



COMPANY PRESENTATION

INTERMONTE - December 2019

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.

A world map in shades of blue with a network of white lines connecting various points across the continents. The map is set against a background of dark blue and white geometric shapes.

AGENDA

1. **El.En.**
2. **Markets and Growth drivers**
3. **Our Products**
4. **Financial Highlights**
5. **Latest News**
6. **Multiples & Comparables**

The background features a complex geometric pattern on the left side, composed of overlapping triangles and polygons in various shades of blue (from light to dark) and white. The right side of the image is a smooth, light blue gradient. A solid, bright blue horizontal bar is positioned at the bottom right, containing the text 'El.En.' in white.

El.En.

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

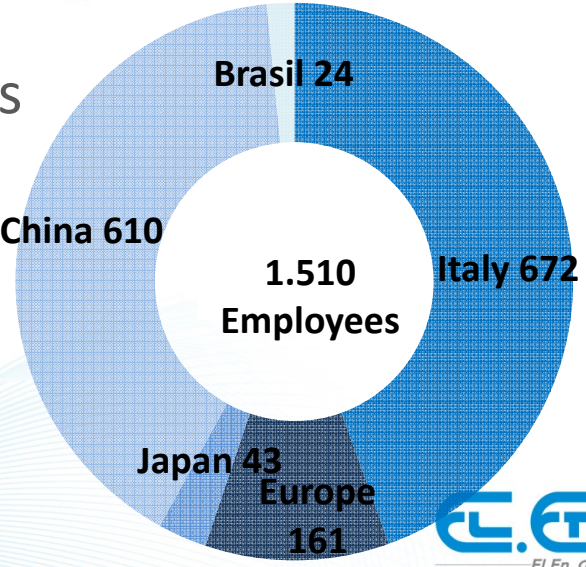


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Production sites

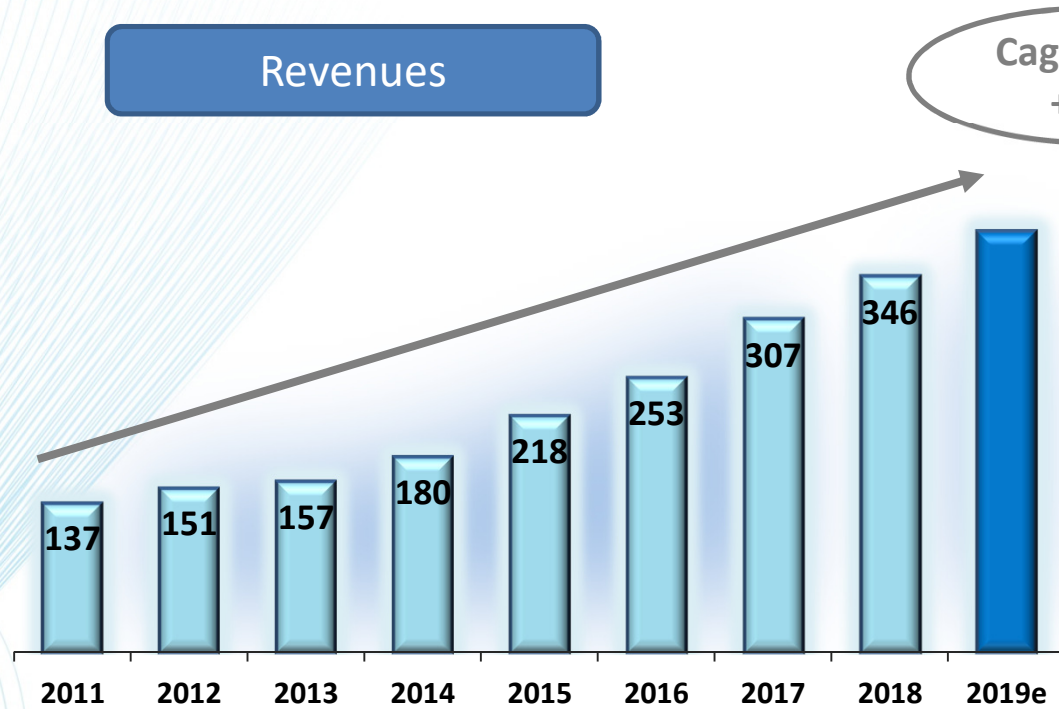
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R&D centers

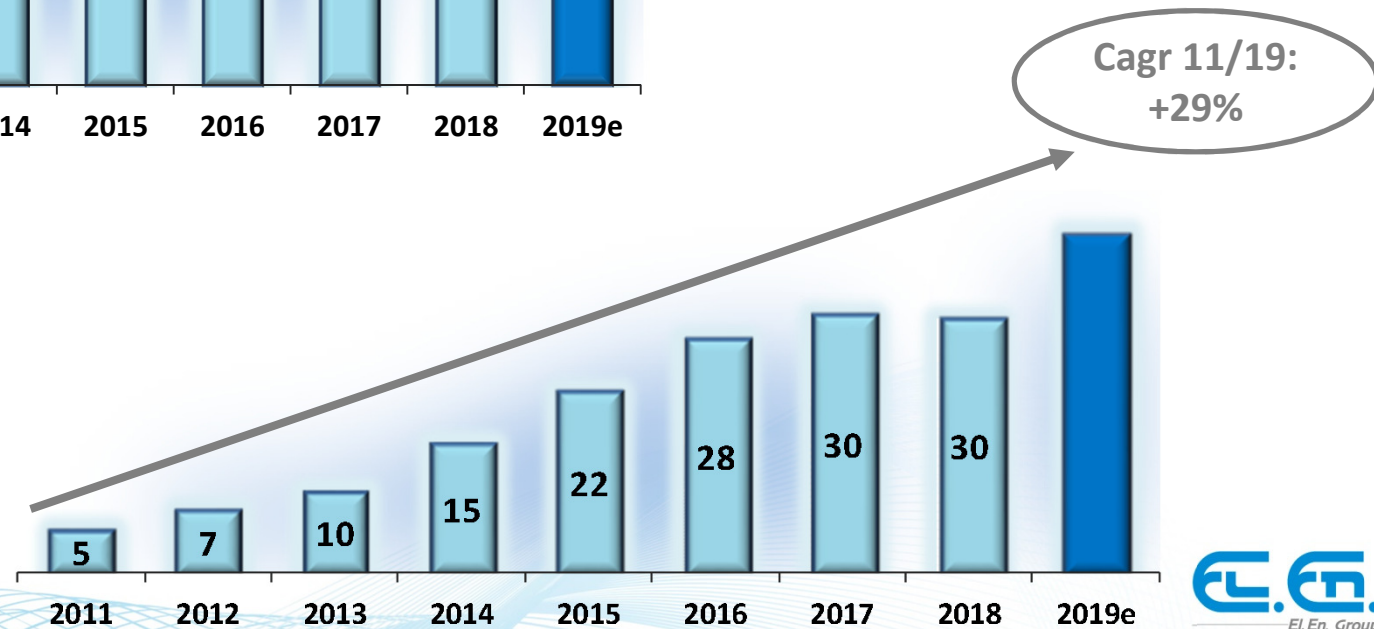


Growth history

Revenues



EBIT



in Euro million

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Markets and Growth drivers

Long term market trends

Aesthetics:

- Aging population
- Growing global obesity epidemic
- Increasing desire of many individuals to improve their appearance
- Reduction in procedure costs, attracting a broader consumer base



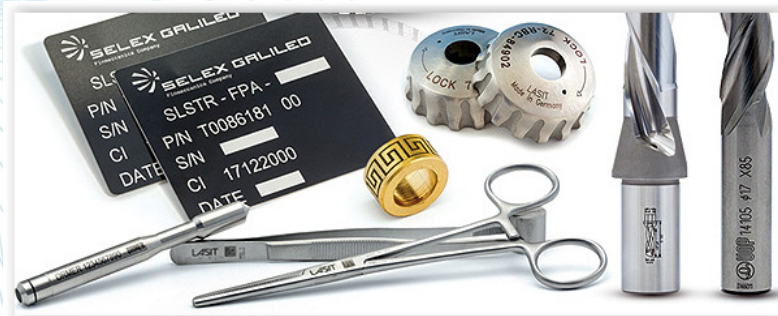
Minimally invasive surgeries:

- 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

Laser cutting applications:

- 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 & Aesthetic energy-based systems market

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

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 n 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 market
- 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



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Our Products

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 – Moveo Technology ,
virtually pain free also on dark skin types



ASCLEPION - NEW MEDIOSTAR with MONOLITH
Handpiece 5kW diode -10 cm² - 20 Hz



Fiona May, Long Jump World Champion

Vascular treatments Highlights

ASCLEPION – QuadroStarPRO YELLOW – 577 nm



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



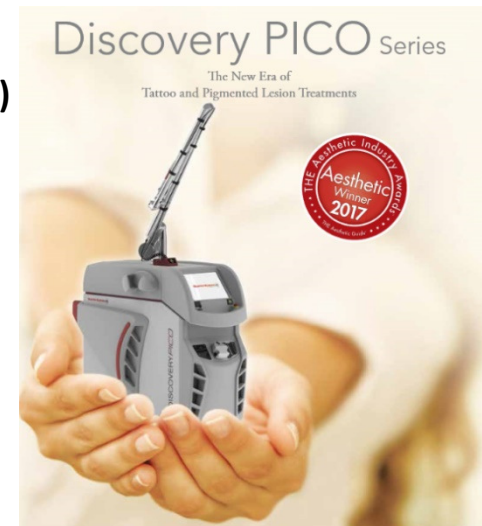
Rembrandt's Syndrome



Tattoo and Benign Pigmented Lesions treatments Highlights

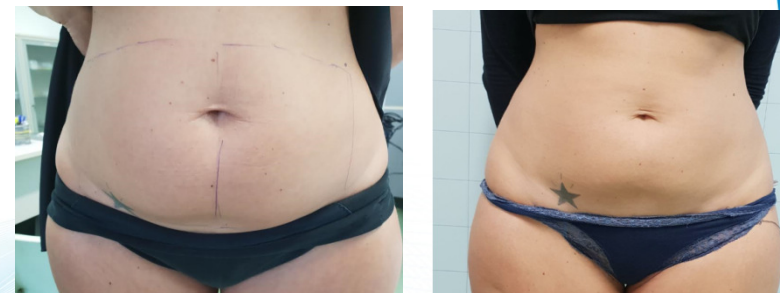
QUANTA SYSTEM – DISCOVERY PICO PLUS & Q-PLUS C MT (blended)

Almost 2 GW 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



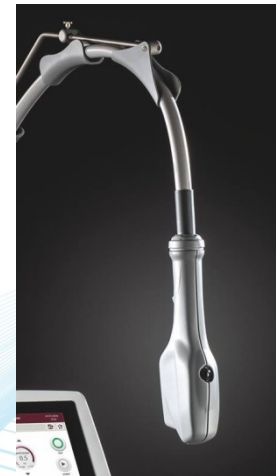
MULTI PLATFORM TECHNOLOGY Highlights

DEKA – LUXEA – CE 0123 marked in 2019 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**
- **Nd: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



PHYSIOTHERAPY Highlights

ASA LASER – M6 the only robotized system for pain removal

The multitarget Laser system 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 capabilities in the treatment of painful pathologies of the musculoskeletal system.



VAGINAL ATROPHY AND VAGINAL LAXITY

Highlights

DEKA – MONA LISA TOUCH (MLT) WITH RF TOUCH

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 related symptoms.



Single use MLT



Single use RF Touch Probe

UROLOGY - Stones Management and BPH Highlights

QUANTA SYSTEM – Litho 35 W Holmium laser

QUANTA SYSTEM – Cyber Ho 60 W Holmium laser

QUANTA SYSTEM – Cyber Ho 100 W Holmium laser

**ASCLEPION / JENA SURGICAL MultiPulse HoPLUS 140 W Holmium laser
with integrated morcellator**

2018 vs 2017 : +51,6%



35 W



60 & 100 W



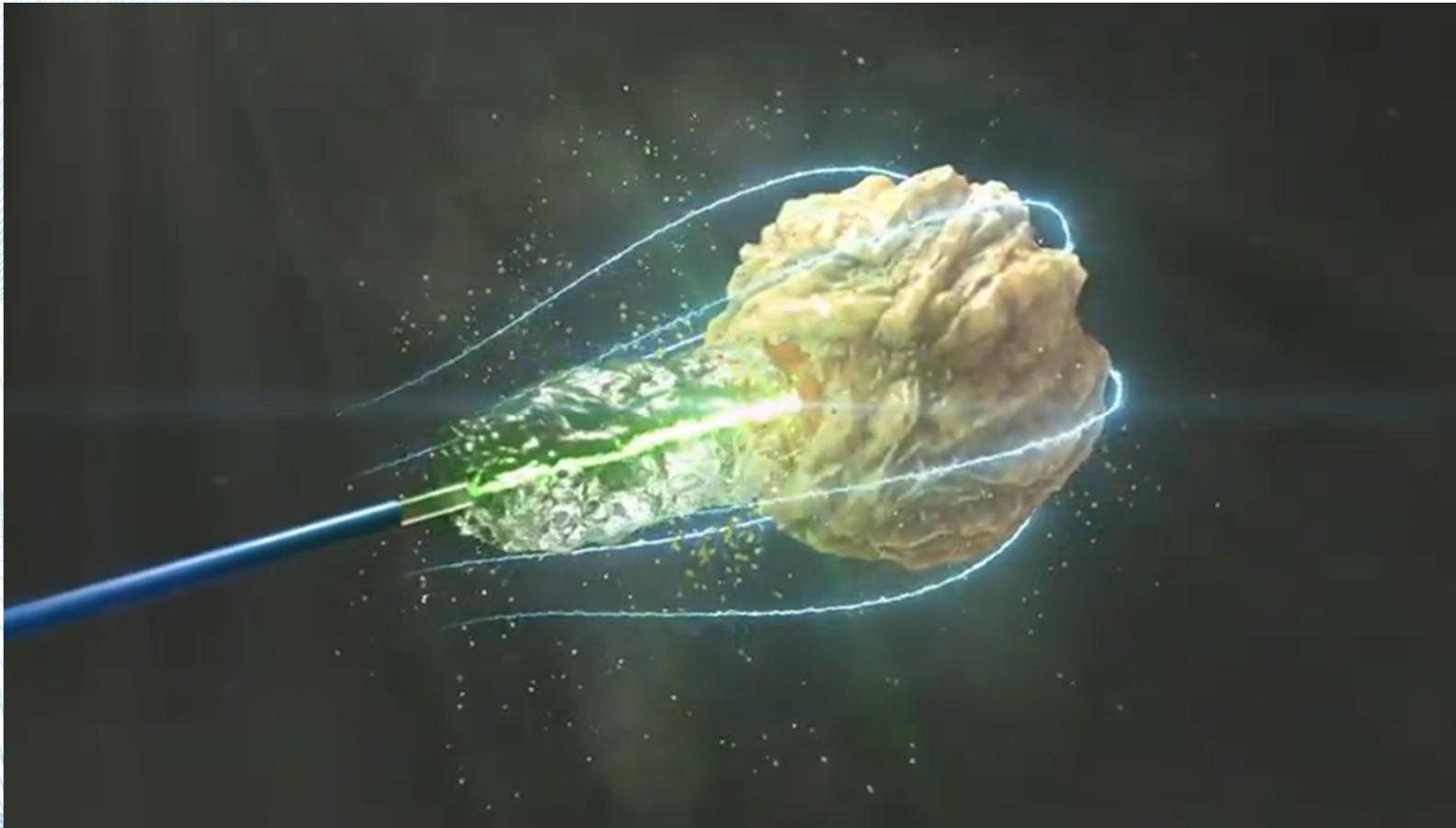
140 W

W

23

UROLOGY – Virtual Stone Basket

QUANTA – Virtual Stone Basket Effect – onboard of 100 W Holmium lasers to avoid stone retropulsion and to capture stone fragments



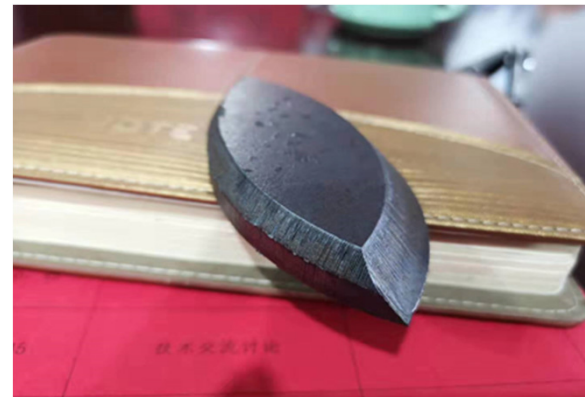
METAL CUTTING Highlights

PENTA & PENTA CHUTIAN

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



73mm stainless steel, another breakthrough cut by PENTA's 15kW.



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

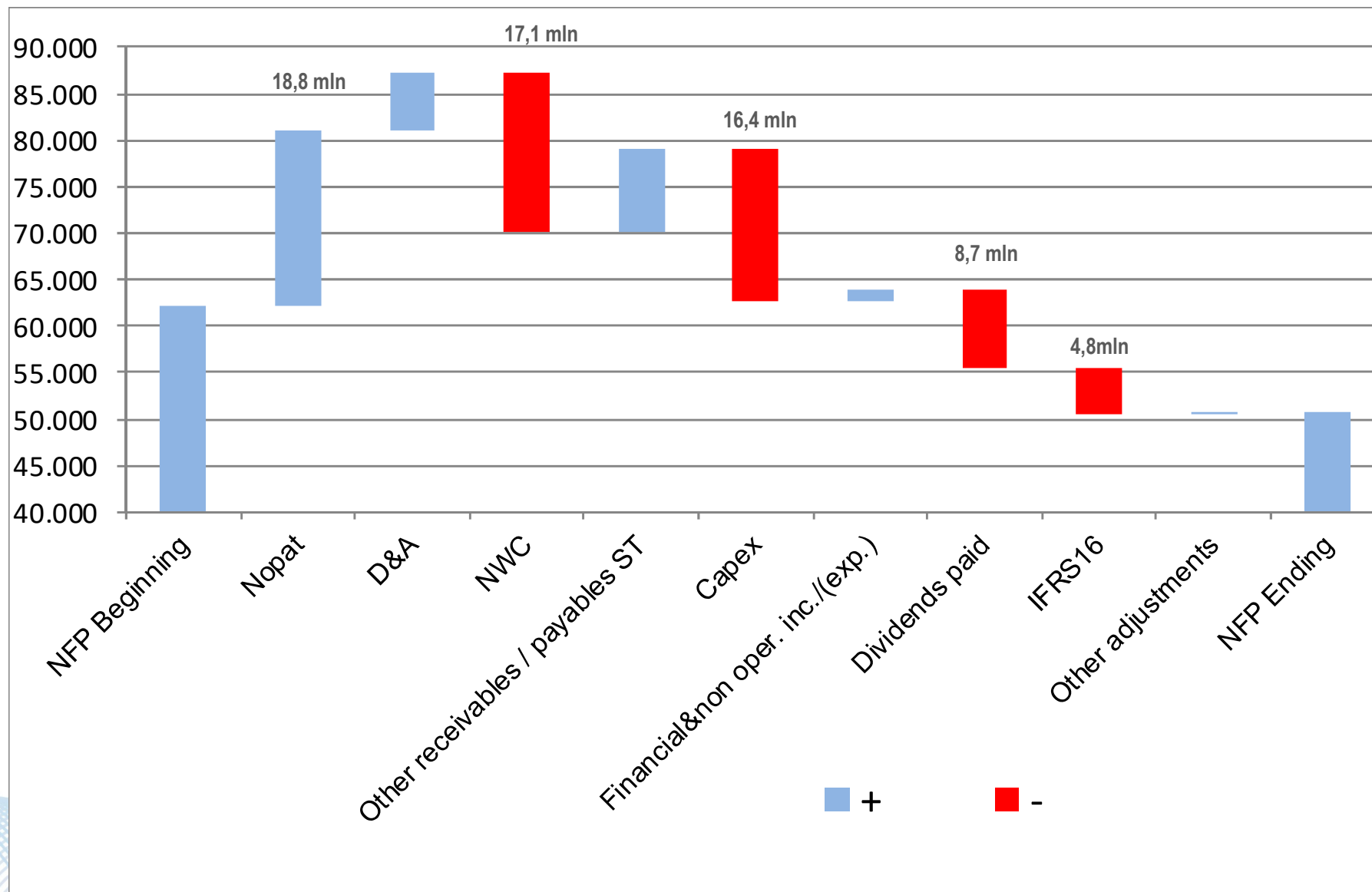
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Financial Highlights

Income Statement 9M-2019

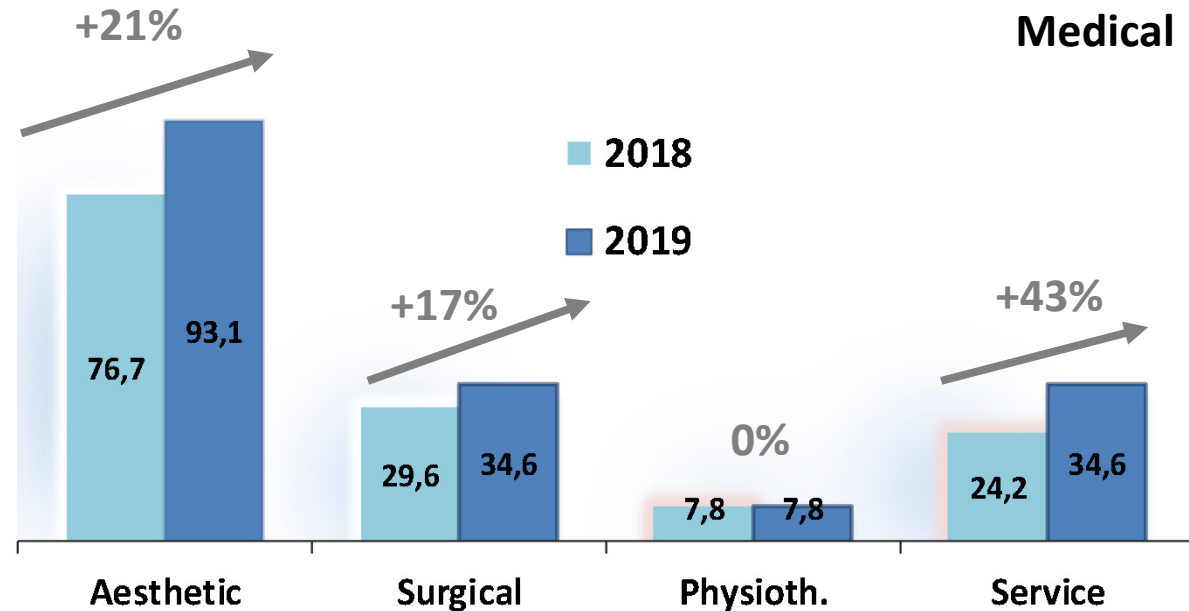
Euro '000	30/09/18 unaudited	%	30/09/19 unaudited	%	Var.%
Medical	138.837	57,0%	170.761	60,4%	23,0%
Industrial	104.600	43,0%	112.187	39,6%	7,3%
Total Revenues	243.437	100,0%	282.948	100,0%	16,2%
Gross margin	96.306	39,6%	111.145	39,3%	15,4%
EBITDA	24.036	9,9%	32.616	11,5%	35,7%
EBIT	20.007	8,2%	26.445	9,3%	32,2%
Pretax Income	19.908	8,2%	27.621	9,8%	38,7%
	31/12/18		30/09/19 unaudited		
Net financial position	62.461		50.819		

Cash Flow

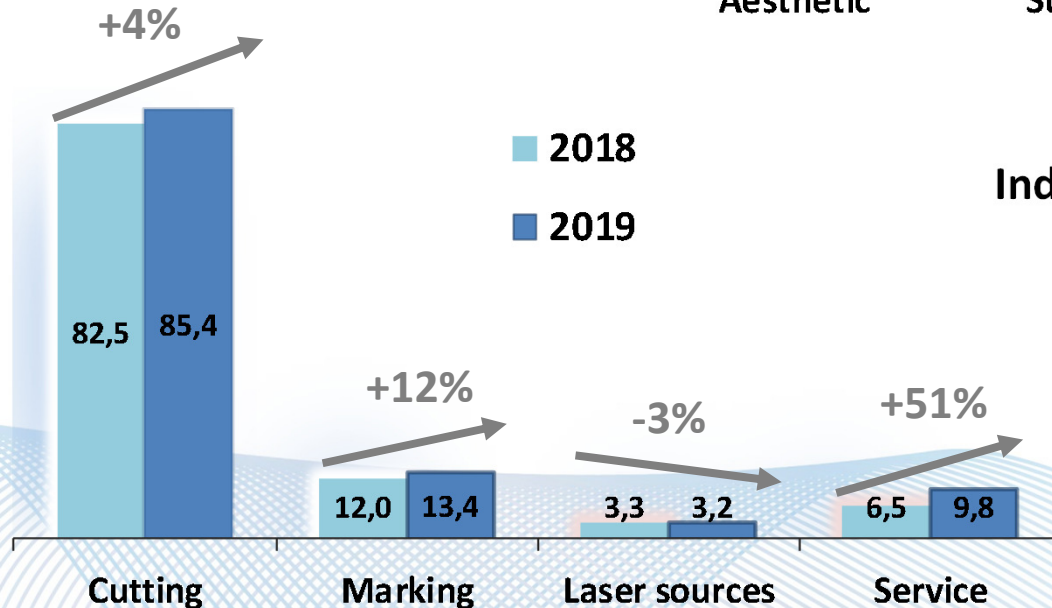


Revenue breakdown by business

Medical



Industrial

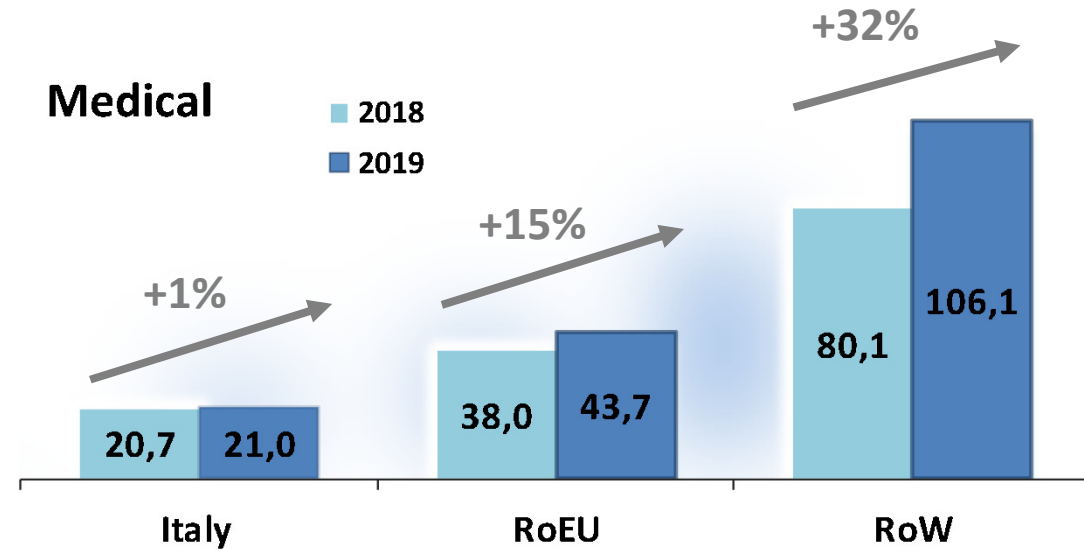


in Euro million

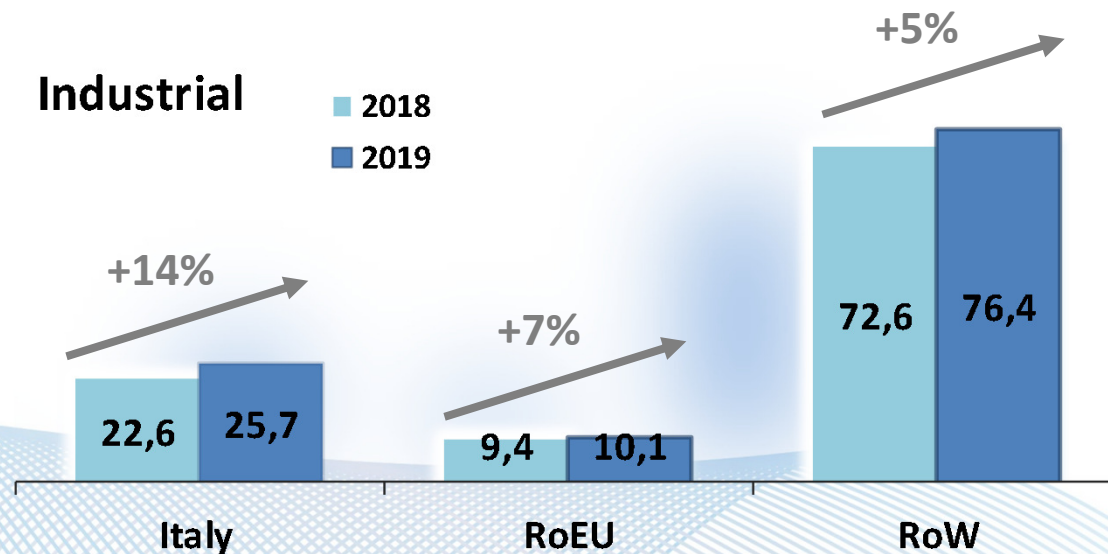
Revenue breakdown by area

in Euro million

Medical



Industrial



New factories

Jena - Asclepion



Wenzhou (2nd) – Penta Laser



透视图

Vicenza – ASA Laser



	Euro million		
Capex plan	2018	2019 td	Total
Total capex	27	12	39
of which:			
New plants	22	8	30



Revenue and EBIT% guidance

Aspirational targets:

400 mln
10%

Previous guidance:

≈ 380 mln

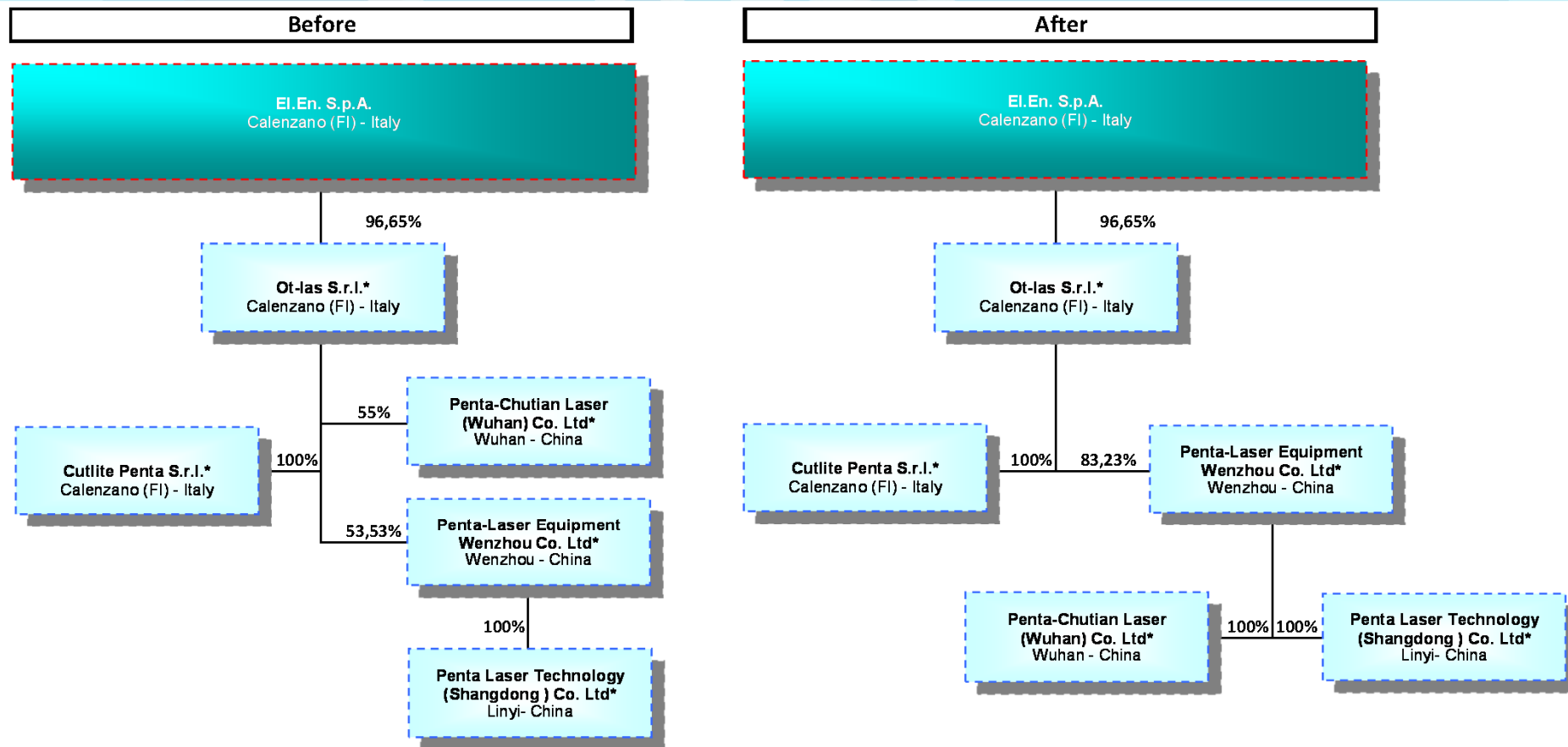
≈ 9%





Latest News

Minorities acquisition in China



Acquired 45% of **Penta Chutian Wuhan** and 29,7% of **Penta Laser Wenzhou** for approx. 20 mln euros + 5 mln of euros Earn Out .

Transaction funded with available cash
 No impact on financial consolidation and guidance

Minorities acquisition in China - Ratios

Equity value	521.886	Rmb '000
Enterprise value (ref NFP as of 30/9/2019)	467.875	Rmb '000
Enterprise value (after Wuhan acquisition)	508.875	Rmb '000

	2018	2017	9/2019
EV/ Sales	0,71	0,79	0,72
EV / EBITDA	7,16	6,93	11,88
EV / EBIT	8,53	8,32	18,01
P/E	9,99	10,89	19,25

Elesta preliminary activities for IPO

- **50% currently owned – Net worth consolidation**
- **2018 Revenue: €3 mln; 2018 Net Income: € 0,2 mln**
- **Possible timing: first half 2020**

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Multiples & Comparables

Multiples

Stockholder's Equity per share **11,5**

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

EV / EBIT (85% EBIT) **19,2**

EV / Sales (85% Sales) **1,8**

El.En. Market Cap. **639,8 @ € 33,00**

Net financial position **50,8 @ 30/09/19**

Financial investments m/l term **12,4 @ 30/09/19**

Enterprise Value **576,6**

Comparables

Sept. 30th, 2019

Amounts in mln

	Price	Revenue	Var.% Rev.	EBIT	EBIT%	MK.Cap.	EV	EV/Sales (*)	EV/EBIT (*)	P/Book Value
Medical/Aesthetic										
Cutera	\$37,39	\$130	11%	\$(10)	-8%	\$532	\$511	3,0	n.a.	12,1
InMode	\$41,55	\$109	53%	\$42	38%	\$1.330	\$1.164	8,0	21,0	8,3
Venus	\$3,00	\$12	-24%	\$(22)	-188%	\$90	\$106	6,8	n.a.	n.a.
Sisram Medical	\$0,53	\$85	9%	\$16	18%	\$235	\$132	0,8	4,2	0,7
Lutronic	€ 7,72	€ 62	29%	-€ 8	-13%	€ 200	€ 182	2,2	n.a.	2,2
Industrial										
IPG Photonics Co.	\$139,42	\$1.008	-11%	\$234	23%	\$7.040	\$5.965	4,4	19,2	3,0
Prima Industrie	€ 16,18	€ 307	-4%	€ 11	3%	€ 170	€ 311	0,8	21,8	1,0
Han's Laser	¥33,17	¥6.880	-21%	¥358	5%	¥35.380	¥37.023	4,0	77,6	4,1
El.En. (1)	€ 33,00	€ 283	16%	€ 26	9%	€ 640	€ 577	1,8	19,2	2,9

(1) EV and multiples as for previous slide

(*) Revenue, Ebit and earnings annualized

Comparables



“...and the best is yet to come....”

*Nobel Prize for
Physics
Prof. Gérard Mourou*



Contacts

El.En. SPA

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