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

Hi-Tech company
Hi-Tech industrial group providing laser solutions with proprietary technologies and knowhow developed over 35 years
Listed on Milan’s Stock Exchange Star segment since year 2000

Global Group
More than 20 companies active worldwide on several laser application segments and markets

Among the Worldwide leaders with a global distribution network
Progressively widening its worldwide presence achieving continuous growth over the years
More than 50,000 laser sources sold and 5% of revenue invested in R&D
More than 125 patents
More than 115 R&D specialists
Our History

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

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

2009
Incorporation of Esthologue S.r.l.

2013
Incorporation of second Chinese JV
Penta Laser Equipment (Wenzhou) Co. Ltd

2016
Deka M.E.L.A. and Quanta System merge their commercial brand names into Renaissance® for the Italian market

2019
Incorporation of Penta Laser Technology (Shangdong) Co. Ltd

80s
Production of CO₂ lasers for dermatology, surgery and therapy
In 2019 ELEn was ranked second among corporations listed on the stock market in the Integrated Governance Index presented on June 13th at the ESG Business Conference. This index was drawn up by ETicaNews and Top Legal with the scientific support of numerous associations in the sector and measures the adoption of ESG (Environmental, Social, and Governance) topics in the company strategy.
Growth history

Revenues

Cagr 11/20: +11%

in Euro million

EBIT

Cagr 11/20: +19%

Growth history

Revenues

Cagr 11/20: +11%

in Euro million

EBIT

Cagr 11/20: +19%
Minimally invasive surgeries:

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

Aesthetics:

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

Long term market trends:

10
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
- Minimal environmental impact

Laser marking:

- Products identification and traceability
- Minimal environmental impact
Medical Aesthetics: Market Overview (pre-Covid)

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

Source: Daniel Associates

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

12
# Medical Aesthetics: Market Overview

<table>
<thead>
<tr>
<th>Product Type</th>
<th>2018</th>
<th>2024</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facial Aesthetics Products</td>
<td>1.831</td>
<td>3.638</td>
<td>10.7%</td>
</tr>
<tr>
<td>Body Contouring Devices</td>
<td>1.708</td>
<td>3.172</td>
<td>10.3%</td>
</tr>
<tr>
<td>Cosmetic Implants</td>
<td>1.321</td>
<td>2.415</td>
<td>10.0%</td>
</tr>
<tr>
<td>Physician-dispensed cosmeceuticals and skin</td>
<td>1.104</td>
<td>1.903</td>
<td>10.2%</td>
</tr>
<tr>
<td>Skin Aesthetic Devices</td>
<td>938</td>
<td>1.762</td>
<td>10.2%</td>
</tr>
<tr>
<td>Physician-dispenced eyelash products</td>
<td>910</td>
<td>1.551</td>
<td>10.0%</td>
</tr>
<tr>
<td>Hair removal devices</td>
<td>783</td>
<td>1.432</td>
<td>10.0%</td>
</tr>
<tr>
<td>Tattoo removal devices</td>
<td>87</td>
<td>153</td>
<td>9.9%</td>
</tr>
<tr>
<td>Thread lift products</td>
<td>73</td>
<td>125</td>
<td>9.8%</td>
</tr>
<tr>
<td>Nail treatment laser devices</td>
<td>61</td>
<td>110</td>
<td>9.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Region</th>
<th>2018</th>
<th>2024</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>3.147</td>
<td>5.689</td>
<td>9.9%</td>
</tr>
<tr>
<td>Europe</td>
<td>1.958</td>
<td>3.480</td>
<td>9.4%</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>2.343</td>
<td>4.635</td>
<td>11.6%</td>
</tr>
<tr>
<td>Middle East&amp;Africa</td>
<td>822</td>
<td>1.492</td>
<td>9.8%</td>
</tr>
<tr>
<td>Latin America</td>
<td>547</td>
<td>965</td>
<td>9.4%</td>
</tr>
</tbody>
</table>

Source: Daniel Associates
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”

FIGURE 1. After years of moderate growth reflected, the revenues for lasers exploded in 2016. In 2019, they returned to normal.

(Credit: Strategies Unlimited)
Increasing laser power in metal cutting

New manufacturing applications for CO2 laser sources

Stronger presence in body contouring and cellulite market

Leading innovation in hair removal Laser systems

Regulatory clearances worldwide

Innovation for OEM urology partners

Strong manufacturing infrastructure in China for China

Rich innovative products pipeline
Innovation: Products & applications
Complete product portfolio for body contouring, cellulite treatments, skin firming

**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 matrices with Tents and EMS

**Schwarzy, B-Strong**
High intensity magnetic fields for muscles stimulation

**New Icoone Laser**
Micro alveolar stimulation

**RED TOUCH**
Unique system for neocollagenesis and tissue regeneration
Tattoo and Toning

Discovery Pico Derm
Designed for asian skins

PicoStar
The most powerful picosecond laser in the marketplace

Chrome Station
Three wavelengths multi platform
Tattoo and Toning
Italian market: launch in September 2020
The Accure Advantage

Before Treatment

After Treatment 12 weeks post-Treatment 4

Courtesy: Emil Tanphetti, 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

Our novel disruptive technology for the most effective stones micro fragmentation

New UHPTDL
MiS (MLS Family)
For degenerative neuropathies
STEEL CUTTING
10 kW Average power in 2020 sales bookings
30 kW systems to come in 2020

FACE MASKS, PLEXI, PROTECTIVE VISORS CUTTING
Laser cutting of technical tissue, or plastics for protection and social distancing
Up to 1,2 KW CO2 (RF)
## Income Statement H1-2020

<table>
<thead>
<tr>
<th></th>
<th>30/06/19</th>
<th>%</th>
<th>30/06/20</th>
<th>%</th>
<th>Var.%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Medical</strong></td>
<td>112.129</td>
<td>59,5%</td>
<td>100.309</td>
<td>61,7%</td>
<td>-10,5%</td>
</tr>
<tr>
<td><strong>Industrial</strong></td>
<td>76.321</td>
<td>40,5%</td>
<td>62.212</td>
<td>38,3%</td>
<td>-18,5%</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>188.450</td>
<td>100,0%</td>
<td>162.521</td>
<td>100,0%</td>
<td>-13,8%</td>
</tr>
<tr>
<td><strong>Gross margin</strong></td>
<td>74.385</td>
<td>39,5%</td>
<td>59.877</td>
<td>36,8%</td>
<td>-19,5%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>20.604</td>
<td>10,9%</td>
<td>14.485</td>
<td>8,9%</td>
<td>-29,7%</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>16.713</td>
<td>8,9%</td>
<td>9.288</td>
<td>5,7%</td>
<td>-44,4%</td>
</tr>
<tr>
<td><strong>Pretax Income</strong></td>
<td>16.894</td>
<td>9,0%</td>
<td>8.943</td>
<td>5,5%</td>
<td>-47,1%</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>10.223</td>
<td>5,4%</td>
<td>6.401</td>
<td>3,9%</td>
<td>-37,4%</td>
</tr>
<tr>
<td><strong>Net Income per share</strong></td>
<td>0,53</td>
<td></td>
<td>0,33</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Balance Sheet H1-2020

<table>
<thead>
<tr>
<th></th>
<th>Euro '000</th>
<th>31/12/19</th>
<th>30/06/20</th>
<th>Var.%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total non current assets</td>
<td>110.966</td>
<td>112.593</td>
<td>1,5%</td>
<td></td>
</tr>
<tr>
<td>Net Working Capital</td>
<td>110.672</td>
<td>128.936</td>
<td>16,5%</td>
<td></td>
</tr>
<tr>
<td>Other receivables/payables ST</td>
<td>(31.127)</td>
<td>(29.837)</td>
<td>-4,1%</td>
<td></td>
</tr>
<tr>
<td>Net financial position</td>
<td>61.419</td>
<td>27.928</td>
<td>-54,5%</td>
<td></td>
</tr>
<tr>
<td>Long term liabilities</td>
<td>11.297</td>
<td>16.412</td>
<td>45,3%</td>
<td></td>
</tr>
<tr>
<td>Net Equity</td>
<td>240.633</td>
<td>223.208</td>
<td>-7,2%</td>
<td></td>
</tr>
<tr>
<td>Net capital employed</td>
<td>179.214</td>
<td>195.279</td>
<td>9,0%</td>
<td></td>
</tr>
<tr>
<td>Net Working Capital on sales</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ROCE</td>
<td>16,7%</td>
<td>9,5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capex</td>
<td>23.471</td>
<td>5.089</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Cash Flow H1 2020

NFP Opening 61.4 mln
Nopat 20 mln
D&A 20 mln
NWC 27.9 mln
Other receivables/payables ST
Capex
Minorities acquisition
Other adjustments
NFP Ending
Revenue breakdown by business

in Euro million

Aesthetic
-8%
60.6 55.9

Surgical
-14%
23.3 19.9

Medical
-39%
5.4 3.3

Service
-7%
22.4 20.9

Industrial
-16%
58.5 49.0

Cutting
-18%
9.2 7.6

Marking
-67%
2.2 0.7

Laser sources
-25%
6.2 4.6

Service
Revenue breakdown by area

in Euro million

**Medical**
- Italy: 15.8 in 2019, 9.9 in 2020 (-37%)
- RoEU: 29.5 in 2019, 23.2 in 2020 (-21%)
- RoW: 66.8 in 2019, 67.2 in 2020 (+1%)

**Industrial**
- Italy: 16.3 in 2019, 17.5 in 2020 (+8%)
- RoEU: 7.3 in 2019, 6.9 in 2020 (-5%)
- RoW: 52.8 in 2019, 37.8 in 2020 (-28%)
Revenue decrease <10%

EBIT% FY20 > EBIT% H1 20
## Multiples

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stockholder's Equity per share</td>
<td>11.4</td>
</tr>
<tr>
<td>Price / Book Value Adj.</td>
<td>2.0</td>
</tr>
<tr>
<td>EV / EBIT (90% EBIT)</td>
<td>24.0</td>
</tr>
<tr>
<td>EV / Sales (90% Sales)</td>
<td>1.4</td>
</tr>
<tr>
<td>El.En. Market Cap.</td>
<td>444.9 @ €22.70</td>
</tr>
<tr>
<td>Net financial position</td>
<td>27.9 @ 30/06/20</td>
</tr>
<tr>
<td>Financial investments m/l term</td>
<td>15.0 @ 30/06/20</td>
</tr>
<tr>
<td>Enterprise Value</td>
<td>401.9</td>
</tr>
</tbody>
</table>
## Comparables

### Sept. 30th, 2020

<table>
<thead>
<tr>
<th></th>
<th>Price</th>
<th>Revenue</th>
<th>Var.% Rev.</th>
<th>EBIT</th>
<th>EBIT %</th>
<th>MK.Cap.</th>
<th>EV</th>
<th>EV/Sales (*</th>
<th>EV/EBIT (*)</th>
<th>P/Book Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Medical/Aesthetic</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cutera</td>
<td>$16.29</td>
<td>$59</td>
<td>-30%</td>
<td>$(23)</td>
<td>-39%</td>
<td>$326</td>
<td>$295</td>
<td>2.5</td>
<td>n.a.</td>
<td>6.2</td>
</tr>
<tr>
<td>InMode</td>
<td>$32.07</td>
<td>$71</td>
<td>3%</td>
<td>$14</td>
<td>20%</td>
<td>$1.120</td>
<td>$917</td>
<td>6.4</td>
<td>32.5</td>
<td>5.5</td>
</tr>
<tr>
<td>Venus</td>
<td>$2.23</td>
<td>$32</td>
<td>-40%</td>
<td>$(53)</td>
<td>-168%</td>
<td>$98</td>
<td>$153</td>
<td>2.4</td>
<td>n.a.</td>
<td>2.4</td>
</tr>
<tr>
<td>Sisram Medical</td>
<td>$0.34</td>
<td>$72</td>
<td>-16%</td>
<td>$6</td>
<td>9%</td>
<td>$148</td>
<td>$58</td>
<td>0.4</td>
<td>4.5</td>
<td>0.5</td>
</tr>
<tr>
<td>Lutronic</td>
<td>€ 4.16</td>
<td>€ 33</td>
<td>-18%</td>
<td>-€ 4</td>
<td>-12%</td>
<td>€ 108</td>
<td>€ 93</td>
<td>1.4</td>
<td>n.a.</td>
<td>1.3</td>
</tr>
<tr>
<td><strong>Industrial</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IPG Photonics Co.</td>
<td>$161.00</td>
<td>$546</td>
<td>-20%</td>
<td>$92</td>
<td>17%</td>
<td>$8.570</td>
<td>$7.325</td>
<td>6.7</td>
<td>39.8</td>
<td>3.5</td>
</tr>
<tr>
<td>Prima Industrie</td>
<td>€ 12.70</td>
<td>€ 158</td>
<td>-27%</td>
<td>-€ 1</td>
<td>-1%</td>
<td>€ 133</td>
<td>€ 256</td>
<td>0.8</td>
<td>n.a.</td>
<td>0.8</td>
</tr>
<tr>
<td>Han's Laser</td>
<td>¥34.05</td>
<td>¥5.130</td>
<td>8%</td>
<td>¥487</td>
<td>9%</td>
<td>¥38.440</td>
<td>¥39.905</td>
<td>3.9</td>
<td>41.0</td>
<td>4.0</td>
</tr>
<tr>
<td>El.En. (1)</td>
<td>€ 22.70</td>
<td>€ 163</td>
<td>-14%</td>
<td>€ 9</td>
<td>6%</td>
<td>€ 445</td>
<td>€ 402</td>
<td>1.4</td>
<td>24.0</td>
<td>2.0</td>
</tr>
</tbody>
</table>

(1) EV and multiplies as for previous slide  
(*) Revenue, Ebit and earnings annualized
El.En. S.P.A.
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E-mail: finance@elen.it

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