



COMPANY PRESENTATION

VIRTUAL STAR Conference 2021

Spring Edition - March 23rd , 25th 2021



DISCLAIMER

Certain statements in this slide show, including those addressing the Company's beliefs, plans, objectives, estimates or expectations of possible future results or events, are forward-looking statements. Forward-looking statements involve known or unknown risks, including general economic and business conditions, and conditions in the industry we operate and may be affected should our assumptions turn out to be inaccurate. Consequently, no forward-looking statement can be guaranteed and actual future results, performance, or achievements may vary materially from those expressed or implied by such forward-looking statements. The Company undertakes no obligation about the contents nor to update the forward-looking statements to reflect events or circumstances that may arise after the date hereof.

AGENDA

- 
1. Overview
 2. Markets and Growth drivers
 3. Innovation: products & applications
 4. Financial Highlights
 5. Current Outlook
 6. Multiples & Comparables



Overview

A primary player providing Medical, Industrial and Conservation Laser Solutions Worldwide



World Class Hi-Tech company

Hi-Tech industrial group providing laser solutions with proprietary technologies and know how developed over 40 years



Listed on Milan's Stock Exchange Star segment since year 2000



Within Worldwide leaders in its space

Active worldwide on several laser application segments and markets...



...progressively widening its worldwide presence achieving continuous growth over the years



Our businesses



40

years of experience



20

subsidiaries



7

Countries with direct presence



12

Plants

WE CREATE LIGHT, ENERGY, WAVES

Medical

Our energy based systems improve people's well-being and life quality.

In the **surgical sector**, our minimally invasive technology systems minimize pain, side effects and risks of surgical procedures and hospitalization days.

In the **aesthetic sector**, our systems satisfy the growing desire of individuals to improve their appearance also reducing pathological or painful imperfections



Conservation

Our **laser systems preserve** artworks of the universal heritage of our communities.



Industrial

Our **laser cutting** and **marking systems** reduce the environmental impact of manufacturing processes minimizing waste, fumes generated by the process, use of chemical additives, also allowing to eliminate the need for inks, solvents or glues within the process.



Our approach



OUR STRATEGY FOR A SUSTAINABLE FUTURE:

Create value over time and be ready to successfully meet the future challenges

R&D



6
R&D dept.



>15 mln
yearly R&D investments



> 130
patents



> 120
R&D specialists

PRODUCTS



> 50.000
Laser sources produced



ISO 9001 e ISO 13485
Certifications



> 60
Quality specialists

PEOPLE

~25%
under 30
years



~ +10%
2020
headcount

>1.600
employees



Welfare at the heart of business projects.
Workspaces were renewed for several Group companies: employees well-being increase and improvement of plants' energy efficiency



>21,800 hours
training

ENVIRONMENT



-8%
CO₂ emission for each
product sold



+5%
Self-produced and consumed
electrical supply

Our History



80s

Production of CO₂ lasers for dermatology, surgery and therapy

1981

Incorporation of **El.En. S.n.c**

1990 - 1993

Incorporation of:
Deka MELA S.r.l.,
Lasit S.r.l.,
Cutlite Penta S.r.l.



2000

El.En. S.p.A. listed on the Italian stock market

2002

Acquisition of **Cynosure Inc.**

2003

Acquisition of **Asclepion GmbH**

2004

Acquisition of **Quanta System**

2005

Acquisition of **ASA S.r.l.**

Cynosure Inc. listed on the Nasdaq

2007

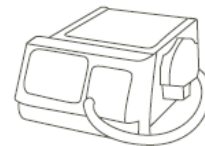
Incorporation of chinese JV
Wuhan Penta Chutian Co. Ltd

Incorporation of **Cutlite Do Brasil Alta Tecnologia Ltda**

Acquisition of **With Us**

2009

Incorporation of **Esthelogue S.r.l.**



2013

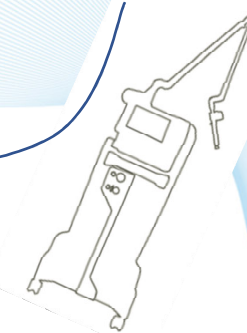
Incorporation of second chinese JV
Penta Laser Equipment (Wenzhou) Co. Ltd

2019

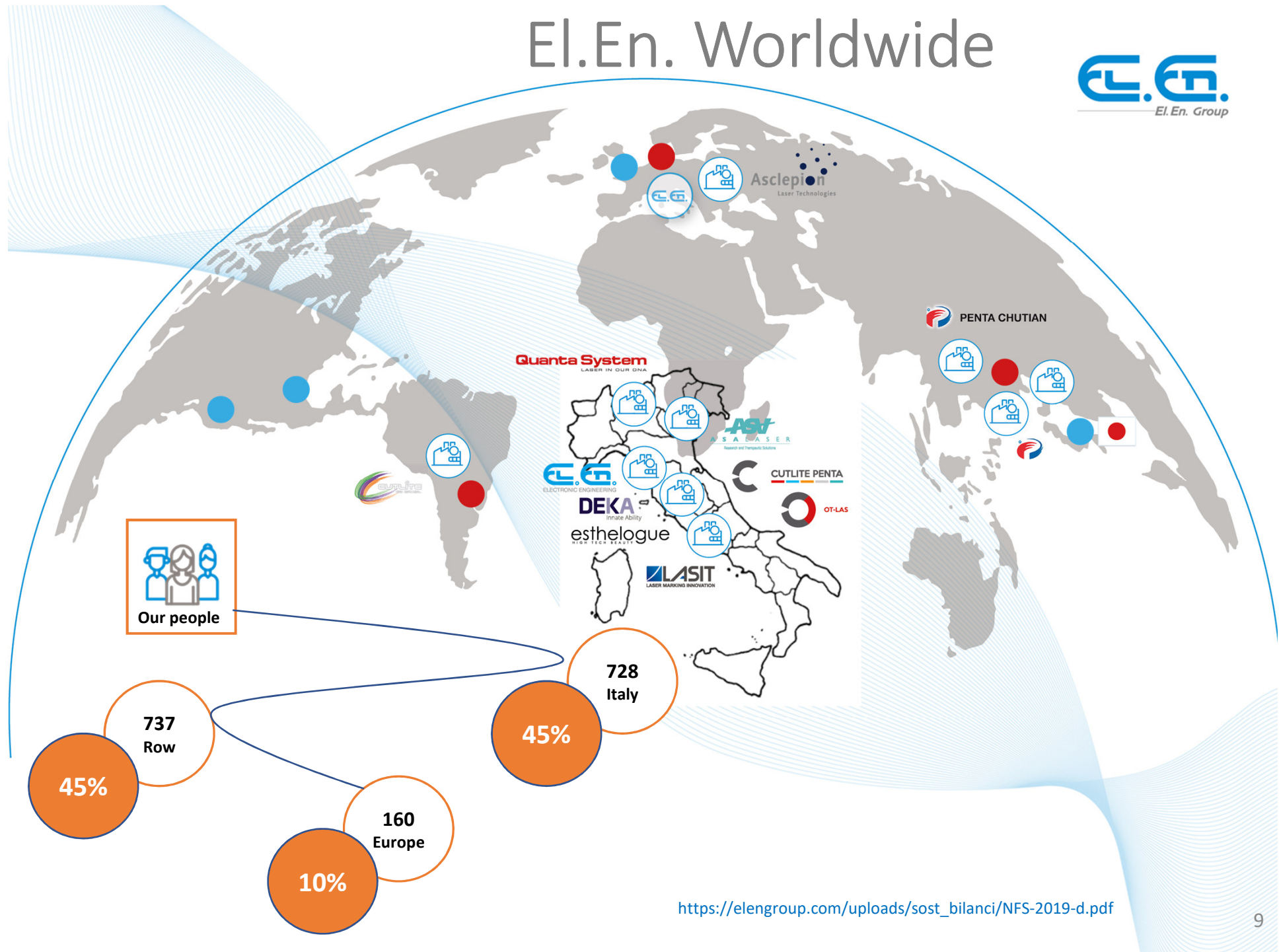
Incorporation of **Penta Laser Technology (Shangdong) Co. Ltd**

2016

Deka M.E.L.A. and **Quanta System** merge their commercial brand names into **Renaissance®** for the Italian market



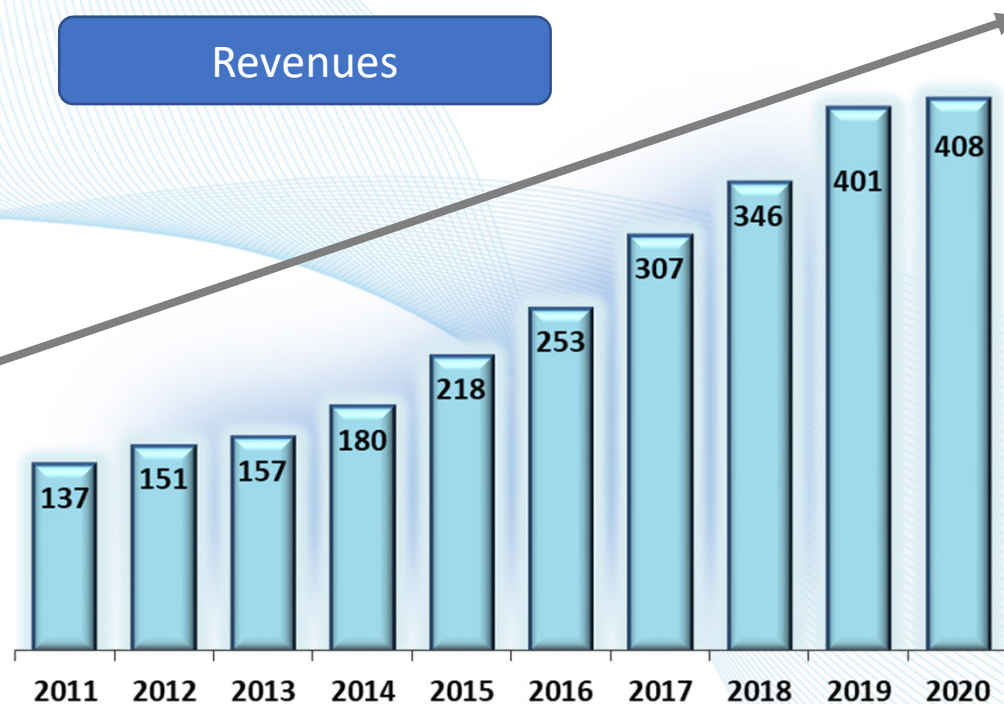
El.En. Worldwide



Growth history

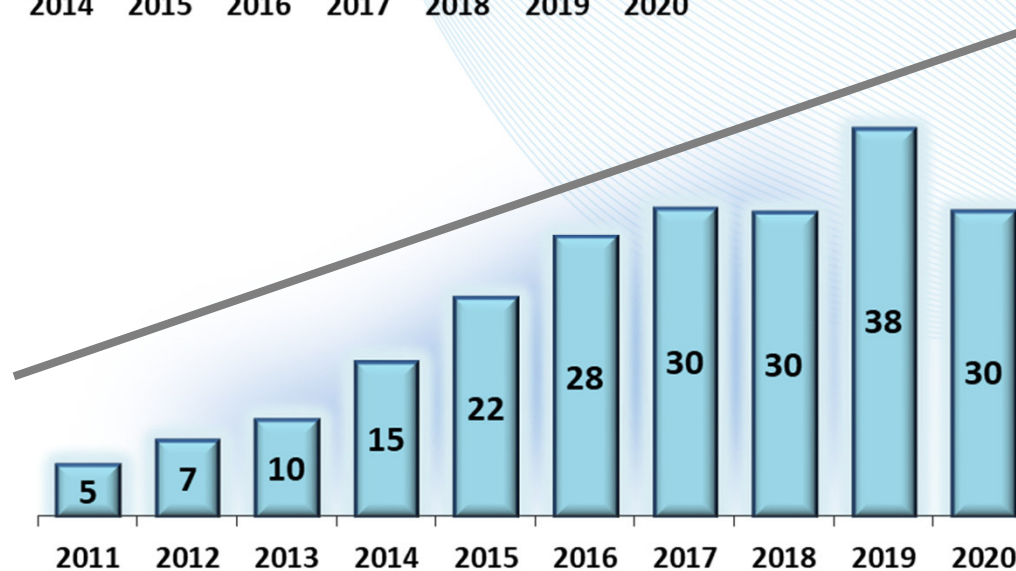


Revenues



Cagr 11/20:
+13%

EBIT



Cagr 11/20:
+22%

in Euro million

A stylized world map in light blue and white, overlaid with a network of white lines representing global connectivity. The lines are more dense in the Atlantic and Indian Ocean regions. A solid blue horizontal bar is positioned at the bottom of the image, containing the text 'Markets and Growth drivers' in white.

Markets and Growth drivers

Long term market trends



Aesthetics:

- Aging population
- Growing global obesity rate
- Increasing desire of individuals to improve their appearance
- Lower procedure cost, attracting a broader consumer base



Minimally invasive surgeries:

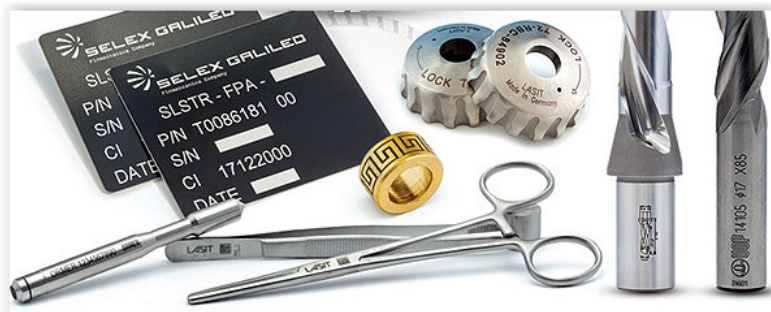
- Painless procedures
- Side effects and risks reduction
- Hospitalization days reduction
- Savings by Private & National Health Systems
- Attractive ROI for surgical services providers



Long term market trends

Laser cutting applications:

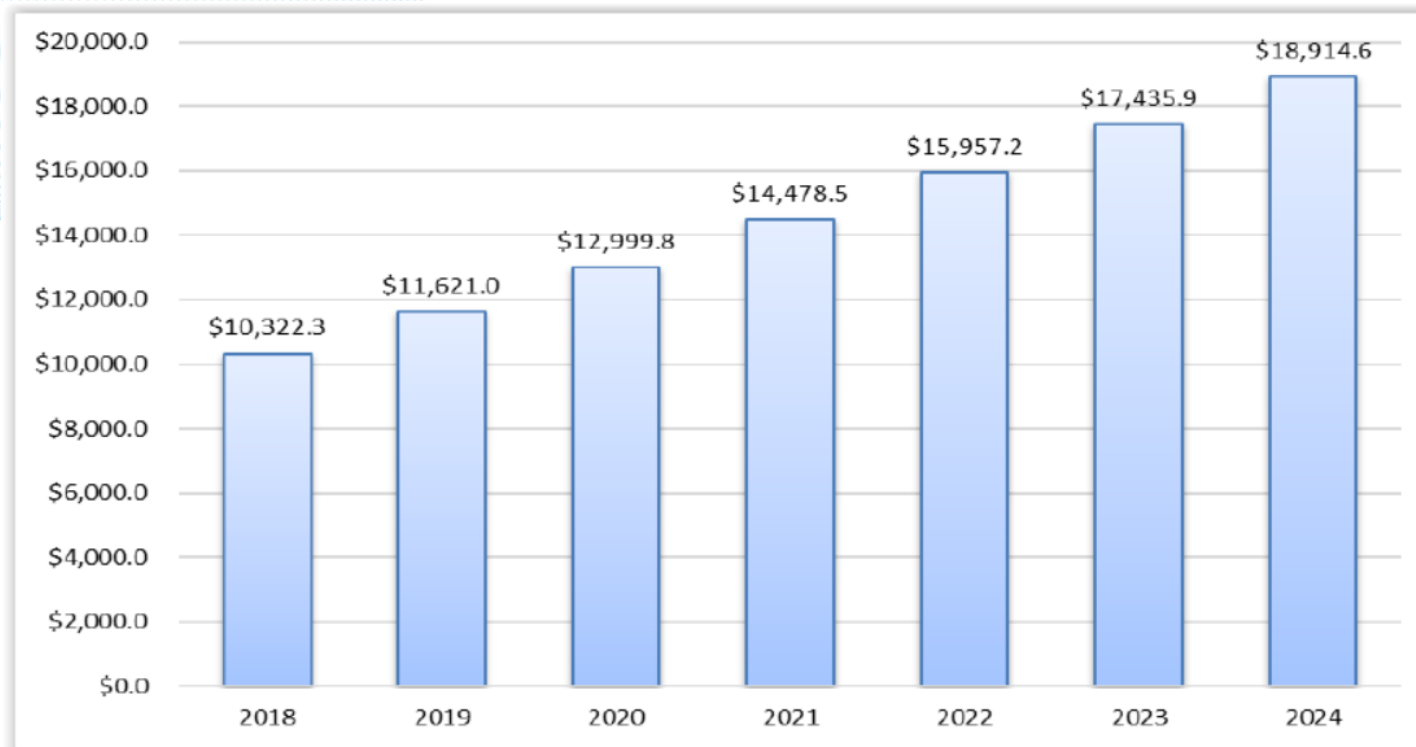
- Laser power increase + Cost reduction:
Enhanced flexibility, productivity and quality standards in manufacturing processes
- New application verticals
- Building and construction



Laser marking:

- Products identification and traceability
- Minimal environmental impact

Medical Aesthetics: Market Overview (pre-Covid)



Source: Daniel Associates

Daniel Associates:
Medical aesthetics
market 2018 to 2023
10.23% CAGR

Key growth drivers:

- Aging population
- Desire to achieve and maintain youthful appearance
- Increase in healthcare spending
- Requirements for fast and minimally invasive surgical procedures

Medical Aesthetics: Market Overview



	2018	2024	Cagr
Facial Aesthetics Products	1.831	3.638	10,7%
Body Contouring Devices	1.708	3.172	10,3%
Cosmetic Implants	1.321	2.415	10,0%
Physician-dispensed cosmoceuticals and skin	1.104	1.903	10,2%
Skin Aesthetic Devices	938	1.762	10,2%
Physician-dispensed eyelash products	910	1.551	10,0%
Hair removal devices	783	1.432	10,0%
Tattoo removal devices	87	153	9,9%
Thread lift products	73	125	9,8%
Nail treatment laser devices	61	110	9,5%
	8.816	16.261	

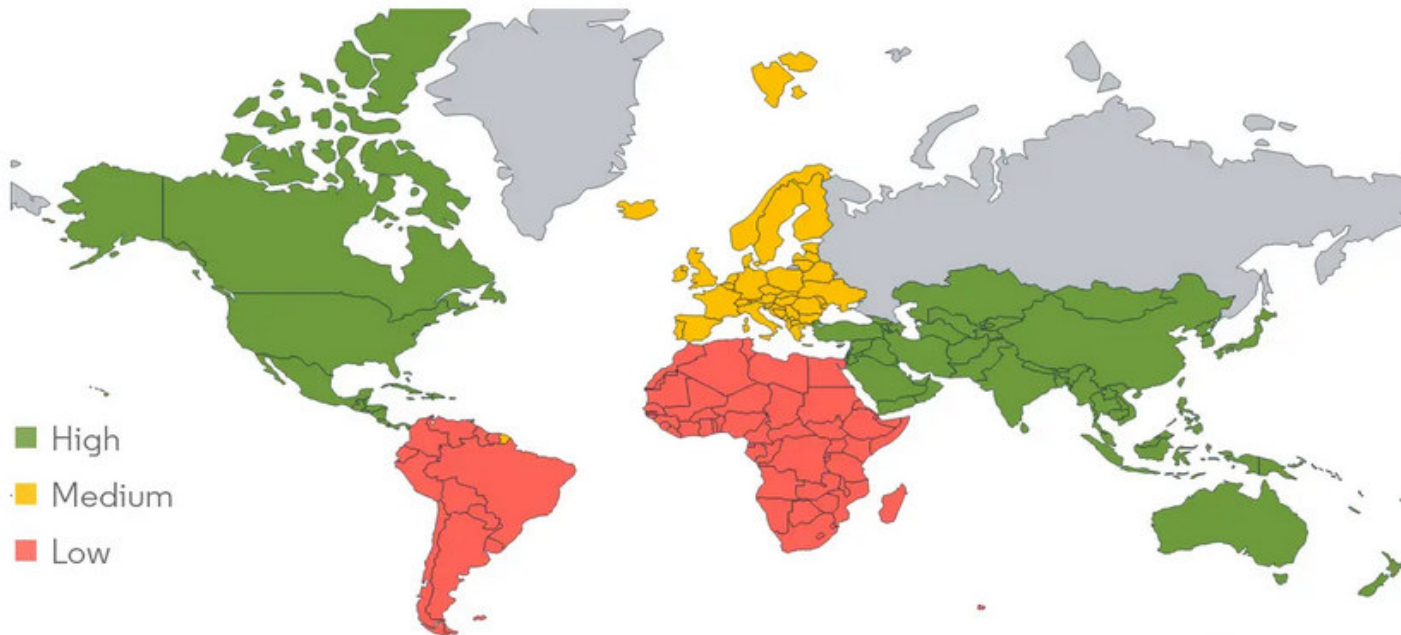
Source: Daniel Associates



	2018	2024	Cagr
North America	3.147	5.689	9,9%
Europe	1.958	3.480	9,4%
Asia Pacific	2.343	4.635	11,6%
Middle East&Africa	822	1.492	9,8%
Latin America	547	965	9,4%
	8.816	16.261	

Medical Laser Market

Medical Laser Market - Growth Rate by Region



Source : Mordor Intelligence

Fortune Business Insights:

The global Medical Laser Market size was valued @ USD 4,37 billion in 2019 and is projected to reach USD 10,57 billion by 2027, exhibiting a CAGR of **13,9%** during the forecast period



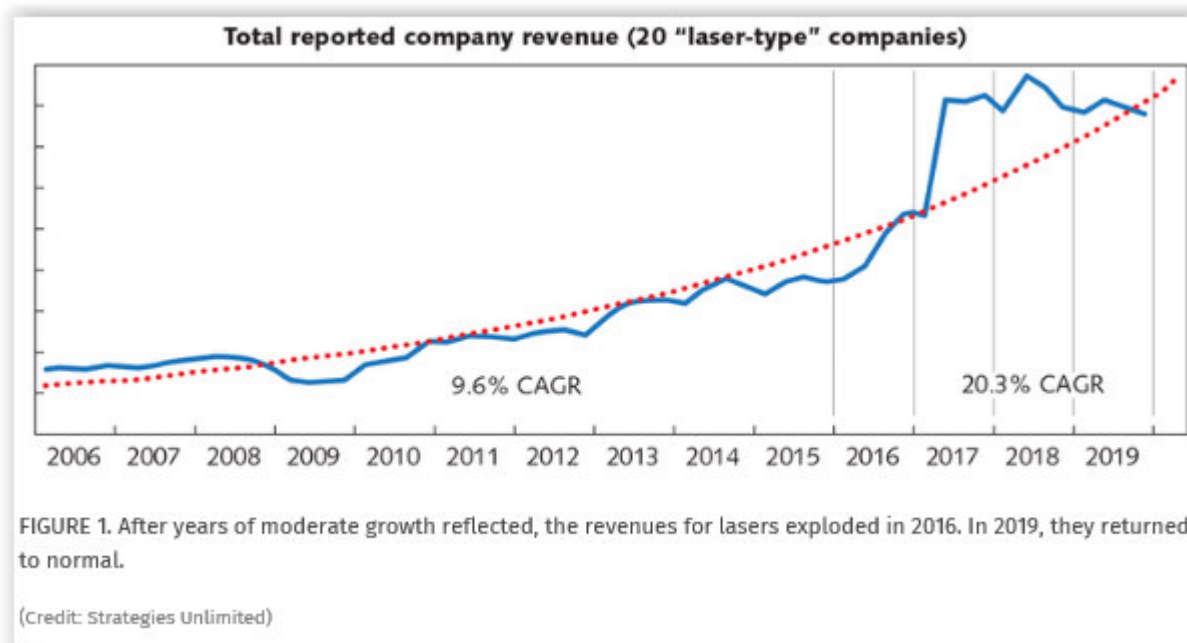
Industrial laser market



Laser systems increasingly adopted in high quality manufacturing for uniqueness, flexibility, environment friendliness, productivity

- Sheet metal cutting: technology breakthroughs leading to strong demand expansion
- Laser marking for identification: traceability as a quality standard

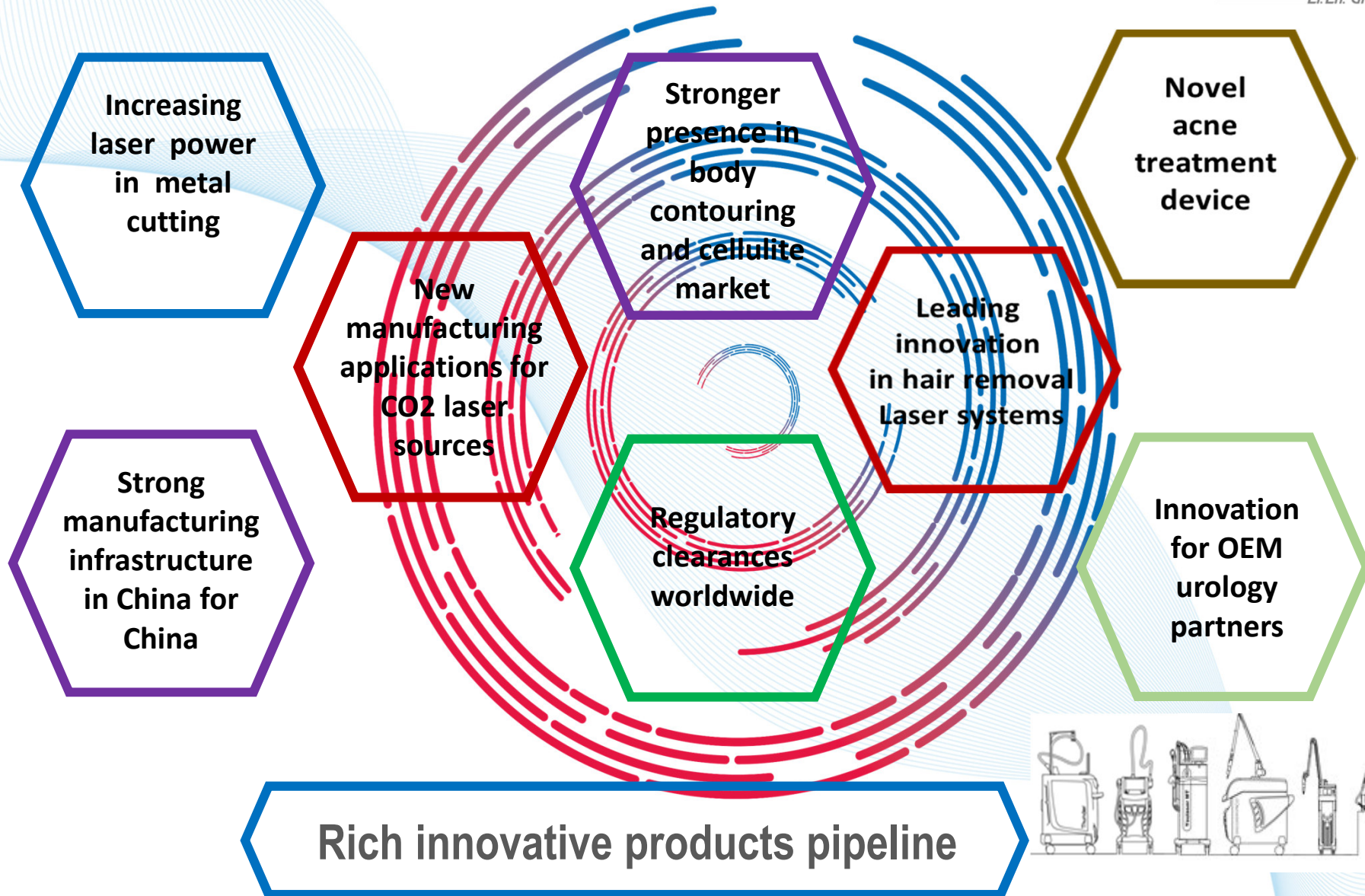
MARKET STUDIES:



ResearchAndMarkets's analysts forecast :

"The global industrial lasers systems market size was valued at \$20,120.2 million in 2018, and is projected to reach \$36,510.6 million by 2026, growing at a CAGR of 7.5% from 2019 to 2026"

Growth drivers



DEKA
Innate Ability

Asclepion
Laser Technologies

ASV
A S A L A S E R
Research and Therapeutic Solutions

esthelogue
HIGH TECH BEAUTY

Quanta System
LASER IN OUR DNA

 **PENTA CHUTIAN**

LASIT
LASER MARKING INNOVATION

 **CUTLITE**
LASER TECHNOLOGY

 **CUTLITE PENTA**

 **OT-LAS**

Innovation: products & applications

Expanded product portfolio for body contouring, cellulite treatments



New ONDA (microwaves)

Unique high end system for cellulite, localized adiposities, fat removal, submental treatments



Physiq, Delinea, B-Star

A family of unique combinations of superluminescent led matrices with Tens and EMS



Schwarzy , B-Strong

High intensity magnetic fields for muscles stimulation



New Icoone Laser

Micro alveolar stimulation



Expanded product portfolio for epilation, skin firming



Again

Unique high end system for laser hair removal



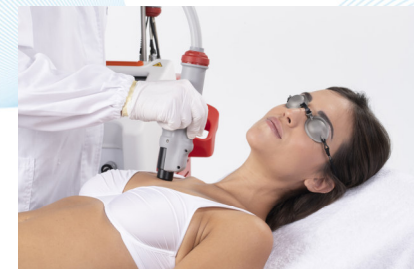
Luxea

The ultimate multi application and multi technology platform



RED Touch

The system for neocollagenesis and tissue regeneration



Tattoo and Toning



Discovery Pico Derm
Designed for Asian skins



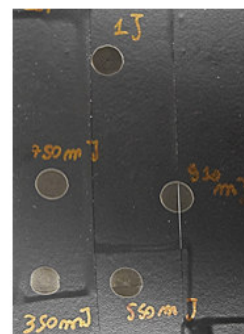
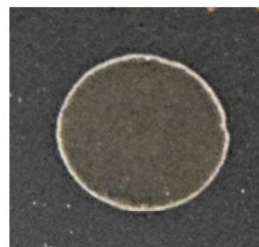
Chrome Station
Three wavelengths multi
platform



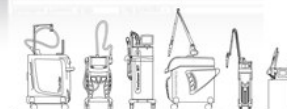
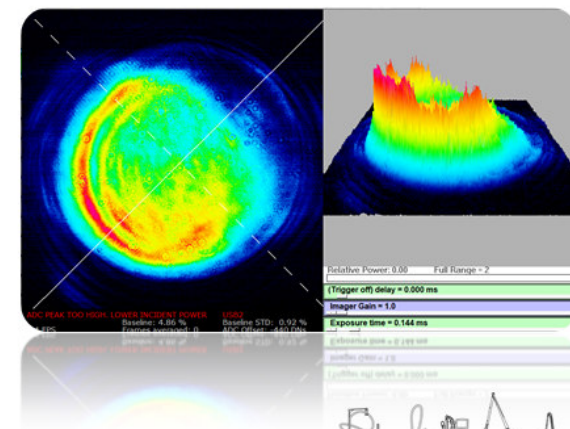
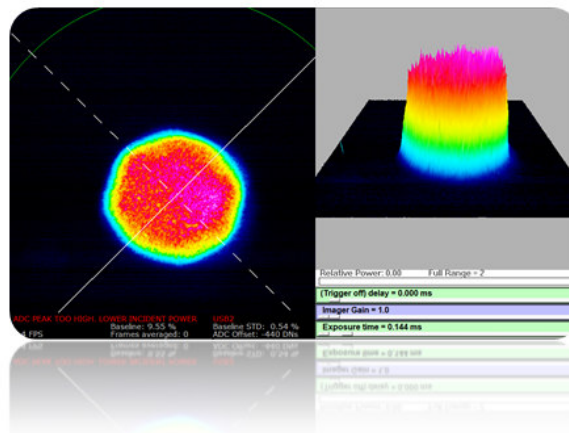
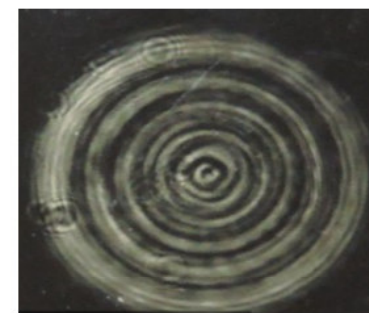
Tattoo and Toning



Chrome
LASER-STATION



Competition



Acne



The Accure Advantage



Courtesy: Emil [Tanghetti](#), MD

June 29, 2019

January 14, 2020

A complete line of Holmium lasers from 25 W to 155 W

New FIBER DUST

One of two worldwide players in high power medical fiber lasers

fiber
D U S T



New UHPTDL

Our novel disruptive technology for the most effective stones micro fragmentation

MonnaLisa Touch



November 24, 2020

DEKA announced the establishment of its Medical Advisory Board (MAB) for Female Intimate Health.



Physiotherapy



MiS (MLS Family)

For degenerative neuropathies



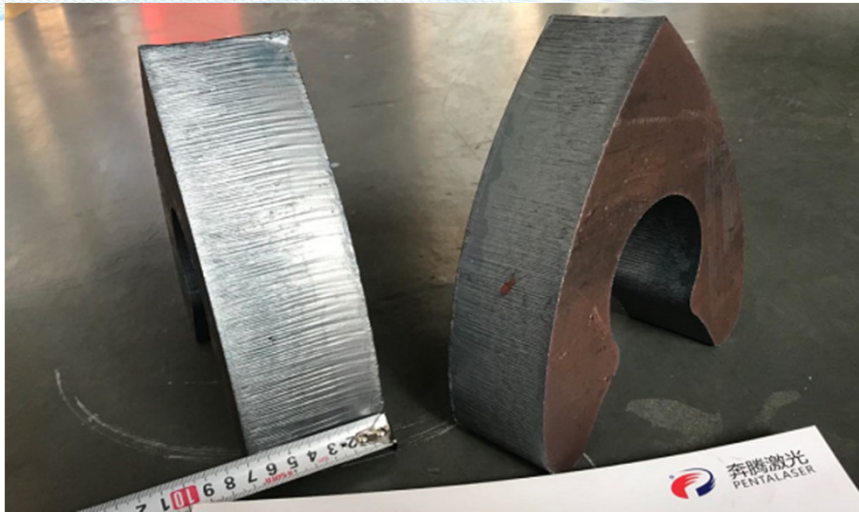
Industrial lasers systems



STEEL CUTTING

10 kW Average power in 2020 sales bookings

40 kW systems to come in 2021



A stylized world map in light blue and white, overlaid with a network of thin, curved lines representing global connectivity. The map is centered on the Atlantic Ocean, with North and South America on the left and Europe and Africa on the right. The lines are a slightly darker shade of blue, creating a web-like pattern across the continents.

Financial Highlights

Income Statement – FY 2020



Euro '000	31/12/19	%	31/12/20 unaudited	%	Var.%
Revenues	400.761	100,0%	408.083	100,0%	1,8%
Gross margin	156.021	38,9%	141.637	34,7%	-9,2%
Operating Expenses	43.624	10,9%	34.131	8,4%	-21,8%
Staff expenses	66.085	16,5%	66.692	16,3%	0,9%
EBITDA	46.312	11,6%	40.814	10,0%	-11,9%
Depr., amort., accruals	8.114	2,0%	10.703	2,6%	31,9%
EBIT	38.198	9,5%	30.111	7,4%	-21,2%
Net financ.income(charges)	468	0,1%	(1.762)	-0,4%	
Other income (expense) net	(23)	0,0%	(425)	-0,1%	1766,8%
EBT	38.644	9,6%	27.924	6,8%	-27,7%
Income taxes	9.868	2,5%	5.382	1,3%	-45,5%
Minorities	2.759	0,7%	2.287	0,6%	-17,1%
NET INCOME	26.017	6,5%	20.255	5,0%	-22,1%

	31/12/19	31/12/20 unaudited
Net financial position	61.419	69.168

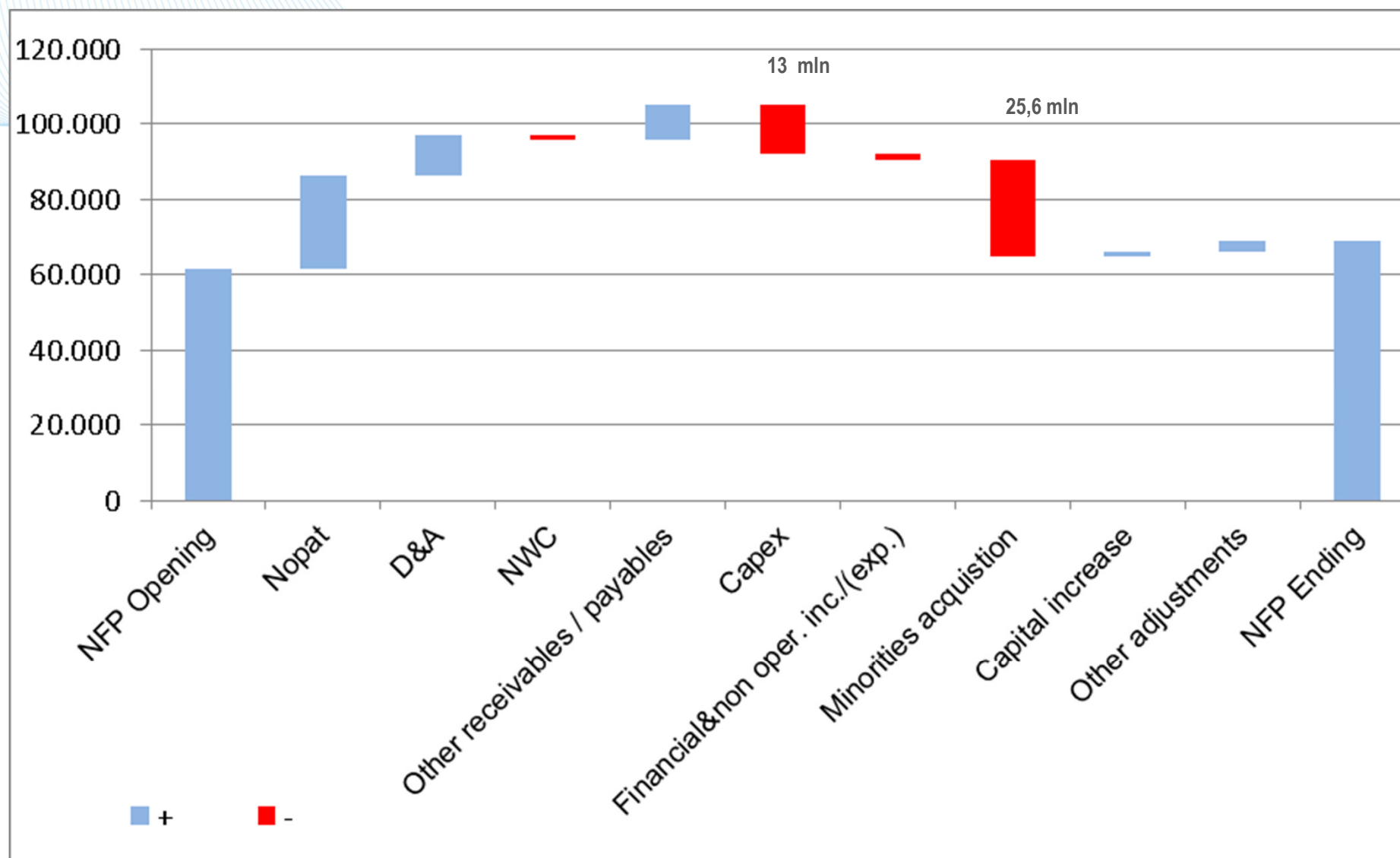
Net Income per share	1,35	1,03
-----------------------------	-------------	-------------

Balance Sheet – FY 2020

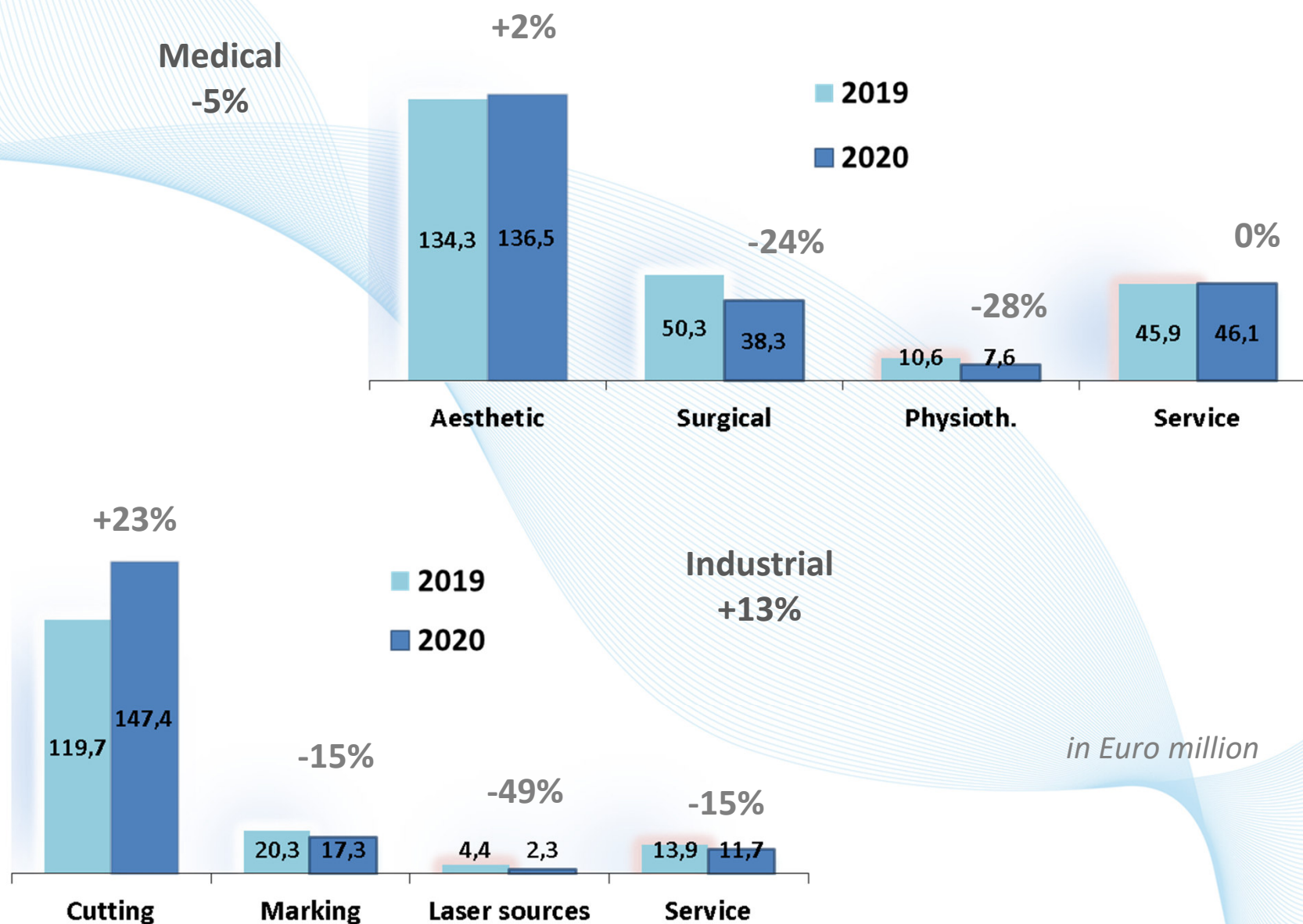


Euro '000	31/12/19	31/12/20 unaudited	Var.%
Total non current assets	110.966	116.838	5,3%
Net Working Capital	110.672	110.679	0,0%
Other receivables/payables ST	(31.127)	(37.946)	21,9%
Net financial position	61.419	69.168	12,6%
Long term liabilities	11.297	18.074	60,0%
Net Equity	240.633	240.665	0,0%
Net capital employed	179.214	171.497	-4,3%
Net Working Capital on sales	27,6%	27,1%	
ROCE (EBIT/Net capital employed)	21,3%	17,6%	
Capex	23.471	12.941	

Cash Flow



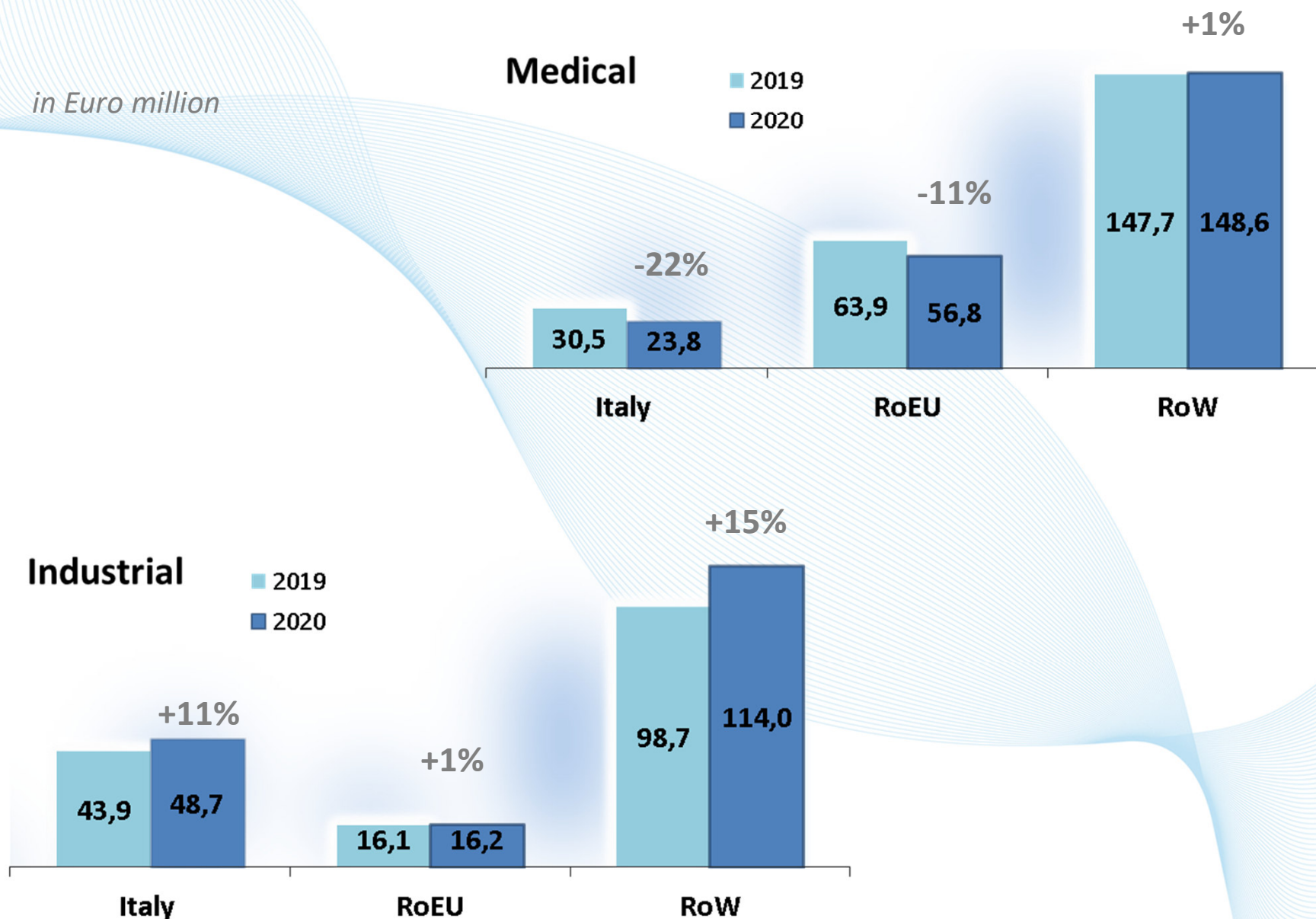
Revenue breakdown by business



Revenue breakdown by area



in Euro million





Current Outlook

2021 Guidance



Revenue up > 10%

EBIT FY21 > EBIT FY20

Hopefully

EBIT% FY21 > EBIT% FY20





Multiples & Comparables

Multiples



Stockholder's Equity per share	12,3
---------------------------------------	-------------

Price / Book Value Adj.	2,9
--------------------------------	------------

EV / EBIT (90% EBIT)	22,2
-----------------------------	-------------

EV / Sales (90% Sales)	1,6
-------------------------------	------------

El.En. Market Cap.	686,4 @ € 35,00
---------------------------	------------------------

Net financial position	69,2 @ 31/12/20
-------------------------------	------------------------

Financial investments m/l term	15,2 @ 31/12/20
---------------------------------------	------------------------

Enterprise Value	602,1
-------------------------	--------------

Comparables



Amounts in mln

Dec. 31st, 2020

	Price	Revenue	Var.% Rev.	EBIT	EBIT %	MK.Cap.	EV	EV/Sales (*)	EV/EBIT (*)	P/E (*)	P/Book Value
Medical/Aesthetic											
Cutera	\$31,87	\$148	(19%)	\$(23)	(15%)	\$562	\$540	3,7	n.a.	n.a.	9,9
InMode	\$71,06	\$175	29%	\$73	42%	\$2.710	\$2.450	14,0	33,6	32,7	10,6
Venus (3)	\$2,63	\$52	(34%)	\$(58)	(111%)	\$137	\$194	2,8	n.a.	n.a.	3,9
Sisram Medical (2)	\$0,79	\$72	(16%)	\$6	9%	\$351	\$260	1,8	20,3	23,6	1,1
Lutronic	€ 9,98	€ 85	(5%)	€ 7	8%	€ 260	€ 300	3,5	45,9	n.a.	3,2
Industrial											
IPG Photonics Co.	\$211,63	\$1.201	(9%)	\$199	17%	\$11.300	\$9.913	8,3	49,9	62,1	4,4
Prima Industrie	€ 20,85	€ 333	(22%)	€ 6	2%	€ 218	€ 314	0,9	48,4	n.a.	1,4
Han's Laser	¥41,99	¥12.032	27%	¥990	8%	¥39.860	¥41.181	3,4	41,6	44,1	4,1
El.En. (1)	€ 35,00	€ 408	2%	€ 30	7%	€ 686	€ 602	1,6	22,2	29,7	2,9

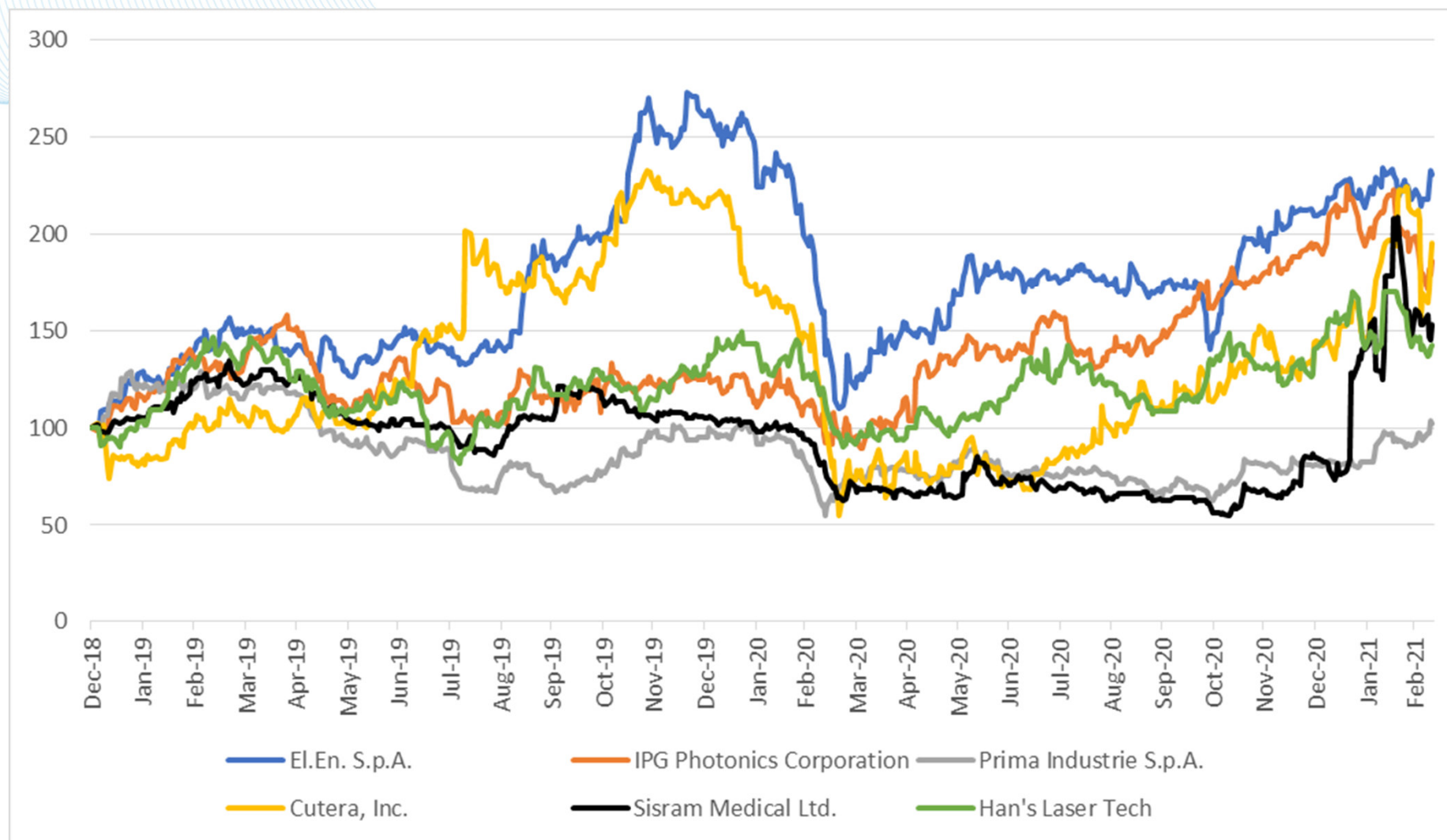
(1) EV and multiplies as for previous slide

(2) Data on June 30th, 2020

(3) Data on September 30th, 2020

(*) Revenue, Ebit and earnings annualized

Comparables



Contacts

El.En. S.P.A.

Enrico ROMAGNOLI

Investor Relations Manager

tel. +39 055-8826807

E-mail: finance@elen.it

POLYTEMS HIR

Financial Communication, IR and Press Office

Bianca FERSINI MASTELLONI - b.fersini@polytemshir.it

Silvia MARONGIU - s.marongiu@polytemshir.it

Tel. +39 06-69923324



Industrial and Medical Laser Solutions

