

A blue-tinted background image of a microscope, showing the eyepiece, objective lenses, and the stage with a slide.

SolidWorld Group

Finance Gala - Integrae SIM
18 November 2022, Milan

A large white circle containing the SolidWorld Group logo.

SolidWorld
GROUP

1. Group Overview
2. Financial Highlights
3. Strategy Updates
4. Annex

A photograph of a modern building entrance with a glass canopy and a sign that reads "SolidWorld GROUP". The image is overlaid with a dark blue tint.

1. Group Overview

S3D IS THE **LEADING ITALIAN 3D DIGITAL SYSTEM INTEGRATOR** FOR MANUFACTURING COMPANIES, SUPPORTING AND ACCELERATING THEIR JOURNEY TO INDUSTRY 5.0. IT OFFERS:



Present in Italy through
14 Operating Offices and 3 Technological Centers



3D Scanning



3D Advanced Design System



3D Printers



3D Manufacturing



3D Printing Services



3D Academy

Software

- ❖ Design, simulation, analysis and data management
- ❖ First installation
- ❖ Assistance, maintenance and updating
- ❖ Consultancy and training
- ❖ Sale of workstations
- ❖ Scanning activities

Hardware

- ❖ Sale of 3D printers and scanners
- ❖ Sale of consumables
- ❖ Technical assistance
- ❖ Consultancy and professional training
- ❖ Engineering services

Additive Manufacturing

- ❖ Additive manufacturing for rapid prototyping and printing services
- ❖ Training Academy
- ❖ Customer support in design, engineering, industrialization and production activities

Distinctive competitive factors



Technological Leadership

Leading developer and integrator of 3D software and hardware. Proprietary software Integr@



Consolidated and valuable partnerships

Authorized reseller of Dassault Systèmes's 3D CAM solutions and training center authorized by Stratasys.



Strong Customer Base

Leading players and well-established brands in different sectors (aerospace, automotive, home design, fashion)



Unique 3D Offer

Customer support through both the best digital technologies and 3D printing solutions



Experienced Management

Highly qualified management team with strong experience in the sector involved in the shareholders' base



Innovation

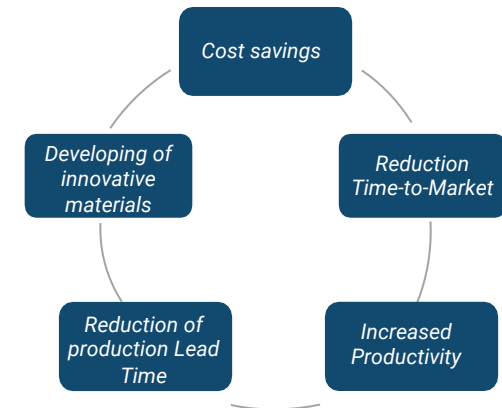
Developer of innovative materials and quick solutions for the industrial and biomedical sector ensuring processes' efficiencies

>20

Years of Experiences in 3D Digital World

> 200

Employees in Italy and abroad at year-end



SOLIDWORLD GROUP CREATES THE FACTORY OF THE FUTURE

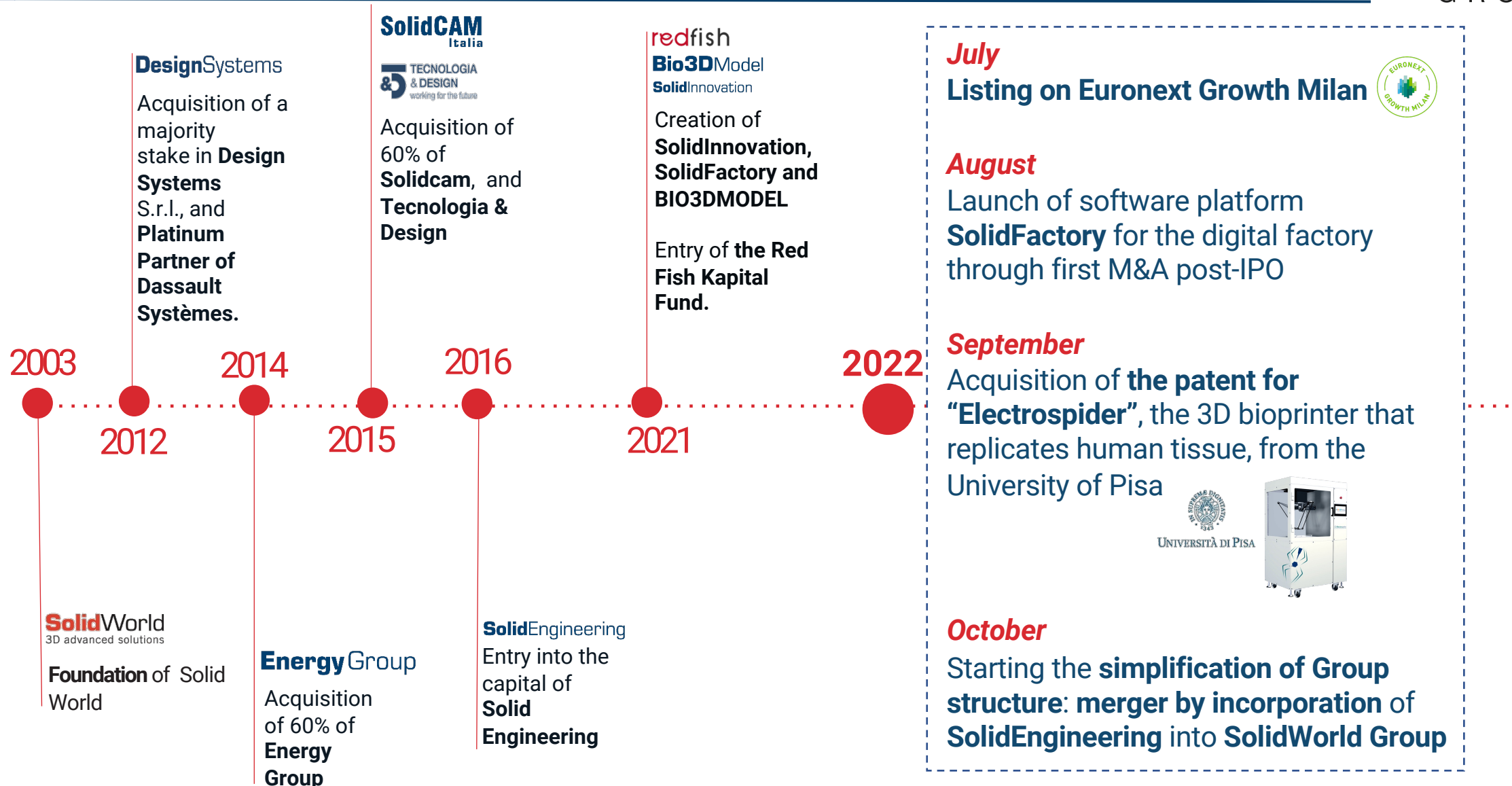


MISSION

Speed up the production process, to make it as **functional** and **efficient** as possible with a view to eco-sustainability.

HEADING TO
INDUSTRY 5.0


20 years of value creation and successful synergies



Clients references and collaborations

EXTENSIVE CUSTOMER BASE WITH MORE THAN 8.000 CLIENTS

CONSOLIDATED RELATIONSHIPS WITH THE TOP ITALIAN UNIVERSITIES

 **Client**



 **Collaboration with Top Universities**



2. Financial Highlights

2021

33%

20.08

43.21

57%

12.66

2022

89%

99.96

+9.91

-87.12

+7.01

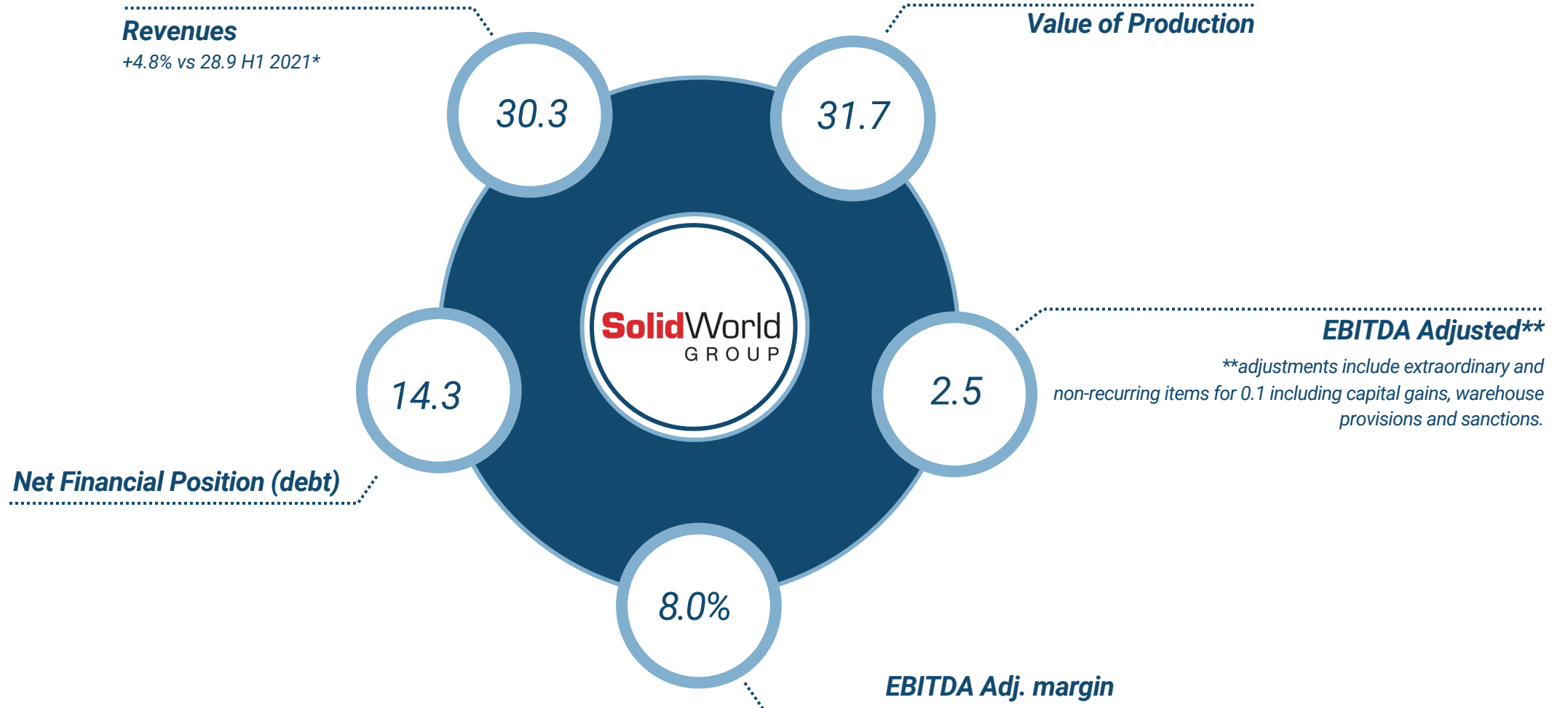
-54.23

+4.59

-26.34

Consolidated Key Financials as of 30 June 2022

Data in € mln



*The figure of H1 2021 revenues has not been audited

Consolidated Profit and Loss

Data in €

Profit & Loss	FY 2021	H1 2022
1 Net Revenues	55,084,248	30,310,371
Other revenues	1,310,437	495,733
Increase in assets	1,597,357	871,443
SF and F products inventories	212,603	33,233
Value of Production	58,204,645	31,710,780
Purchase	(23,633,803)	(12,342,206)
Raw materials inventories variation	(628,109)	428,918
Services	(18,057,502)	(10,866,639)
Use of assets owned by others	(1,405,017)	(723,387)
Employees	(9,566,960)	(5,134,845)
Other operating costs	(1,091,515)	(598,056)
2 EBITDA	3,821,740	2,474,565
Adjustments	265,618	68,255
EBITDA Adj.	4,087,358	2,542,821
3 Amortization	(1,786,720)	(839,404)
Provisions	(755,704)	(429,869)
Bad debt provision	(100,078)	(25,598)
4 EBIT	1,179,238	1,179,693
Financial proceeds and charges	(553,605)	(267,520)
EBT	625,633	912,173
Income taxes	(784,739)	(596,214)
Profit (Loss) for the fiscal year	(159,106)	315,959
5 Group's Profit (Loss) for the fiscal year	(342,166)	387,155
Third Parties' Profit (Loss) for the fiscal year	183,060	(71,196)

1 Revenues in H1 2022 of **30.3mln** (+4,8% vs H1 2021). Historical seasonality between 1H e 2H in favour of the second part of the year.

2 Positive impact on margin thanks to an improvement in stock management and inventory: **EBITDA 7.8%** on VoP (2.47mln) and **EBITDA Adj% 8.0%** on VoP (2.54mln) both improving as compared to 2021-year end profitability. Adjustments include extraordinary and non-recurring items for 0.1 including capital gains, warehouse provisions and sanctions.

3 D&A in H1 2022 totalling **1.3mln** (4.1% on VoP) including amortisation costs for **0.8mln**, provisions for **0.4mln** and bad debt provisions for **0.03mln**.

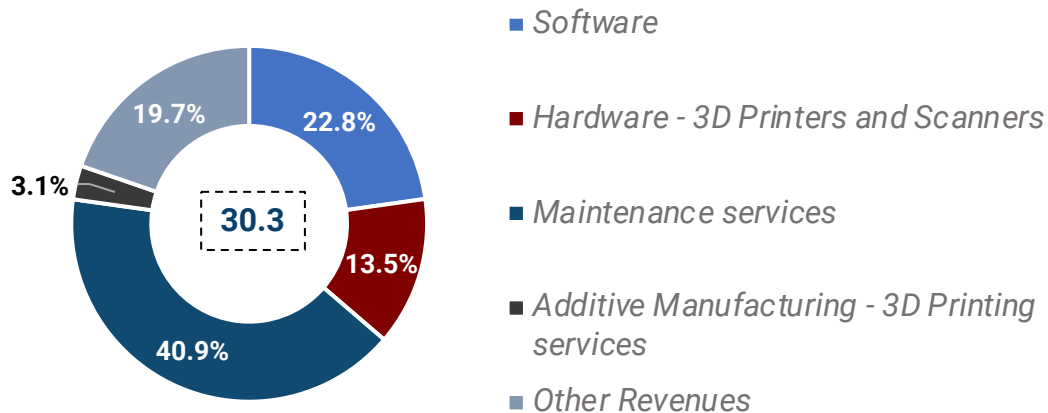
4 EBIT% of **3.7%** (1.2 mln) far higher than margin achieved in 2021 (2.0%).

5 Profitability begins to arise in H1 2022: positive net result of **0.3 mln** (1.0% on VoP) as compared to a small loss registered in FY 2021.

Total Revenue Breakdown

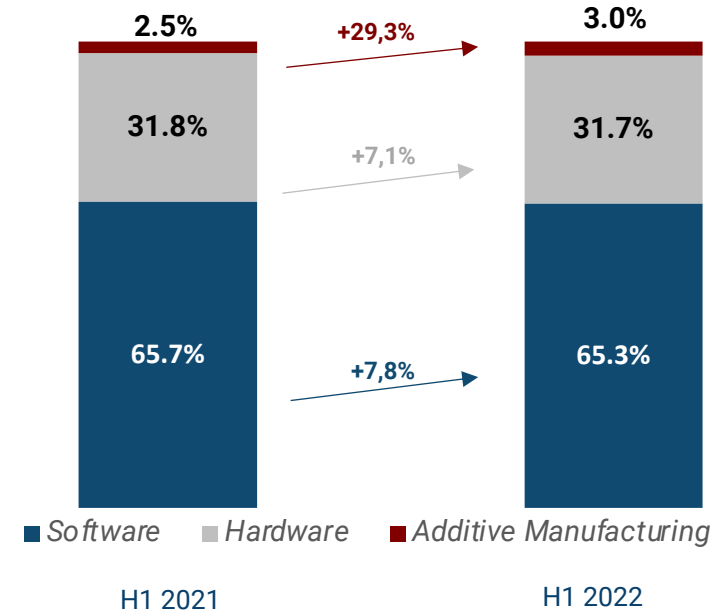
Data in € mln

Breakdown by Revenues Type



H1 2022

Breakdown by Business Lines*



*Calculated on aggregated sales



- Maintenance services from recurring subscriptions compose the greatest contribution to total revenue
- Strong increase of Additive Manufacturing business line
- High single digit growth in Software and Hardware business lines

Consolidated Balance Sheet

Data in €

Balance Sheet	FY 2021	H1 2022
1 Intangible Fixed Assets	8,718,036	10,518,164
Tangible Fixed Assets	1,965,016	9,027,753
Financial Fixed Assets	7,788,770	453,723
Total Fixed Assets	18,471,822	19,999,641
Inventories	2,725,093	3,190,408
Account receivables	18,253,961	13,637,494
(Payables to suppliers)	(12,419,827)	(9,544,204)
2 Commercial Working Capital (CWC)	8,559,227	7,283,698
Other current assets	3,041,541	1,471,464
Other current liabilities	(7,383,147)	(4,833,543)
Tax Receivables and Payables	(923,471)	(778,481)
Accruals and Prepayments	(796,750)	(976,839)
Working Capital	2,497,401	2,166,298
Severance indemnities (TFR) fund	(2,478,061)	(2,361,051)
Other funds	(1,183,634)	(1,386,747)
Net Invested Capital (NIC)	17,307,528	18,418,140
Current part of non-current financial debt	1,405,032	1,534,322
Current financial debt	11,892,237	6,889,643
Non-current financial debt	5,303,238	9,209,319
Other current financial assets	(302,065)	(54,569)
Cash and Cash equivalents	(2,988,625)	(3,229,343)
3 Net Financial Position	15,309,817	14,349,372
Capital	700,000	833,600
Reserves	372,580	2,724,587
of which convertible Bond Loan	0	1,412,385
Profit (Loss) for the fiscal year	(342,166)	387,155
Shareholders' Equity	730,414	3,945,342
Third Parties Shareholders' Equity	1,084,237	194,622
Third Parties' Profit (Loss) for the fiscal year	183,060	(71,196)
NFP and Shareholders' Equity	17,307,528	18,418,140

1 **Intangible fixed assets**, amounting to 10.5 mln in H1 2022 and mainly represented by **Trademarks and Patents** (4.5 million), **R&D** (0.4 mln), and **goodwill** (1.3 mln).

2 Progress in **Net Trade Working Capital** from **8.6 mln FY2021** to **7.3 mln**. The Improvement of balance sheet is manly driven by seasonality: stronger half year's collection of trade receivables partially balanced by payments and increase in inventory.

3 Net debt in H1 2022 accounted for **14.3 mln (-6.3% vs 15.3 mln FY 2021)**, consisting mainly of 9.2 mln of non-current financial debt and 6.9 mln of current financial debt. The value reduced due to its more balanced composition and to a decrease in the current financial debt and an increase in the cash and cash equivalents.

- ❖ Revenues' growth
- ❖ Increase in profitability
- ❖ Improvement of the net financial position
- ❖ Balanced financial structure

A blue-tinted photograph of a group of business professionals sitting around a long table in a meeting room. They are silhouetted against a large window that offers a view of a city skyline with several skyscrapers. The scene is dimly lit, with the primary light source being the window, creating a professional and focused atmosphere.

3. Strategy updates



1.

Technological transition
from **On Premise** to **In
Cloud**



2.

Enhancement of sales
of own products:
Integr@ Software



CONSOLIDATION OF THE COMPETITIVE POSITION

- Use of on-demand modules and machine virtualization
- Increase of sale of proprietary software (Integr@) that simplifies communication between technical department and production and speed up change management





3.

Creation of **Smart Factories**



LAUNCH OF THE SOFTWARE PLATFORM
"SOLIDFACTORY"

- SolidFactory provide tailor-made consulting to support companies in **defining and rolling out strategies to automate production processes**, data management and the development of Industry 5.0 models.



4.

Investment in **highly qualified employees** dedicated to customer training



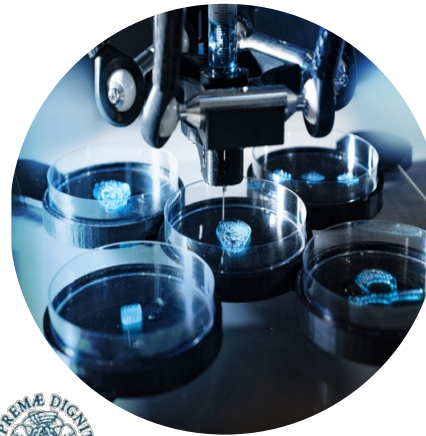
- Continuously investing in **highly qualified employees** ensuring the technical **know-how and skills** required to install and integrate the various technologies and connect all the environments of a factory





5.

Increase of the Group's presence in the **biomedical sector**



UNIVERSITÀ DI PISA

ACQUISITION OF THE PATENT FOR "ELECTROSPIDER"

- Focus on **reinforcing SolidWorld positioning** in the sector
- **Acquisition of further expertise** in the fields of hardware and software production for Industry 5.0 and augmented reality technology
- Meet the strong **Bioprinter market demand**, estimated to be worth USD 4.4 billion by 2028 and forecasts an annual growth rate of 15.8 percent in approximately seven years*





6.

Process of simplification of the Group Structure



INCORPORATION OF THE SUBSIDIARY SOLIDENGINEERING

- **Leverage** operating, commercial, administrative and corporate synergies
- **Restructuring** and **optimising** the decision-making levels and personnel and overhead cost management
- Expected to be completed by the end of **2022**



INCORPORATION OF TECHNIMOLD SRL AND CAD MANAGER SRL INTO ENERGY GROUP SRL

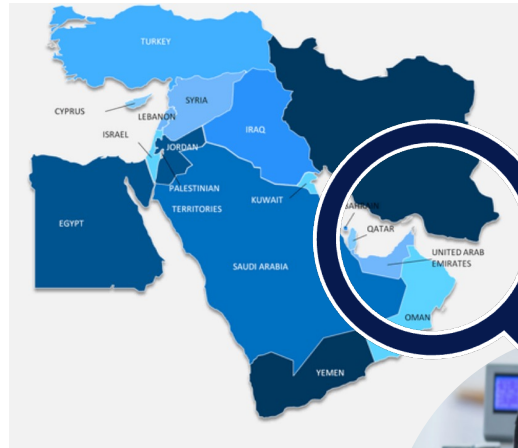
- Started the **process optimisation** activity expected to be completed by the end of 2022





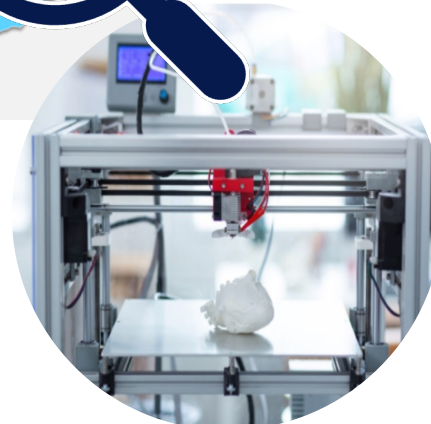
7.

Internalisation and entering in **foreign markets**



ROAD TO DUBAI

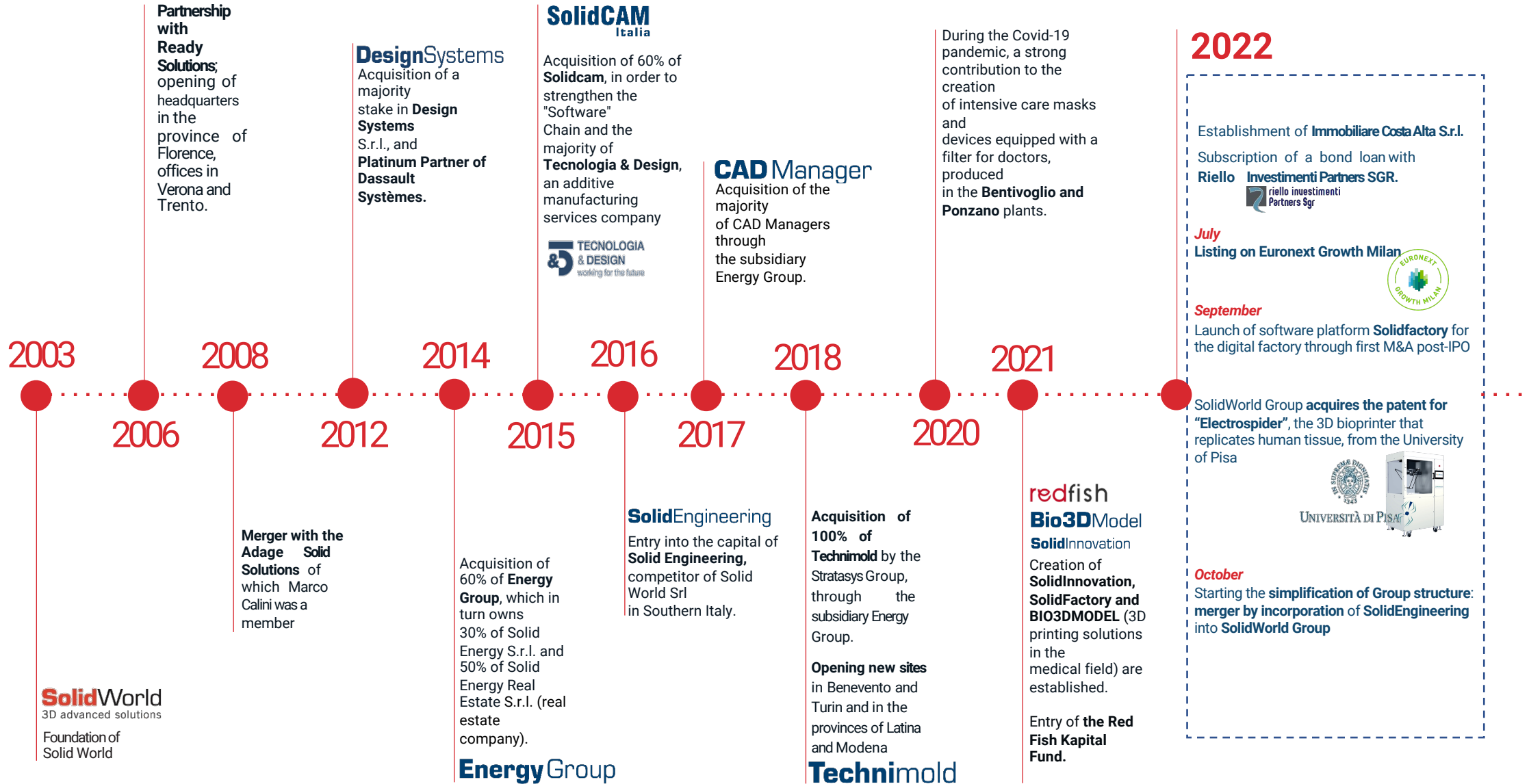
Supporting Middle East local businesses in the technological process of product development offering integrated solutions especially in the biomedical sector.



A blue-tinted photograph of a person's hands holding a document, with a rack of pens visible in the background. The image is used as a background for the section header.

4. Annex

Key milestone



Consolidated Profit and Loss

Data in € mln

Economic Highlights	H1 2022	% VoP	FY 2021	% VoP
Revenues	30.3	95.6%	55.1	94.6%
Value of Production	31.7	100.0%	58.2	100.0%
EBITDA	2.5	7.8%	3.8	6.6%
EBITDA Adjusted	2.5	8.0%	4.1	7.0%
EBIT	1.2	3.7%	1.2	2.0%
EBT	0.9	2.9%	0.6	1.1%
Net income	0.3	1.0%	(0.2)	-0.3%



Increased revenues, Improved profitability

- **Revenues** in H1 2022 of **30.3** (+4,8% vs H1 2021 at 28.9).
 - Historical seasonality between 1H e 2H in favour of the second part of the year
- **Margins: EBITDA%** (7.8% or 2.47) and **EBITDA Adj%** (8.0% or 2.54) both improving as compared to 2021-year end profitability
- **EBIT%** of 3.7% (1.2) far higher than margin achieved in 2021 (2.0%).
- **Positive net result** in the first semester of 2022 of **0.3** (1.0% on VoP) as compared to a small loss registered in FY2021

Improved EBITDA Margin

Data in € mln

H1 2022

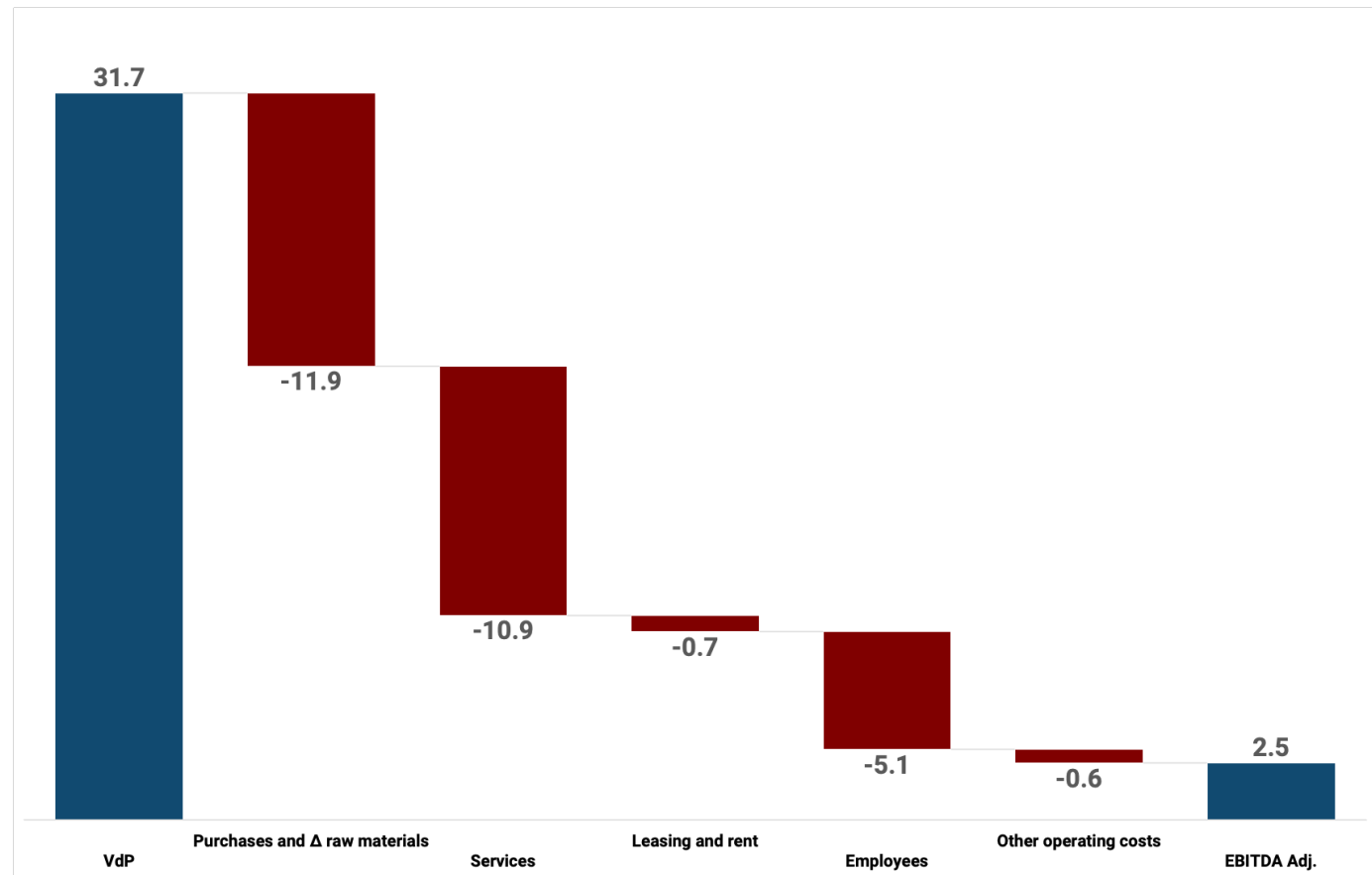
EBITDA Adj.

2.5

EBITDA Adj. Margin

8.0%

- Purchases (including variation of raw materials inventory) of **11.9** (37.6% on VoP)
- Costs for services of **10.9** (34.3% on VoP)
- Personnel costs totalling **5.1** (16.2% on VoP)
- Other operating cost of **0.6** (1.9% on VoP)



Positive impact on margin thanks to an improvement in stock management and inventory

Improved EBIT Margin

Data in € mln

H1 2022

EBIT

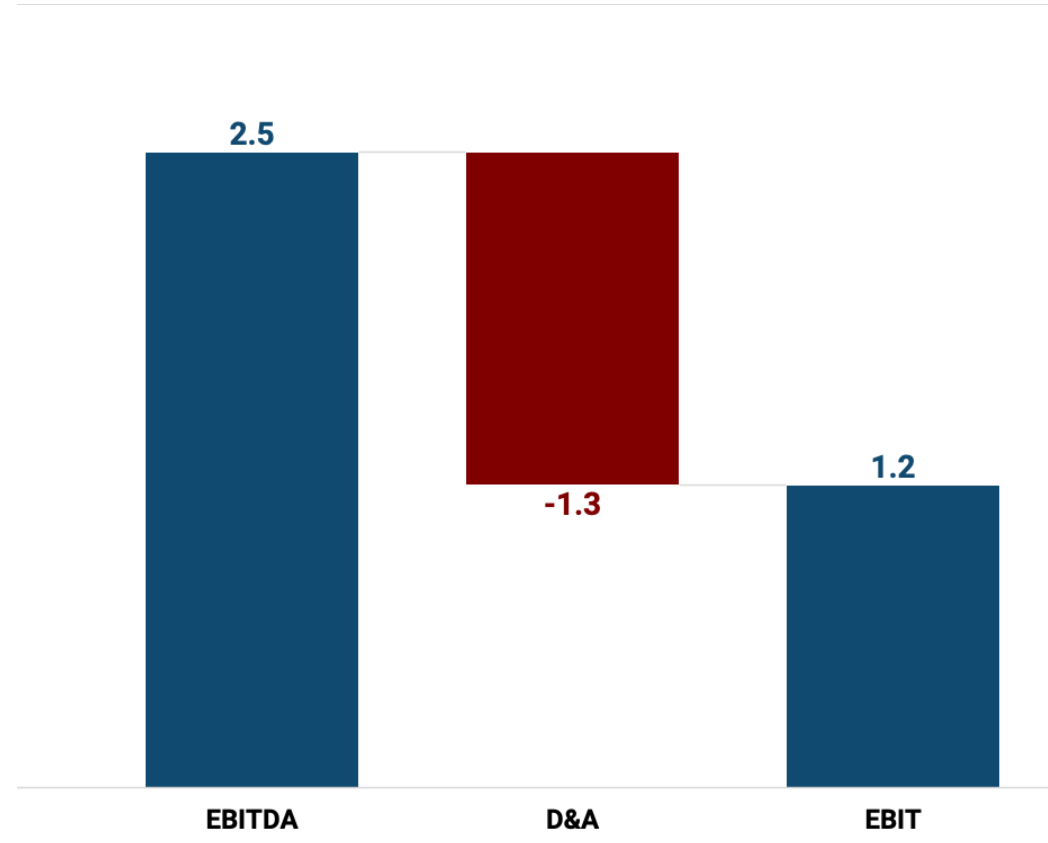
1.2

EBIT Margin

3.7%



- D&A of **1.3** (4.1% on VoP) including amortisation costs for **0.8**, provisions for **0.4** and bad debt provisions for **0.03**.



Increase in operating profitability

Positive Net Result

Data in € mln

H1 2022
NET INCOME

0.3

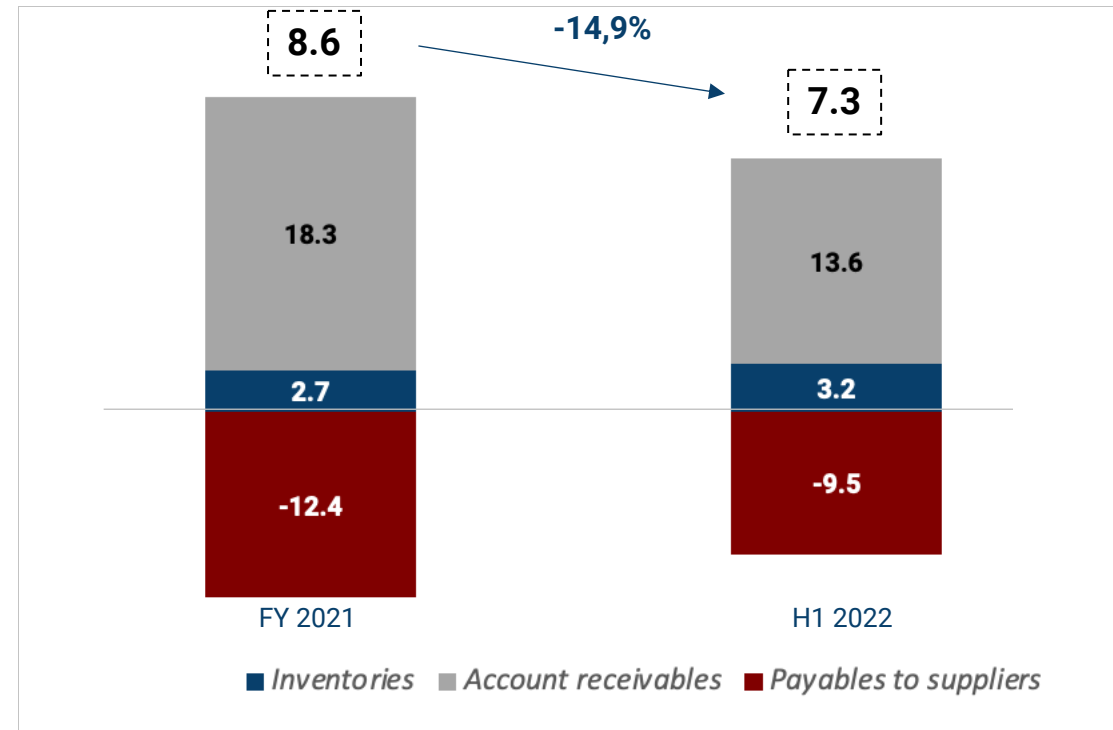
	H1 2022	% on VoP
EBIT	1.2	3.7%
<i>Financial proceeds and charges</i>	-0.3	-0.8%
EBT	0.9	2.9%
<i>Tax</i>	-0.6	-1.9%
NET INCOME	0.3	1.0%



Profitability begins to arise

Progress in Net Trade Working Capital

Data in € mln

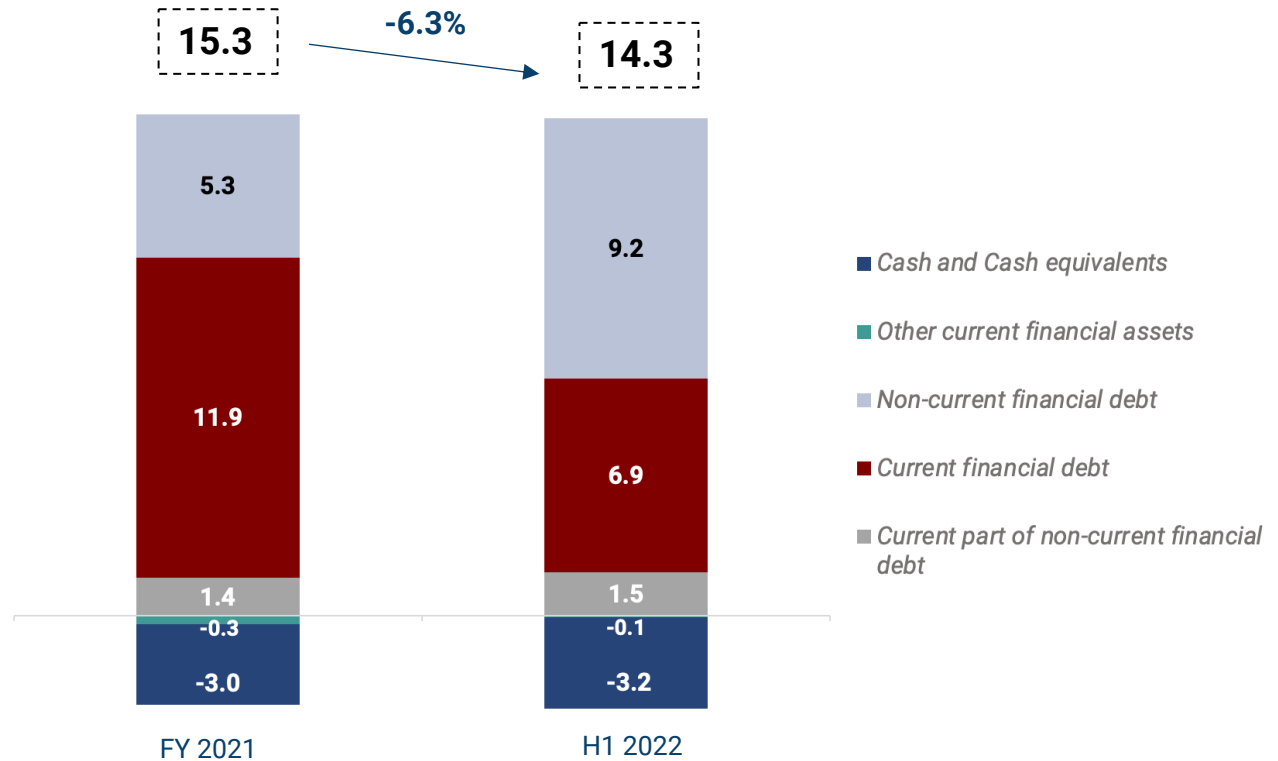


**Improvement of balance sheet driven by seasonality:
Stronger half year's collection of trade receivables partially balanced by payments and increase in inventory**

Improved Net Financial Position

Data in € mln

H1 2022
Net Financial Position (Debt)
14.3
-6.3% vs 15.3
FY 2021



➔ Net financial position improvement thanks to its more balanced composition and to a decrease in the current financial debt and an increase in the cash and cash equivalents.

Consolidated Cash Flow

Data in € (not audited)

Cash Flow	H1 2022
EBITDA	2,474,565
Δ Inventories	(465,314)
Δ of Trade Receivables	4,616,467
Δ of Trade Payables	(2,875,623)
Δ of Net Trade Working Capital	1,275,529
Δ Other current financial assets	1,570,077
Δ Other current financial liabilities	(2,549,604)
Δ of Tax Receivables / (Payables)	(144,990)
Δ Accruals and Prepayments	180,089
Δ of Net Working Capital	331,102
Δ of Funds and Risks	(226,756)
Δ of Severance indemnities TFR	(117,010)
1 Operating Cash Flow	2,461,902
Capex	(9,727,868)
Δ Financial Fixed Assets	7,335,046
Taxes Paid	(596,214)
Free Cash Flow	(527,134)
Financial proceeds and charges	(267,520)
Δ Current part of non-current financial debt	129,290
Δ Current financial debt	(5,002,594)
Δ Non-current financial debt	3,906,081
Δ Other current financial assets	247,496
Δ of Shareholders' Equity	1,755,098
Net Cash Flow	240,717
2	
Cash and Cash Equivalents	3,229,342

1 In H1 2022 the Group generated an **operating cash flow** of **2.5 mln**

2 In H1 2022 the Group recorded a **Net Cash Flow** equal to 0.2 mln, which led to an increase in cash and cash equivalents up 3.2 mln.

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Thank you!