.3	3.1	-19.5	10.1	8.9	7.6	5.8	4.3
Basic metals	1.1	4.6	-1.1	6.9	1.5	2.7	2.3	2.0
Electrical/Electronic engineering	0.8	5.4	5.2	13.3	5.6	5.8	4.8	4.4
General purpose machinery	0.9	1.2	-2.5	12.2	4.7	4.1	3.2	2.6
Metal products	1.0	1.0	-4.6	10.8	4.0	2.8	2.1	1.5
Motor vehicles & parts	1.2	-1.1	-12.2	10.3	8.7	3.5	2.5	1.8
Other means of transport	0.3	5.6	-3.7	6.2	6.1	5.2	4.4	3.5
Precision and optical instruments	0.4	0.3	-5.1	10.4	5.5	3.7	3.2	2.8
Special purpose machinery	2.0	1.2	-2.1	14.7	3.9	4.5	3.6	2.9
Utilities	2.4	2.1	-0.3	4.7	4.0	2.4	2.3	2.1
Extraction	2.6	1.2	-5.4	2.2	3.5	2.4	1.5	1.1
Construction	5.4	1.7	-4.6	6.9	5.4	4.2	3.4	2.9

Source: Cecimo/Oxford Economics – October 2021

EXTERNAL MARKET RESEARCH



Overview table						
% change						
	2020	2021	2022	2023	2024	2025
Apparent consumption						
World	-14.8	16.3	11.1	5.8	3.8	2.9
Americas	-18.1	23.8	16.0	6.2	2.2	1.3
Asia	-11.6	16.3	7.9	5.4	4.6	3.6
Europe	-20.2	10.9	15.3	6.5	3.1	2.3

Source: Cecimo/Oxford Economics - October 2021

Worldwide machine tool consumption



Source: elaboration by UCIMU on data from Oxford Economics, ITC, Gardner, national associations



UPDATES & TRENDS

Prima Industrie Group benefits from three factors of resilience

- 1** a strong geographical distribution worldwide
- 2** a high diversification of industries served, which are impacted by different cyclicity and diversified macro trends
- 3** an important share of revenues coming from after sales activities (approx. 30%), which represent a stable source of sales linked to high number of machines installed



RECENT UPDATES & DIGITALIZATION



1 Creation of the "PRIMA@HOME" platform

2 Remote care

3 Digitalization of processes

4 ESG factors

5 Financial sustainability

1 - CREATION OF THE "PRIMA@HOME" PLATFORM

- **New digital channel Prima @ Home: projecting the Group's communication beyond geographical borders and barriers.**
- **Prima @ Home is the new Prima Industrie streaming platform, designed to offer a complete range of services: from **live formats** such as **events, demos, webinars, presentations and training courses, live video demonstrations** of the Group's products, passing through the "**on demand**" **streaming** of numerous contents**



2 - REMOTE CARE



Prima Power offers customers a leading edge technology: **Remote Care service.** In case of unexpected alarms, thanks to Prima Power remote care, alarms can be **diagnosed and fixed remotely.**

When customer's machine is stopped, with remote monitoring tools it is possible to speed up troubleshooting and make sure that your machine is again up and running.

Augmented reality: innovative remote assistance

The customer's technicians, equipped with smartphones or tablets, can communicate remotely and share video images in real time with our experts.

Mixed reality assistance: virtual view

Technological glasses which allow physical reality to interact with holograms. Thanks to proprietary applications loaded on these glasses, Prima Power applies the enormous potential of mixed reality to remote assisted training and maintenance activities.

3 - DIGITALIZATION OF PROCESSES

- ✓ In recent years, the Group has increased the digitization of its business processes, both internal and aimed at relations with customers and other relevant stakeholders.
- ✓ The 2020 pandemic has accelerated this process
- ✓ The digitalization involved all the main processes:



- ✓ **People:** smartworking increased, making devices and instruments available to connect a high number of employees;
- ✓ **Sales processes:** Salesforce, from marketing campaigns to management of the whole selling process (including Project mgt and Accounting dpt);
- ✓ **After sales:** Prima Service Tool, allowing real time intervention through accessing data necessary for the installation and maintenance of the machine, reducing unexpected stops.

The Salesforce logo, which consists of the word "salesforce" in a white, lowercase, sans-serif font inside a blue cloud-like shape.



Growing commitment to sustainability and ESG targets

Machines and plants increasingly environment friendly

Particular attention to human resources representing a fundamental asset for the future of the Group (smart working, diversity, training, talent retention)

4 - ESG FACTORS NEW MANUFACTURING PLANT



400 people
20,000 sqm area



Total investment since 2016: 25 million euros.



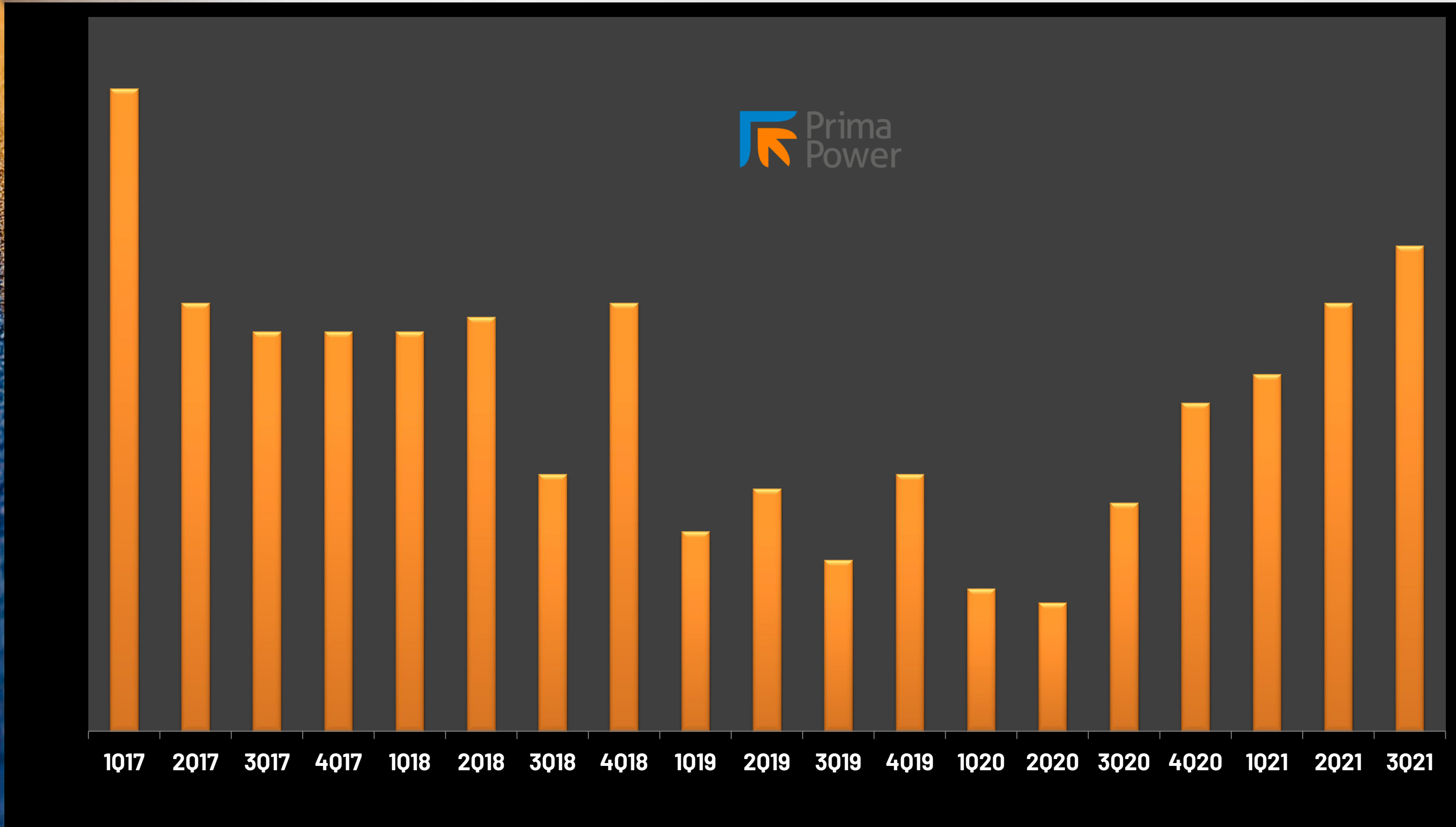
Buildings with high environmental sustainability, equipped with photovoltaic panels, geothermal energy and home automation.

5 - FINANCIAL SUSTAINABILITY

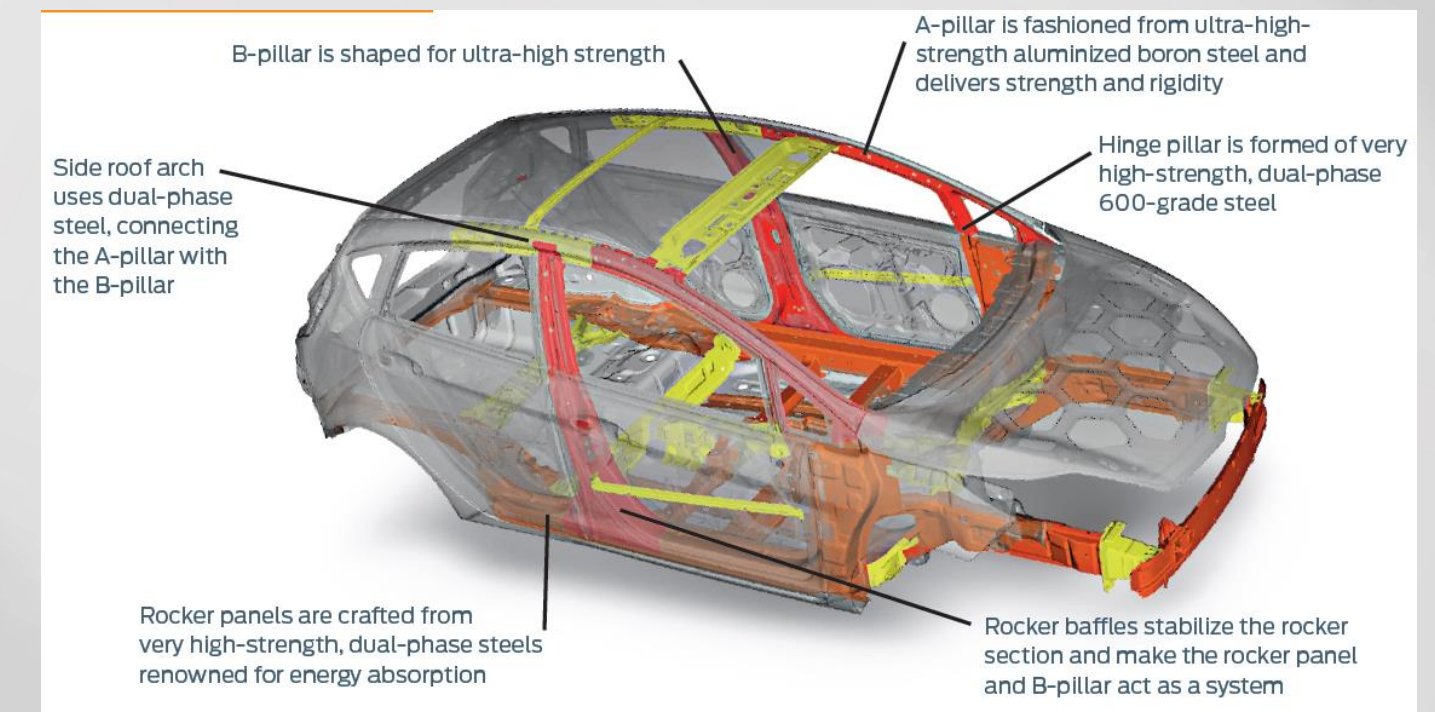
- ✓ **No liquidity issues throughout the crisis**
- ✓ **In an uncertain moment at the beginning of the pandemic, the Group negotiated additional credit lines (unsecured) as a precaution**
- ✓ **Despite the additional credit lines obtained, the Group paid particular attention to the management of working capital and, consequently, reduced the net financial exposure by approximately Euro 11 million to Euro 96.3 million (Including Euro 35.7 million of IFRS 16 impact) in 2020.**

AUTOMOTIVE MARKET TREND

ORDER INTAKE TREND
1Q17 - 3Q21
3D LASER MACHINES FOR AUTOMOTIVE (units)



“Now, two trends in vehicle sales and output are making lightweighting even more important: the sharp rise of SUV and light truck sales growth, and the quickening transition to electric vehicles. These shifts have made it even more important for manufacturers to use lightweight, high-strength materials, for example in reducing fuel consumption in larger vehicles. For electric vehicles, lithium-ion batteries and battery enclosures add significant weight to vehicles, with manufacturers looking to materials across exteriors and interiors to offset this weight.”
Automotive Manufacturing solutions 27/09/21



AUTOMOTIVE MARKET TREND: ONE EXAMPLE

ADDITIONAL DOOR APPLICATIONS

Pioneer with the first ever application of this solution made by Plannja Hardtech, (later SSAB Hardtech and then Gestamp), for the Ford F150 pickup in the mid 90's.

The F150 had a small HSS B-pillar inserted in the additional door made in Lulea with our Rapido machine and shipped to Michigan for assembly.

Today ... the «magic doors» of the «500 e 3+1» are made by Prima's 3D machines!

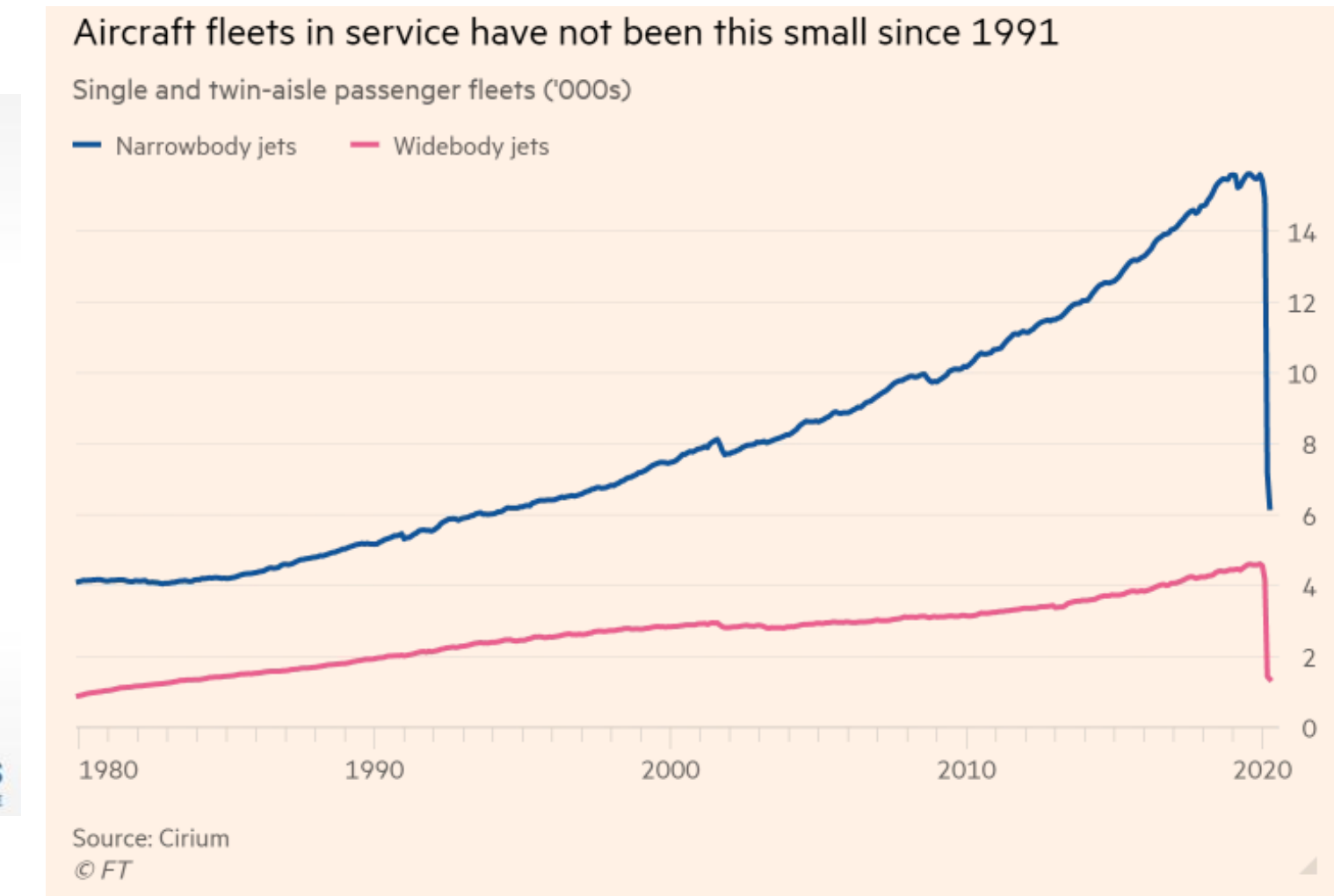
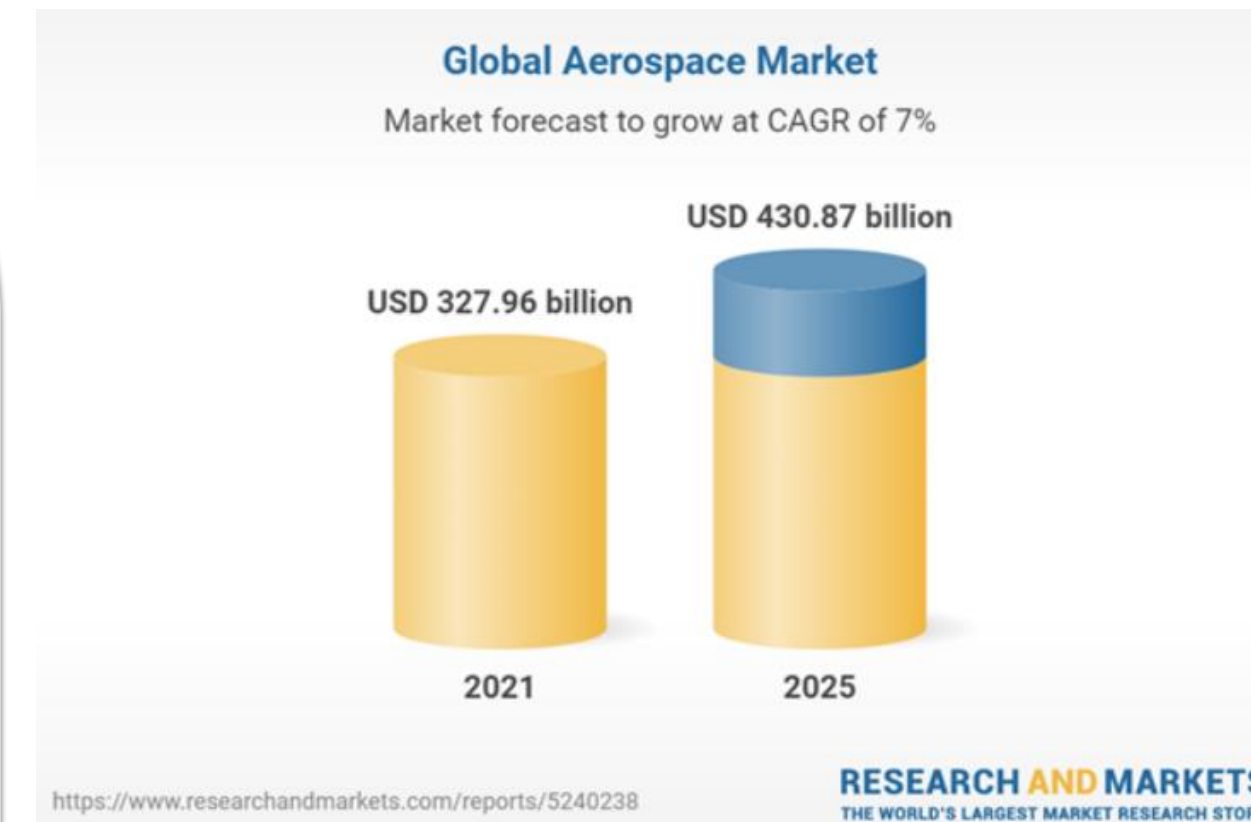


90'S

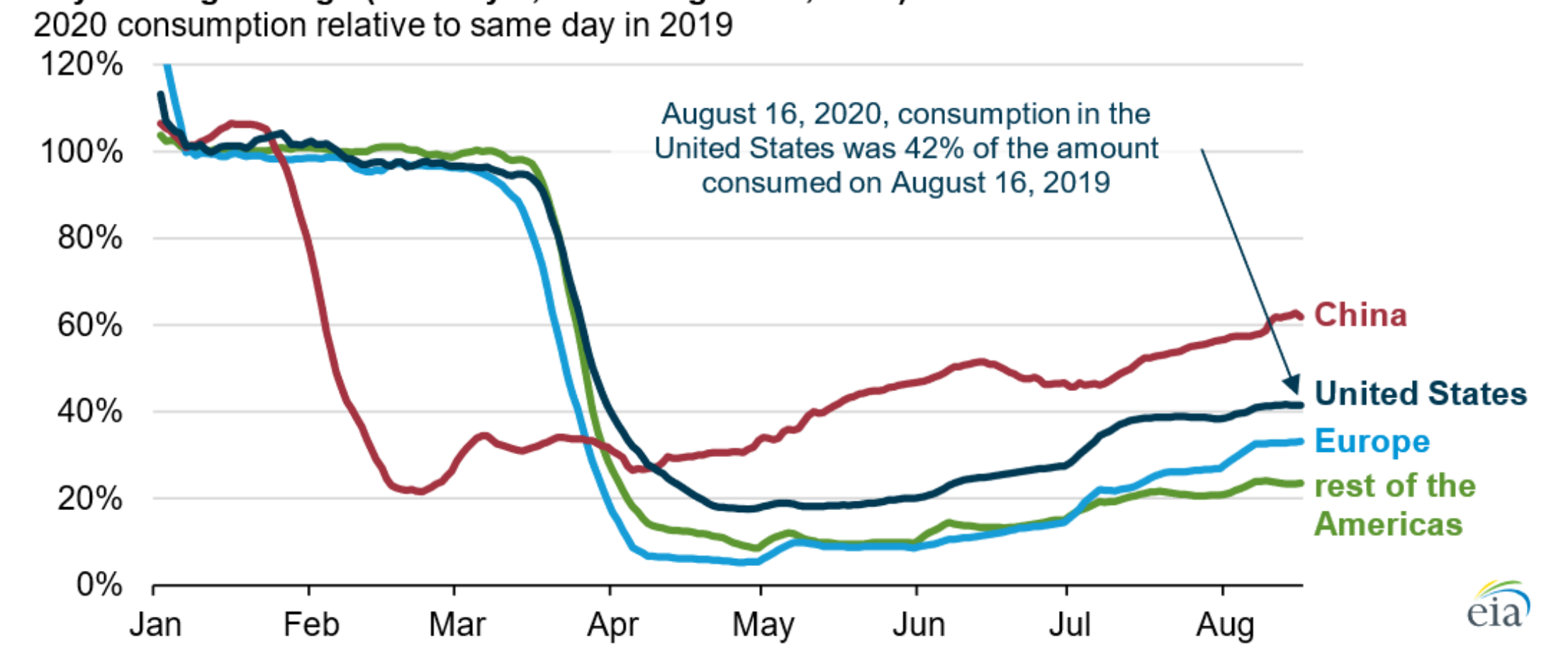
TODAY

AEROSPACE MARKET TREND

- The pandemic hit hard on the civil aerospace: global air traffic has been brought to an almost complete standstill by the COVID-19 outbreak.
- While there have been other instances of significant drops in air traffic in the past, they have generally been regional. Never have we seen a sustained global collapse of air traffic as we're seeing now because of the travel restrictions necessitated by COVID-19.
- The market is expected to grow from \$298.0 billion in 2020 to \$430.9 billion in 2025 at a rate of 7.7%. The market is then expected to grow at a CAGR of 5.9% from 2025 to 2030.
- The growth is mainly due to the companies rearranging their operations and recovering from the COVID-19 impact, which had earlier led to restrictive containment measures involving social distancing, remote working, and the closure of commercial activities that resulted in operational challenges.



Ratio of 2020 jet fuel consumption by commercial passenger jets to 2019 consumption, seven-day moving average (January 1, 2020–August 16, 2020)

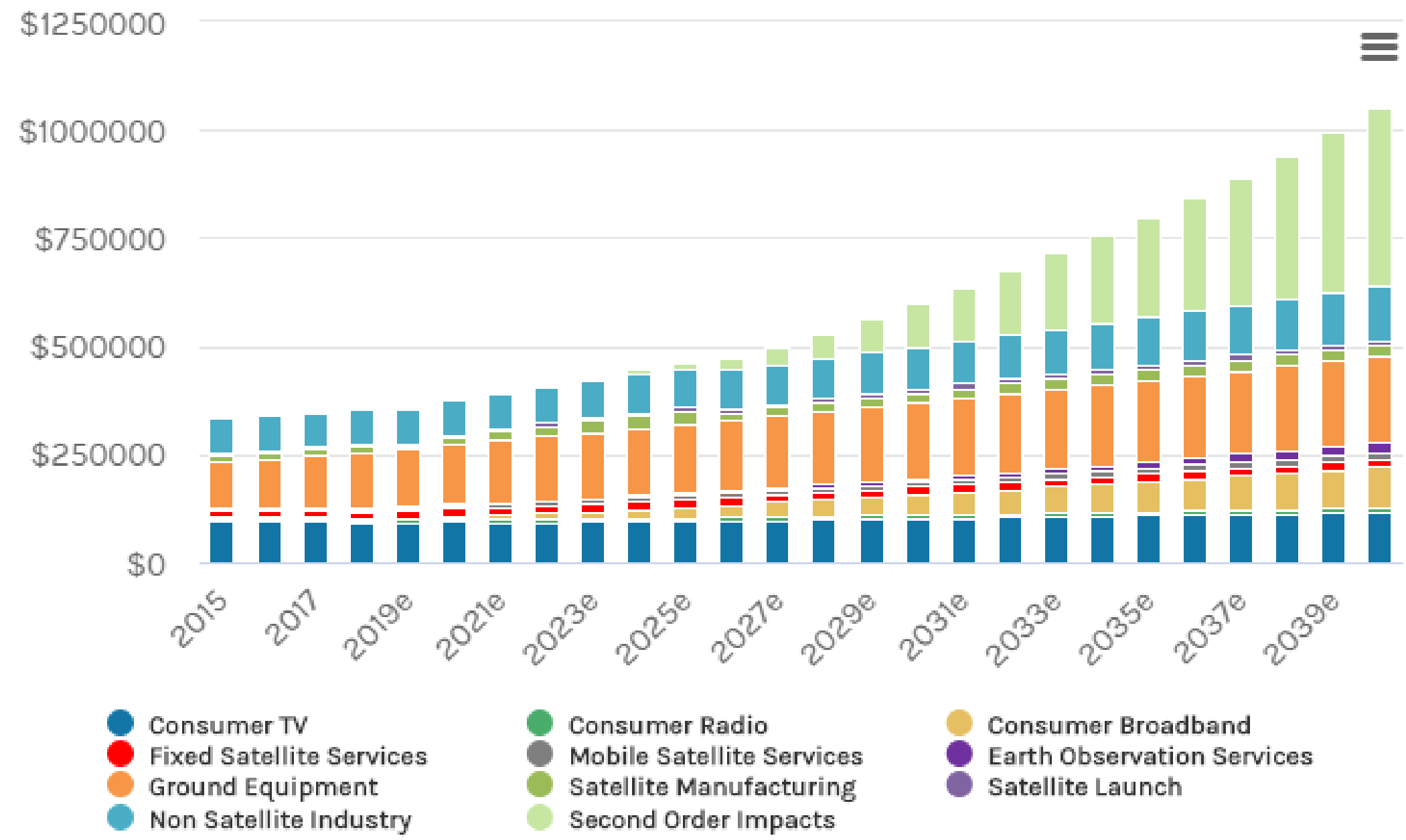


AEROSPACE MARKET TREND

- Defense aerospace and space economy instead appear to be resilient to the crisis.
- Satellite broadband will represent 50% of the projected growth of the global space economy by 2040,
- Launching satellites that offer broadband Internet service will help to drive down the cost of data, just as demand for that data explodes (driven by autonomous cars, IoT, A.I., VR, video,..)



The Global Space Economy (\$t)



Source: Haver Analytics, Morgan Stanley Research forecasts

URBANIZATION TREND

Urbanization remains a major demographic trend across much of the world, though urban centers have been reinvented by changes the pandemic brought in how people live and work in cities.

This future growth will provide a continuous and increasing request of public and private infrastructure

Building sub-segment impacted:

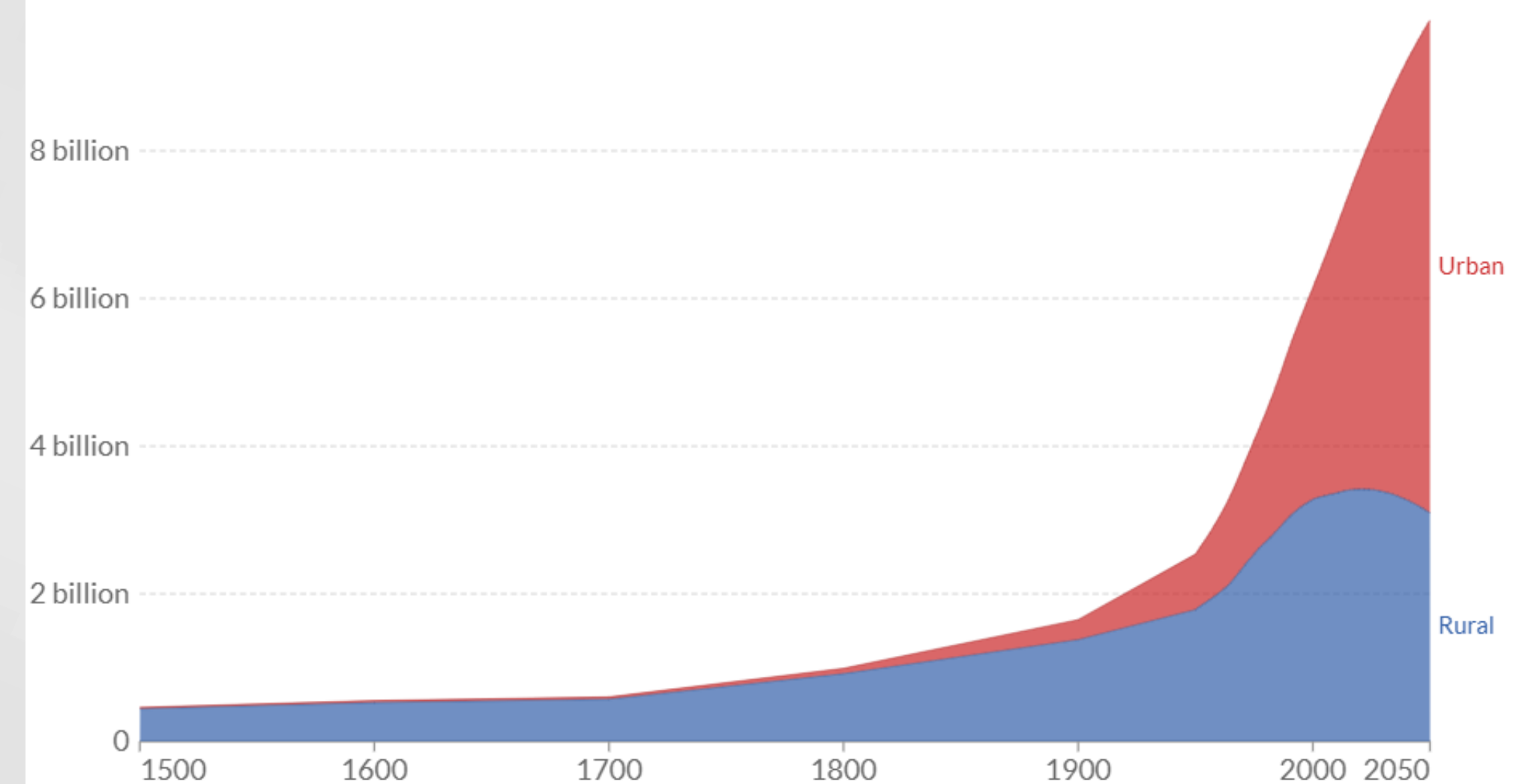
**ELEVATORS
ESCALATOR
STEEL DOOR
PANELS
HVAC**

Urban and rural population projected to 2050, World, 1500 to 2050

Total urban and rural population, given as estimates to 2016, and UN projections to 2050. Projections are based on the UN World Urbanization Prospects and its median fertility scenario.

Our World
in Data

Change country Relative



Source: OWID based on UN World Urbanization Prospects 2018 and historical sources (see Sources)

CC BY



HVAC SECTOR

Heating equipment

Heating equipment is an essential part of warming and keeping buildings in a particular temperature.

Ventilation equipment

The goal of ventilation process is to replace indoor air with fresh air and control the moisture. It also helps in maintaining the internal temperature, delivers oxygen while preventing the entry of dust and contaminants.

Cooling equipment

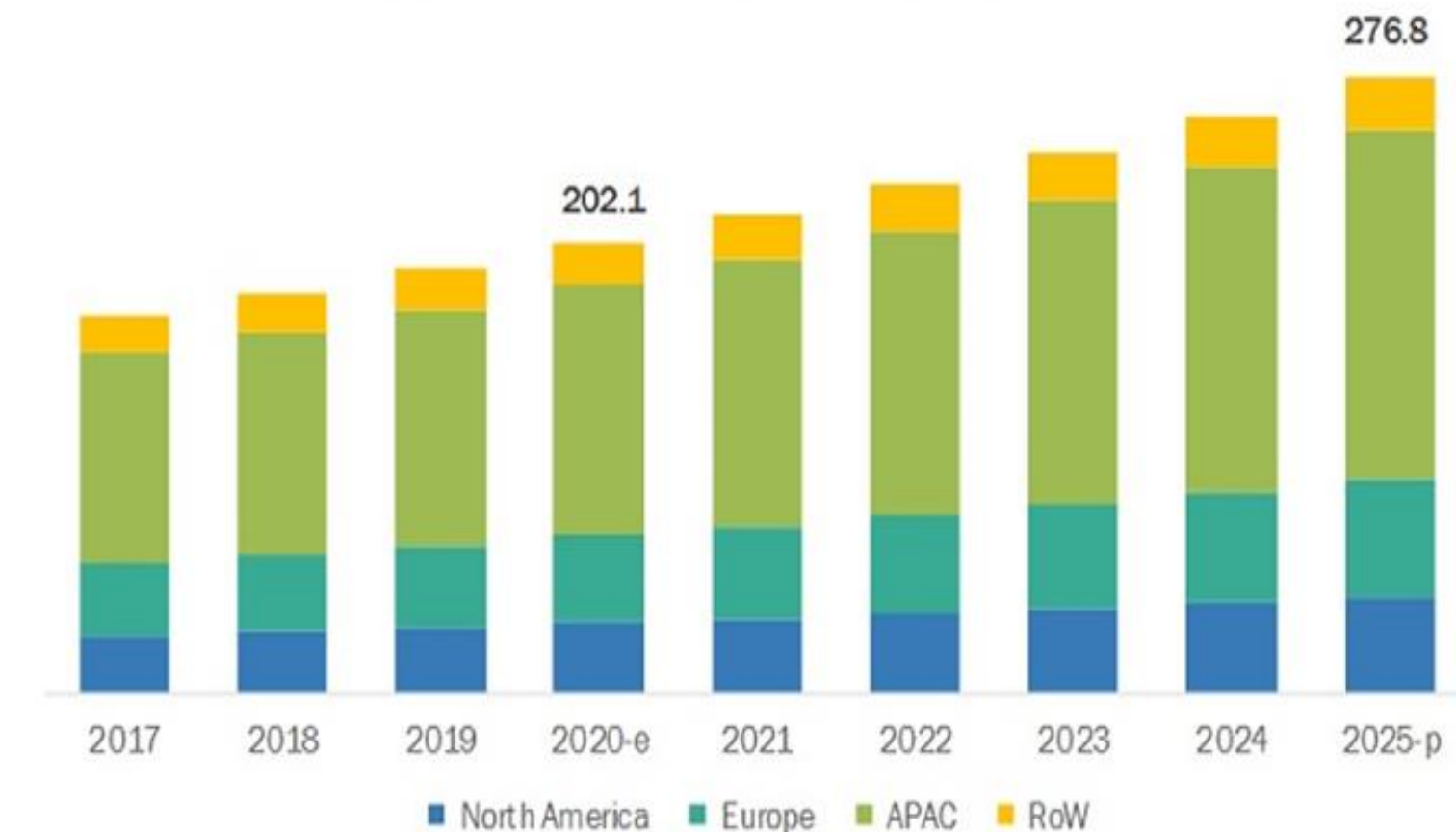
Cooling systems are used to lower the temperature and to control humidity. Cooling equipment is segmented into unitary air conditioners, VRF systems, chillers, room air conditioners, coolers, and cooling towers



Drivers

- Environmental sustainability
- Population growth
- People moving to cities
- Customer demands
- Global warming
- Technology improvements

HVAC SYSTEM MARKET, BY REGION (USD BILLION)



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Note: e = Estimated Year and p = Projected Year



The background of the slide is a composite image. On the left side, there is a vertical strip showing a road with colorful light trails in shades of orange, green, and blue, suggesting motion or data flow. The rest of the background is a light grey, textured surface with a subtle geometric pattern of overlapping shapes.

RESULTS & BUSINESS PLAN

REPORTED HIGHLIGHTS

Values in Euro thousand	30/09/21	30/09/20	Variations	%
ORDER INTAKE	345.339	220.379	124.960	56,7%
BACKLOG	187.891	127.771	60.120	47,1%
REVENUES	281.414	233.452	47.962	20,5%
EBITDA	20.891	14.896	5.995	40,2%
EBITDA %	7,4%	6,4%	1,0%	-
EBIT	6.205	(1.525)	7.730	-506,9%
EBIT %	2,2%	-0,7%	2,9%	-
NET RESULT	1.621	(4.385)	6.006	-137,0%
FCF	(8.129)	(13.984)	5.855	41,9%
NET FINANCIAL DEBT	(102.191)	(123.630)	21.439	17,3%
HEADCOUNT	1.757	1.761	(4)	-0,2%

(% calculated over the revenues, headcount expressed in units)

Values in Euro thousand	30/09/21	30/09/20	Variations	%
REVENUES AT COSTANT EXCHANGE RATES	287.185	233.452	53.733	23,0%
EBITDA Adj	24.041	18.127	5.914	32,6%
EBITDA Adj %	8,5%	7,8%	0,7%	-
EBIT Adj	9.682	1.706	7.976	467,5%
EBIT Adj %	3,4%	0,7%	2,7%	-

(% calculated over the revenues)

BUSINESS PLAN

'21-'23

MAIN

TARGETS

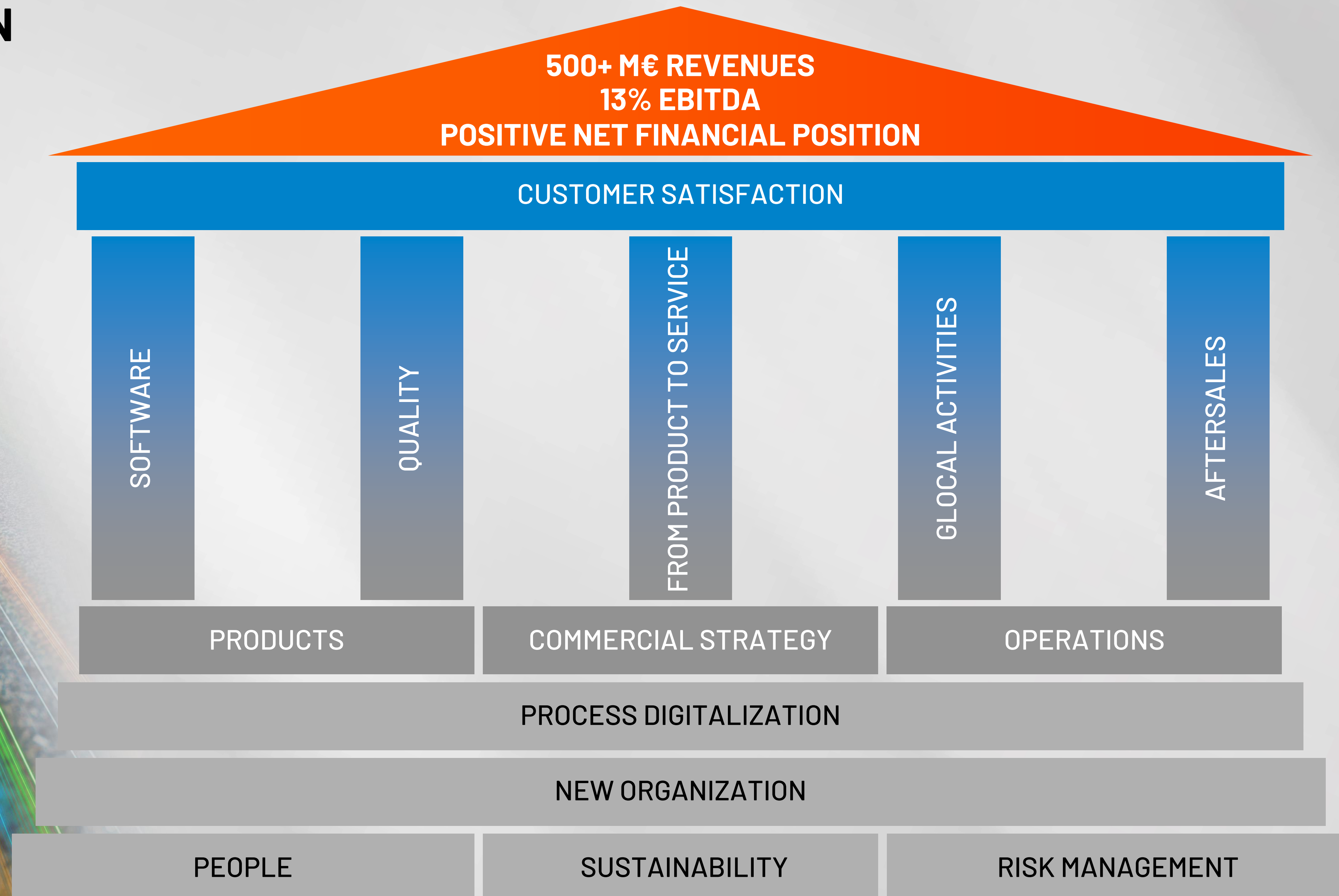
GROWTH IN
REVENUES TO
500+ M€

IMPROVEMENT
IN MARGINALITY
WITH
EBITDA
13%

POSITIVE
NET FINANCIAL
POSITION

(EXCLUDING IMPACT FROM
IFRS16 AND EXTRAORDINARY
OPERATIONS)

ACTION PLAN



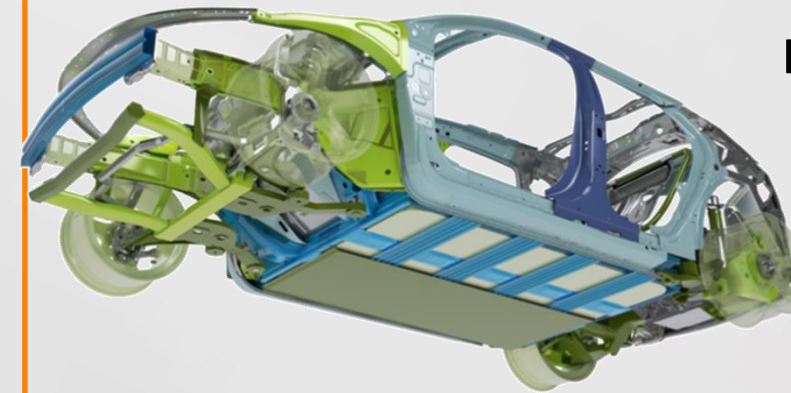
ENHANCEMENT OF PRESENCE IN APAC MARKET

Investments in south-east Asia, China and other APAC Countries to increase market share.



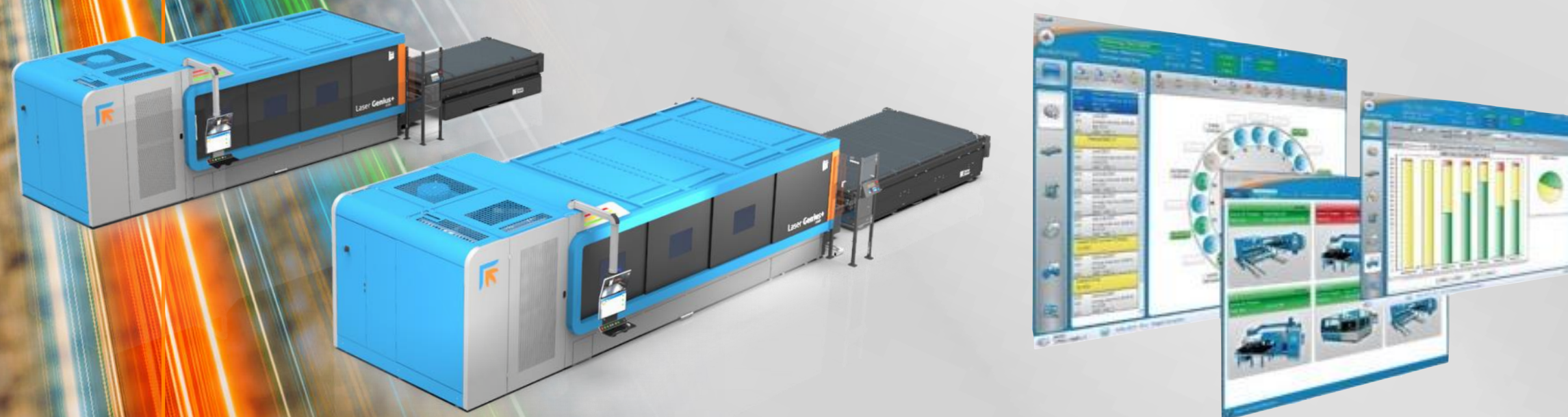
RECOVERY OF AUTOMOTIVE SECTOR

- Recovery of **investments from automotive** sector starting from China.
- Introduction of **new models** and **safer / lighter** vehicles.
 - Expected increased use of **HSS** materials.
- EV are an **opportunity** and not a threat to 3D laser machines.



EVOLUTION OF THE PRODUCT RANGE

Through major investments in **software** and **automation** and introduction of a new family of **"volume booster"** products.



FURTHER GROWTH IN AFTER-SALE REVENUES

- New Global Organization ("thinkglobal.serve local") oriented towards **Customer Satisfaction**.
- Growth through a more efficient employment of human resources and **new digital technologies** (Remote Troubleshooting, Augmented Reality, Predictive Maintenance)



Prima Tool Service



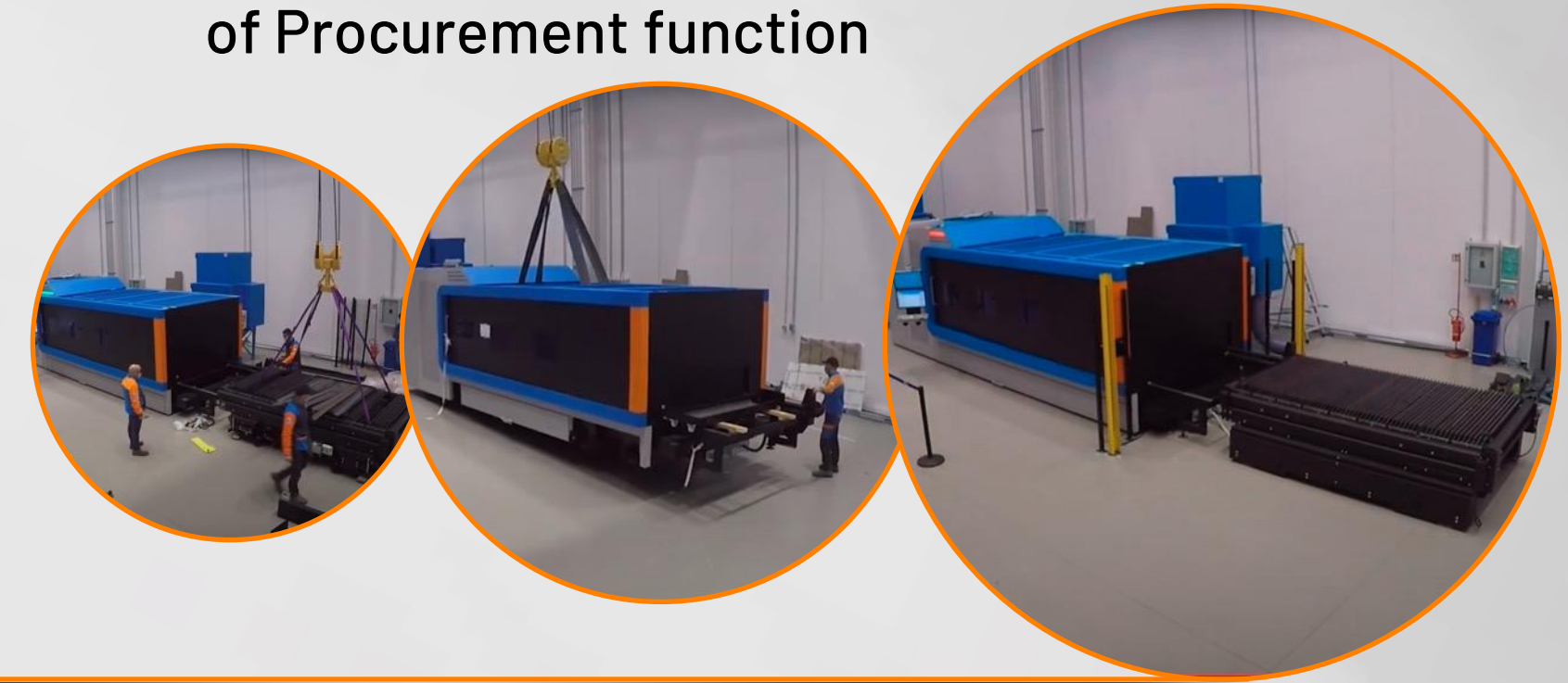
RATIONALIZATION OF THE PRODUCTION FOOTPRINT

With the completion of the new factory in Collegno (Torino), after the actions already concluded in the recent years in Suzhou (China) Seinäjoki (Finland) and Minneapolis (USA)



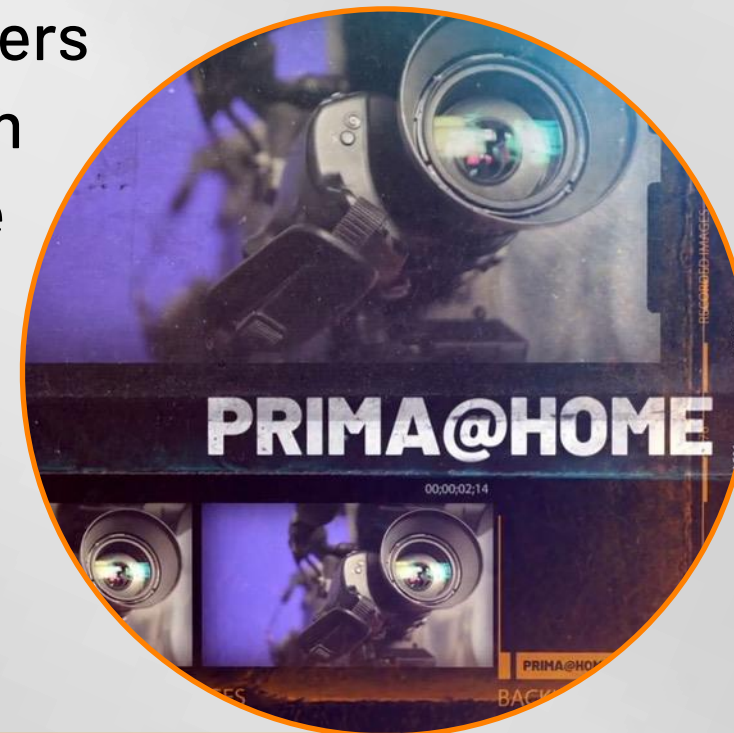
EFFICIENCIES IN INSTALLATION AND PROCUREMENT

Reduction of installation times and costs, also thanks to the use of new digital technologies Centralization of Procurement function



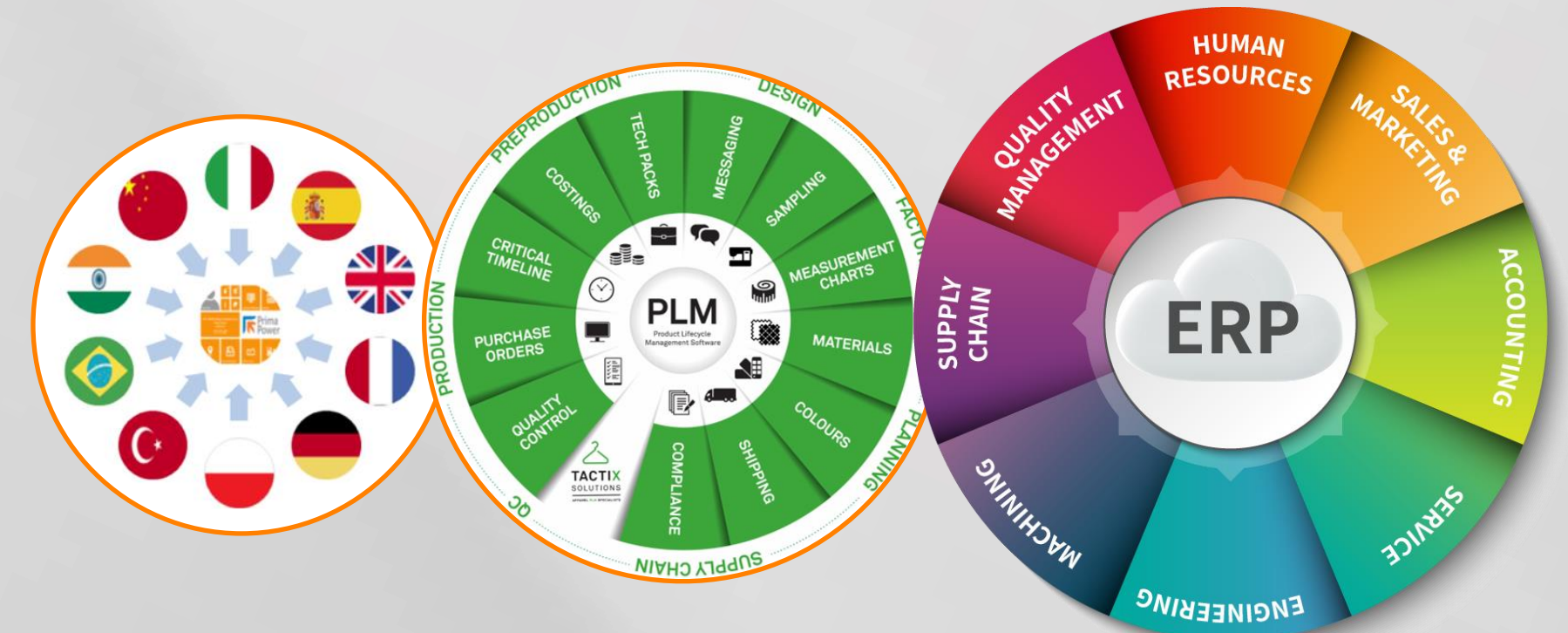
REDUCTION OF COSTS IN MARKETING EVENTS

Launch of a new streaming platform called "Prima@Home" to create digital events and open houses and arrange virtual demonstrations for customers without the need for them to move and travel to the Group's showrooms.

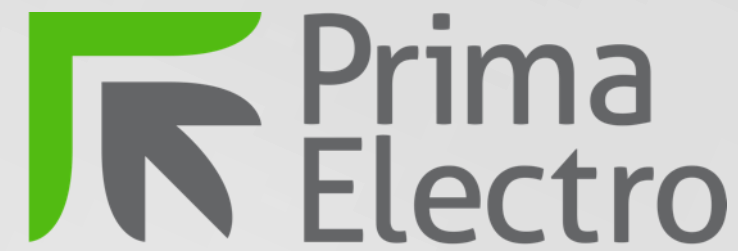


GREATER DIGITALIZATION OF BUSINESS PROCESSES

Updating and integration of ERP and PLM systems, rollout of PST system for the After-Sale management



MAIN ACTIONS FOR TOP LINE & MARGIN IMPROVEMENT



INDUSTRIAL ELECTRONICS

Significant growth in revenues, partly deriving from programs launched with its main customers and partly through the development of new sectors (railway and e-mobility). Profitability margins expected to remain stable over the period.

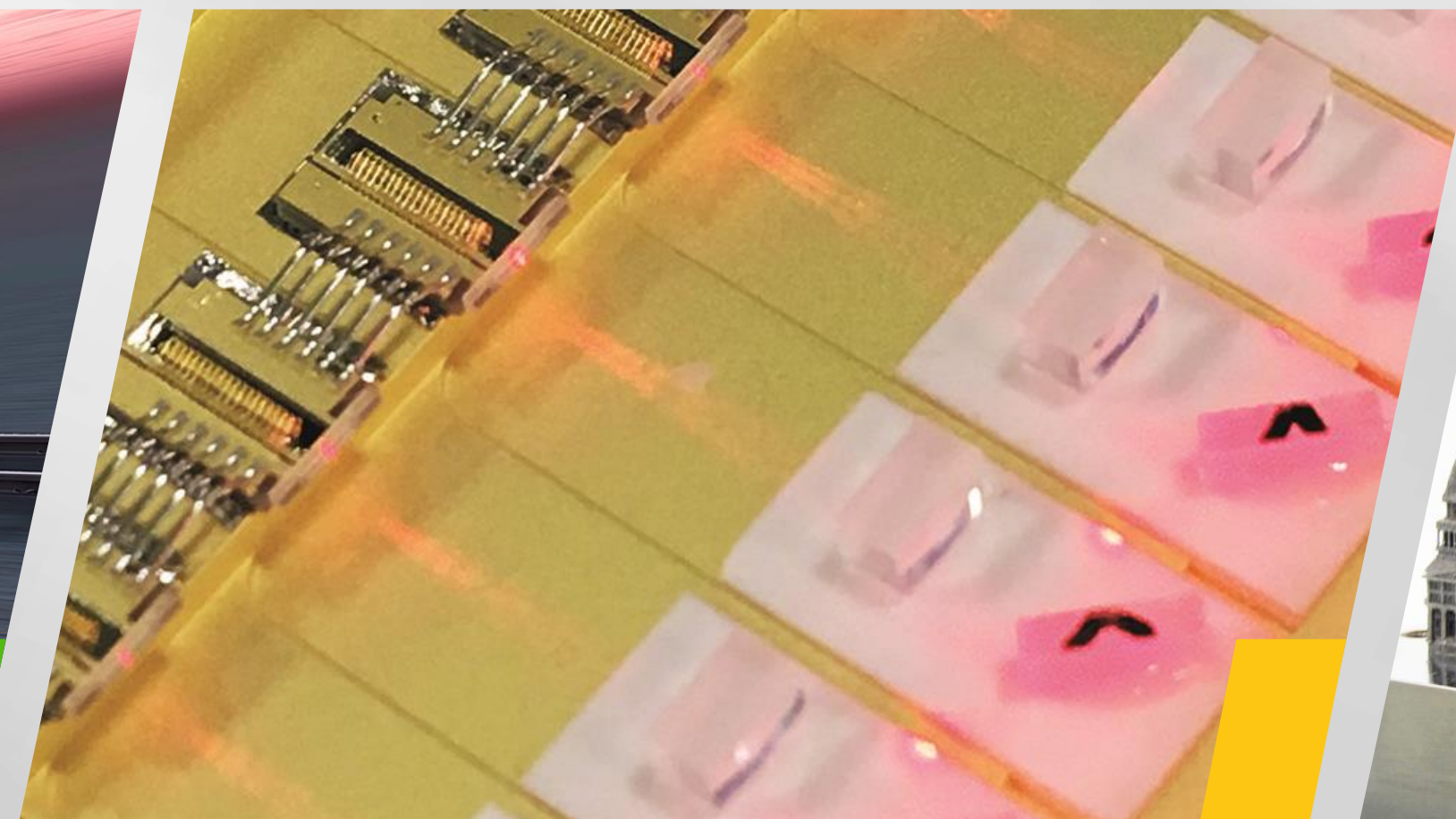
OPTOELECTRONICS AND FIBER LASER SOURCES

After a previous period of strong investments and negative impact on the Group EBIT, the BU will carry out a complete turnaround during the plan period.

This will be made possible thanks to repositioning in niche sectors with better margins.

ADDITIVE MANUFACTURING

Business Unit although starting from still limited volumes of revenues, will more than double its revenues thanks to new products in the Direct Energy Deposition sector (Repairing - Circular Economy) and in the Powder Bed Fusion (Aerospace, Automotive and Energy markets).



UPSIDES NOT INCLUDED IN THE PLAN

LEAD LASER 41% CALL OPTION EXERCISE AND CONSOLIDATION

- Conditions to be satisfied:
travels to/from China, agreement
with Chinese Management
- Time to exercise: March 31st, 2022

ADDITIVE MANUFACTURING BU SPIN-OFF AND MERGE WITH 3D-NT

- Aggressive product development for high productivity
multi laser machines aimed to satisfy requirements of
mid quantities/cost sensitive market segments
such as high-end automotive and aerospace
- Becoming a market reference in Italy
- Value operation through much higher
evaluation multiples





THANK YOU

