COMPANY PRESENTATION

STAR Conference – Milan
March 20th, 21st 2019
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. El.En.
2. Markets and Growth drivers
3. Our Products
4. Financial Highlights
5. Multiples & Comparables
A Primary Player Providing Medical, Industrial and Conservation Laser Solutions Worldwide

Hi-Tech company

Hi-Tech industrial group active in opto-electronics with proprietary technologies and know how developed over 35 years

Listed on the Milan Stock Exchange Star segment since 2000

Global Group

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

Among the leaders in its space with a Worldwide distribution network

Progressively widening its worldwide presence registering continuous growth over the years

More than 45,000 laser sources sold and 5% of revenue invested in R&D

More than 120 patents

More than 90 R&D specialists
El.En. Worldwide

- **People**
- **Ethics & human rights**
- **R & D**
- **Environment**
- **Health & Safety**

**Production sites:** 10

**R&D centers:** 6

- **Brazil:** 22
- **China:** 516
- **Europe:** 155
- **Italy:** 628
- **Japan:** 47
- **Total employees:** 1,368
Growth history

Revenues

Cagr: +14%

EBIT

Cagr: +29%

Revenues:

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>137</td>
</tr>
<tr>
<td>2012</td>
<td>151</td>
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<tr>
<td>2013</td>
<td>157</td>
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<tr>
<td>2014</td>
<td>180</td>
</tr>
<tr>
<td>2015</td>
<td>218</td>
</tr>
<tr>
<td>2016</td>
<td>253</td>
</tr>
<tr>
<td>2017</td>
<td>307</td>
</tr>
<tr>
<td>2018</td>
<td>346</td>
</tr>
</tbody>
</table>

EBIT:

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
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<tr>
<td>2012</td>
<td>7</td>
</tr>
<tr>
<td>2013</td>
<td>10</td>
</tr>
<tr>
<td>2014</td>
<td>15</td>
</tr>
<tr>
<td>2015</td>
<td>22</td>
</tr>
<tr>
<td>2016</td>
<td>28</td>
</tr>
<tr>
<td>2017</td>
<td>30</td>
</tr>
<tr>
<td>2018</td>
<td>30</td>
</tr>
</tbody>
</table>

in Euro million
Markets and Growth drivers
Long term market trends

Aesthetics:
- Aging population
- Social pressure to maintain youthful and beautiful appearance

Minimally invasive surgeries:
- Minimally painful procedures
- Reduced side effects and risks
- Hospitalization days reduction
- Savings by Private & National Health Systems
- ROI increase for surgical services providers
Long term market trends

Cutting applications:
- Enhanced flexibility, productivity and quality standards in manufacturing processes
- New application verticals
- Building and constructions
- Minimal environmental impact

Marking:
- Products identification and traceability
- Minimal environmental impact
Medical & Aesthetic energy-based systems market

<table>
<thead>
<tr>
<th>US$ million</th>
<th>2014</th>
<th>2016</th>
<th>2021</th>
<th>CAGR 14-16</th>
<th>CAGR 16-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global non-invasive and minimally invasive medical aesthetic treatment systems</td>
<td>6.932</td>
<td>8.437</td>
<td>13.992</td>
<td>10%</td>
<td>11%</td>
</tr>
<tr>
<td>Energy-based treatment systems</td>
<td>2.033</td>
<td>2.670</td>
<td>4.380</td>
<td>15%</td>
<td>10%</td>
</tr>
<tr>
<td>Body shaping &amp; Skin tightening</td>
<td>724</td>
<td>996</td>
<td>1.965</td>
<td>17%</td>
<td>15%</td>
</tr>
<tr>
<td>Skin rejuvenation</td>
<td>523</td>
<td>695</td>
<td>1.089</td>
<td>15%</td>
<td>9%</td>
</tr>
<tr>
<td>Hair removal</td>
<td>353</td>
<td>341</td>
<td>333</td>
<td>-2%</td>
<td>0%</td>
</tr>
<tr>
<td>Leg vein treatments</td>
<td>131</td>
<td>157</td>
<td>187</td>
<td>9%</td>
<td>4%</td>
</tr>
<tr>
<td>Acne reduction</td>
<td>96</td>
<td>110</td>
<td>125</td>
<td>7%</td>
<td>3%</td>
</tr>
<tr>
<td>Vaginal rejuvenation</td>
<td>na</td>
<td>105</td>
<td>332</td>
<td>na</td>
<td>26%</td>
</tr>
<tr>
<td>Pigmented lesion &amp; tattoo removal</td>
<td>80</td>
<td>99</td>
<td>142</td>
<td>11%</td>
<td>7%</td>
</tr>
<tr>
<td>Other</td>
<td>126</td>
<td>167</td>
<td>207</td>
<td>15%</td>
<td>4%</td>
</tr>
<tr>
<td>Total</td>
<td>2.033</td>
<td>2.670</td>
<td>4.380</td>
<td>15%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Source: Medical Insight Report

Key growth drivers:

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

Reports & Reports’ analysts forecast:
Medical aesthetics market 2018 to 2023 10.6% CAGR
Industrial laser market

Lasers 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:

Technavio’s analysts forecast:
“The global industrial laser market to grow at a CAGR of 10.24% during the period 2017-2021”
Growth drivers

**MEDICAL**
- Stronger presence in body contouring and cellulite treatment markets
- New laser systems for hair removal
- Novel dermatologic treatment device
- OEM urology partnerships
- New products pipeline

**INDUSTRIAL**
- New manufacturing applications for medium power CO2 laser sources
- Strong demand for high power laser sheet metal cutting systems in China and Europe
- Strong manufacturing presence in China
OUR CRITICAL SUCCESS FACTORS

- Continuous innovation (breakthrough products)
- Flexibility and improvement of production capacity (new factories)
- Seeking regulatory clearances worldwide
Permanent Hair Reduction Highlights

QUANTA - THUNDER MT (Blended Alexandrite + Yag) – High end system. The fastest in the world with scanner technology

DEKA - MOTUS AX and MOTUS AY – virtually pain free also on dark skin types, due to the Moveo Technology

ASCLEPION - NEW MEDIOSTAR with MONOLITH Handpiece 5kW diode -10 cm^2 - 20 Hz – single use Protector for the skin

Fiona May Long Jump World Champion

2018 vs 2017: +19,4%
Vascular treatments Highlights

ASCLEPION – QuadroStarPRO YELLOW – 577 nm

QUANTA – 585 and DenaVE (US Version) – 585 nm

Rembrandt's Syndrome

2018 vs 2017: +38.22%
Tattoo and Benign Pigmented Lesions treatments

**Highlights**

**QUANTA – DISCOVERY PICO PLUS & Q-PLUS C MT (blended)**
Almost 2 GW of peak power (Pico)
BODY CONTOURING
Highlights

DEKA - ONDA COOLWAVES — the first system in the world based on Microwaves @ 2.5 GHz for localized fat accumulations, laxity, and cellulite reduction

2018 vs 2017: +60.4%
BODY CONTOURING
Our testimonial

Francesco Damiani – Boxing World Champion WBO – Super High Weights
PROFESSIONAL BEAUTY Highlights

ESTHELOGUE – B-STAR – the first system in the world based on stamp LED matrices for body treatments

#LASERFREE
DEKA – LUXEA – Just CE 0123 marked by TUV Sud

The most complete multiplatform with

- Diode laser handpiece for permanent hair reduction
- IPL sets for skin tightening, skin rejuvenation, deeper vascular treatments and acne treatments
- Active Q-switch probe for tattoo removal and pigmented lesions treatments
- YAG 1064 nm probe for vessels treatments
- Radio Frequency (RF) probe for skin rejuvenation and tightening
- Er:YAG probe for micro ablative skin resurfacing
- Nd:YAP probe for non ablative skin rejuvenation

Total :15 different handpieces
TELE SERVICE
Highlights

Now available on:

• ONDA
• MOTUS AX
• MOTUS AY
• LUXEA

INTERNET OF THINGS
ASA LASER – M6  the only robotized system for pain removal

The multitarget Laser system was created to apply MLS® Laser Therapy automatically and uniformly to the treatment area.

ASA LASER – HIRO TT

TT® is the ultimate application of Hilterapia®, creating new and innovative possibilities in the treatment of painful pathologies of the musculoskeletal system.
February 2019 - Hong Jinbao, the actor-symbol of Chinese cinema dedicated to martial arts flew to Taiwan to be treated with Hilterapia® in order to solve chronic knee pain.
VAGINAL ATROPHY AND VAGINAL LAXITY

Highlights

DEKA – MONA LISA TOUCH (MLT) WITH RF TOUCH – Just CE 0123 certified by TUV Sud

The most complete vaginal surgical multiplatform with:

- CO2
- New single use probes for MLT
- New single use applicators for Treatment of vaginal laxity (non-surgical vaginal tightening) and vulvar treatment, in particular labia Majora and Minora hypertrophy. Adjuvant in the treatment of disorders of lower urinary tract: mild SUI (Stress Urinary Incontinence) and symptoms to this related.
QUANTA – Litho 35 W Holmium laser
QUANTA – Cyber Ho 60 W Holmium laser
QUANTA – Cyber Ho 100 W Holmium laser
ASCLEPION / JENA SURGICAL MultiPulse HoPLUS 140 W Holmium laser with integrated morcellator

2018 vs 2017 : +51,6%
UROLOGY – Virtual Stone Basket

QUANTA – Virtual Stone Basket Effect – onboard of 100 W Holmium lasers to avoid stone retropulsion and to capture stone fragments
QUANTA – CYBER BLADE – CE 0123 mark expected for April 2019 – FDA 510(k) for September 2019

The only Stand Alone Morcellator working with batteries and single use blades – the fastest morcellation on the way
METAL CUTTING

Highlights

PENTA & PENTA CHUTIAN

- Automatic CNC machines with up to 20 kW fiber lasers onboard

BEVELING CUT our new laser special preparation for butt-welding metal sheet edges

2018 vs 2017: +12.27%

73mm stainless steel, another breakthrough cut by Penta's 15kW.
## Income Statement FY-2018

<table>
<thead>
<tr>
<th></th>
<th>Euro '000</th>
<th>31/12/17</th>
<th>%</th>
<th>31/12/18</th>
<th>%</th>
<th>Var.%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>unaudited</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medical</td>
<td>174.416</td>
<td>56,9%</td>
<td></td>
<td>197.854</td>
<td>57,2%</td>
<td>13,4%</td>
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<tr>
<td>Industrial</td>
<td>132.045</td>
<td>43,1%</td>
<td></td>
<td>148.167</td>
<td>42,8%</td>
<td>12,2%</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>306.461</td>
<td>100,0%</td>
<td></td>
<td>346.020</td>
<td>100,0%</td>
<td>12,9%</td>
</tr>
<tr>
<td>Gross margin</td>
<td>127.284</td>
<td>41,5%</td>
<td></td>
<td>137.478</td>
<td>39,7%</td>
<td>8,0%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>36.125</td>
<td>11,8%</td>
<td></td>
<td>35.618</td>
<td>10,3%</td>
<td>-1,4%</td>
</tr>
<tr>
<td>EBIT</td>
<td>30.449</td>
<td>9,9%</td>
<td></td>
<td>29.987</td>
<td>8,7%</td>
<td>-1,5%</td>
</tr>
<tr>
<td>Pretax Income</td>
<td>27.217</td>
<td>8,9%</td>
<td></td>
<td>29.545</td>
<td>8,5%</td>
<td>8,6%</td>
</tr>
<tr>
<td>Net income</td>
<td>15.634</td>
<td>5,1%</td>
<td></td>
<td>16.794</td>
<td>4,9%</td>
<td>7,4%</td>
</tr>
<tr>
<td>Net Income per share</td>
<td>0,81</td>
<td></td>
<td></td>
<td>0,87</td>
<td></td>
<td></td>
</tr>
</tbody>
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## Balance Sheet 2018

<table>
<thead>
<tr>
<th></th>
<th>31/12/17</th>
<th>31/12/18</th>
<th>Var.%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Euro '000</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>unaudited</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total non current assets</td>
<td>65,664</td>
<td>86,879</td>
<td>32,3%</td>
</tr>
<tr>
<td>Net Working Capital</td>
<td>63,622</td>
<td>79,907</td>
<td>25,6%</td>
</tr>
<tr>
<td>Net financial position</td>
<td>84,506</td>
<td>62,461</td>
<td>-26,1%</td>
</tr>
<tr>
<td>Long term liabilities</td>
<td>9,496</td>
<td>10,011</td>
<td>5,4%</td>
</tr>
<tr>
<td>Net Equity</td>
<td>204,296</td>
<td>219,236</td>
<td>7,3%</td>
</tr>
<tr>
<td>Net capital employed</td>
<td>119,790</td>
<td>157,051</td>
<td>31,1%</td>
</tr>
</tbody>
</table>

|                                |           |           |       |
| Net Working Capital on sales   | 20,8%     | 23,1%     |       |
| ROCE                           | 25,4%     | 19,1%     |       |
| (EBIT/Net capital employed)    |           |           |       |
| Capex                          | 5,060     | 27,058    |       |
Cash Flow 2018

- NWC €18 mln
- Capex €27 mln
- Dividends €8.4 mln

NFP Opening: €80,000
Nnopat: €35,000
D&A: €20,000
NWC: €60,000
Other receivables / payables ST: €18 mln
Capex: €27 mln
Financial&non oper. inc./(exp.): €50,000
Dividends paid: €8.4 mln
Other adjustments: €10,000
NFP Ending: €100,000
Revenue breakdown by area FY-2018

**Medical**
- Italy: 28.3 in 2017, 30.7 in 2018 (+8%)
- RoEU: 44.8 in 2017, 55.0 in 2018 (+23%)
- RoW: 101.3 in 2017, 112.2 in 2018 (+11%)

**Industrial**
- Italy: 31.7 in 2017, 35.1 in 2018 (+11%)
- RoEU: 8.0 in 2017, 13.5 in 2018 (+68%)
- RoW: 92.3 in 2017, 99.6 in 2018 (+8%)
Revenue breakdown FY-2018

**Industrial**
- Cutting: 102,9 to 115,5 (+12%)
  - 2017: 102,9
  - 2018: 115,5
- Marking: 17,3 to 17,9 (+3%)
  - 2017: 17,3
  - 2018: 17,9
- Laser sources: 3,4 to 4,9 (+45%)
  - 2017: 3,4
  - 2018: 4,9
- Service: 8,3 to 9,6 (+16%)
  - 2017: 8,3
  - 2018: 9,6

**Medical**
- Aesthetics: 100,0 to 110,4 (+10%)
  - 2017: 100,0
  - 2018: 110,4
- Surgical: 34,5 to 42,1 (+22%)
  - 2017: 34,5
  - 2018: 42,1
- Physiotherapy: 9,4 to 10,8 (+14%)
  - 2017: 9,4
  - 2018: 10,8
- Service: 29,9 to 33,9 (+13%)
  - 2017: 29,9
  - 2018: 33,9

*in Euro million*
New factories

Jena - Asclepion

Vicenza – ASA Laser

Wenzhou (2nd) – Penta Laser

<table>
<thead>
<tr>
<th>Capex plan</th>
<th>2018</th>
<th>2019</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total capex</td>
<td>27</td>
<td>12</td>
<td>39</td>
</tr>
<tr>
<td>of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New plants</td>
<td>22</td>
<td>8</td>
<td>30</td>
</tr>
</tbody>
</table>

Euro million
Guidance

2018 vs 2019:

Revenue: +5% → 10%

EBIT 19 > EBIT 18
Multiples & Comparables
## Multiples

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stockholder's Equity per share</td>
<td>10,4</td>
</tr>
<tr>
<td>Price / Book Value Adj.</td>
<td>1,8</td>
</tr>
<tr>
<td>EV / EBIT (80% EBIT)</td>
<td>12,2</td>
</tr>
<tr>
<td>EV / Sales (80% Sales)</td>
<td>1,1</td>
</tr>
<tr>
<td>El.En. Market Cap.</td>
<td>366,7  @ € 19,00</td>
</tr>
<tr>
<td>Net financial position</td>
<td>62,5   @ 31/12/18</td>
</tr>
<tr>
<td>Financial investments m/l term</td>
<td>12,3   @ 31/12/18</td>
</tr>
<tr>
<td>Enterprise Value</td>
<td>291,9</td>
</tr>
</tbody>
</table>
### Comparables

<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>$18,33</td>
<td>$163</td>
<td>7%</td>
<td>$(13)</td>
<td>-8%</td>
<td>$257</td>
<td>$221</td>
<td>1,4</td>
<td>n.a.</td>
<td>5,5</td>
</tr>
<tr>
<td>Sisram Medical (2)</td>
<td>$0,64</td>
<td>$78</td>
<td>18%</td>
<td>$14</td>
<td>18%</td>
<td>$282</td>
<td>$188</td>
<td>1,2</td>
<td>6,6</td>
<td>0,9</td>
</tr>
<tr>
<td>Lutronic</td>
<td>€ 8,83</td>
<td>€ 71</td>
<td>6%</td>
<td>-€ 10</td>
<td>-15%</td>
<td>€ 220</td>
<td>€ 208</td>
<td>2,9</td>
<td>n.a.</td>
<td>2,1</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>$151,42</td>
<td>$1,460</td>
<td>4%</td>
<td>$523</td>
<td>36%</td>
<td>$7,990</td>
<td>$6,949</td>
<td>4,8</td>
<td>13,3</td>
<td>3,6</td>
</tr>
<tr>
<td>Prima Industrie</td>
<td>€ 20,85</td>
<td>€ 467</td>
<td>4%</td>
<td>€ 28</td>
<td>6%</td>
<td>€ 219</td>
<td>€ 293</td>
<td>0,6</td>
<td>10,5</td>
<td>1,3</td>
</tr>
<tr>
<td>Han’s Laser</td>
<td>¥43,38</td>
<td>¥11,028</td>
<td>-5%</td>
<td>¥1,817</td>
<td>16%</td>
<td>¥46,290</td>
<td>¥46,329</td>
<td>4,2</td>
<td>25,5</td>
<td>5,1</td>
</tr>
<tr>
<td>El.En. (1)</td>
<td>€ 19,00</td>
<td>€ 346</td>
<td>13%</td>
<td>€ 30</td>
<td>9%</td>
<td>€ 367</td>
<td>€ 292</td>
<td>1,1</td>
<td>12,2</td>
<td>1,8</td>
</tr>
</tbody>
</table>

(1) EV and multiplies as for previous slide
(2) Data on June 30th, 2018
“...and the best is yet to come....”

Nobel Prize for Physics
Prof. Géread Mourou
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