



# **COMPANY PRESENTATION**

**STAR Conference – Milan**  
**March 20<sup>th</sup>, 21<sup>st</sup> 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. **Multiples & Comparables**

The background features a complex geometric design. On the left side, there are several overlapping triangles and polygons in various shades of blue (from light to dark) and white, creating a dynamic, abstract pattern. 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

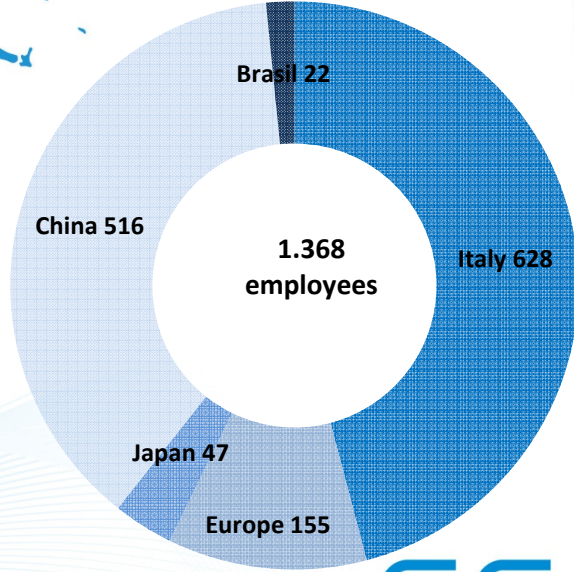


10

Production sites

6

R&D centers



# Growth history

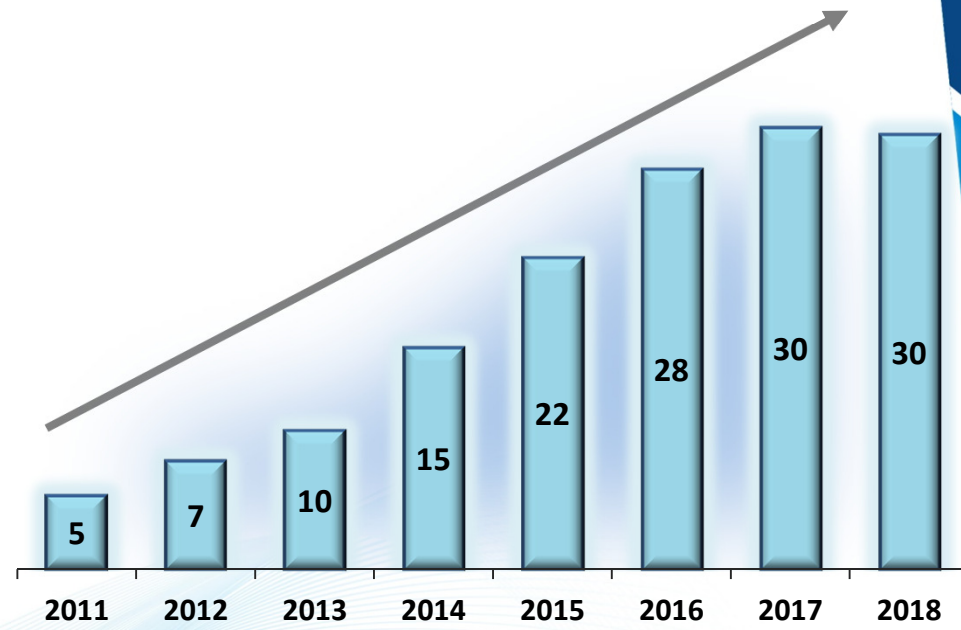
## Revenues

Cagr:  
+14%



## EBIT

Cagr:  
+29%



in Euro million



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# Markets and Growth drivers

# Long term market trends

## Aesthetics:

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



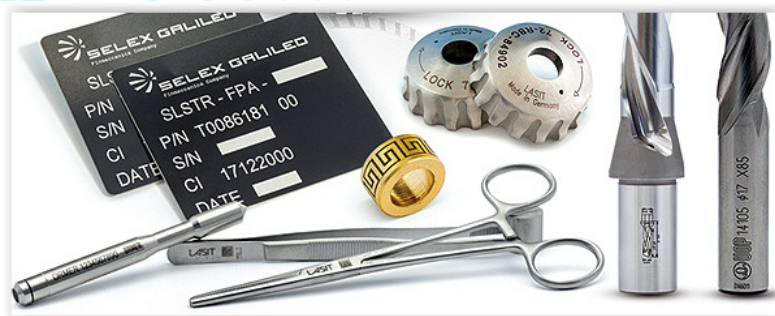
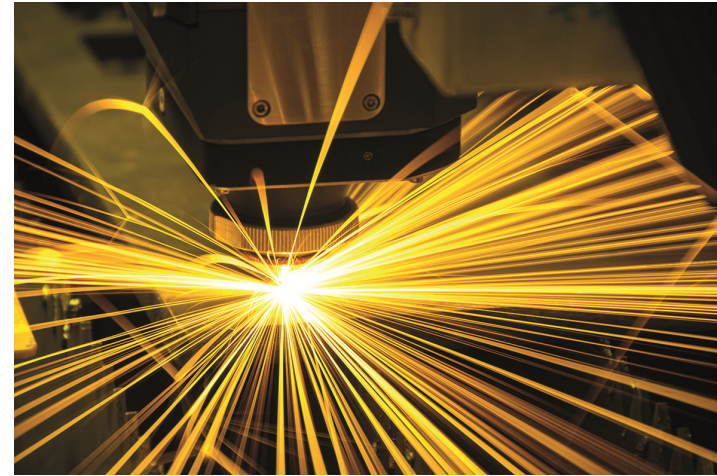
## Minimally invasive surgeries:

- 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

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%
<b>Total</b>	<b>2.033</b>	<b>2.670</b>	<b>4.380</b>	<b>15%</b>	<b>10%</b>

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 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

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**Our Products**



# ***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<sup>2</sup> - 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)



TATTOO REMOVAL - 4 TREATMENTS  
Courtesy Nicola Zerbinati MD



TATTOO REMOVAL - 4 TREATMENTS  
Courtesy Nicola Zerbinati MD



TATTOO REMOVAL - 5 TREATMENTS  
Courtesy Nicola Zerbinati MD



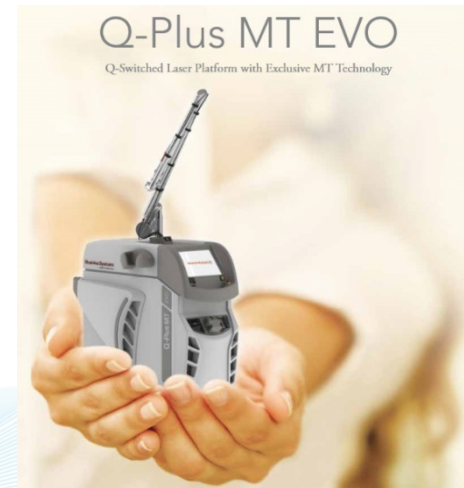
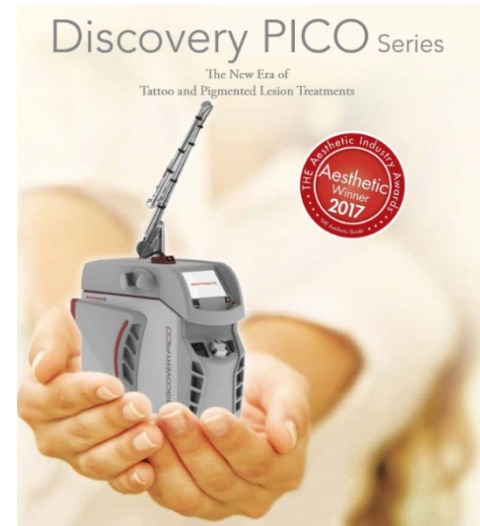
TATTOO REMOVAL - 4 TREATMENTS  
Courtesy Nicola Zerbinati MD



BENIGN PIGMENTED LESIONS  
Courtesy Tamas Kovacs MD



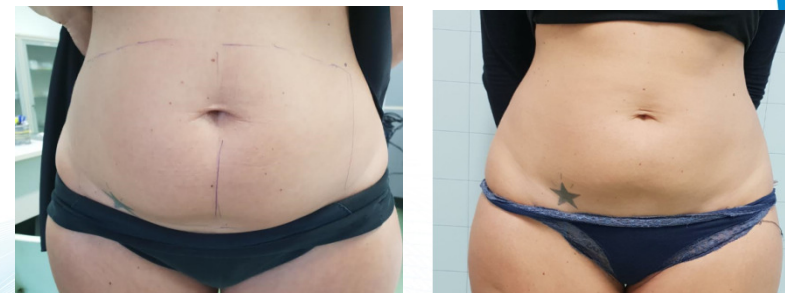
BENIGN PIGMENTED LESIONS  
Courtesy Nicola Zerbinati MD





# 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%



# Centri medici accreditati Onda Coolwaves™

DEKA  
Health Care



onda

coolwaves™



## 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**





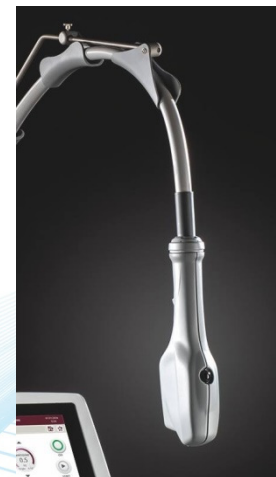
# MULTI PLATFORM TECHNOLOGY Highlights

**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

# PHYSIOTHERAPY Highlights

**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.



2018 vs 2017: +14,0%





*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.



Single use MLT



Single use RF Touch Probe



# UROLOGY - Stones Management and BPH Highlights

**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%**



**35 W**



**60 & 100 W**



**140 W**

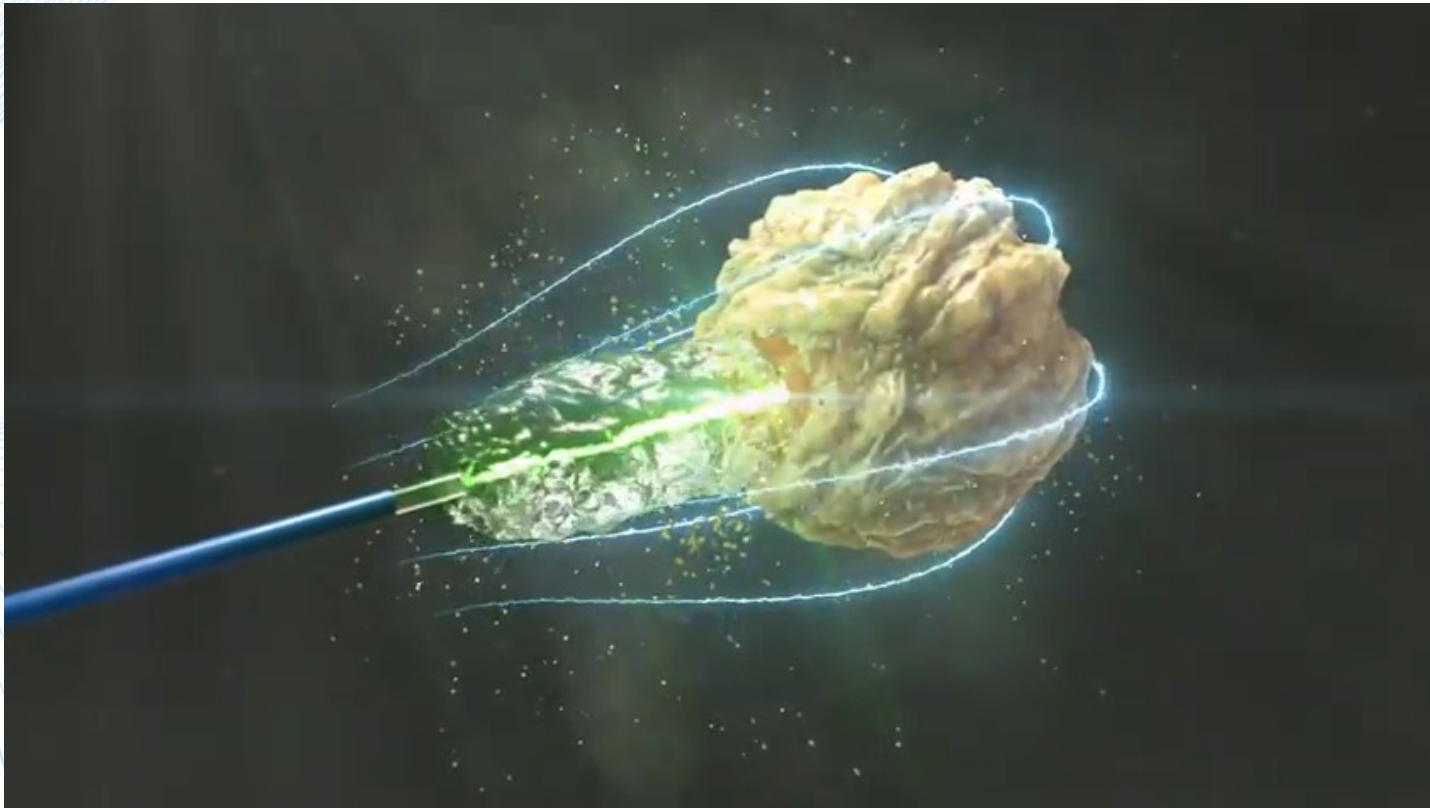
**W**

28



## *UROLOGY – Virtual Stone Basket*

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



## UROLOGY BPH Highlights



**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

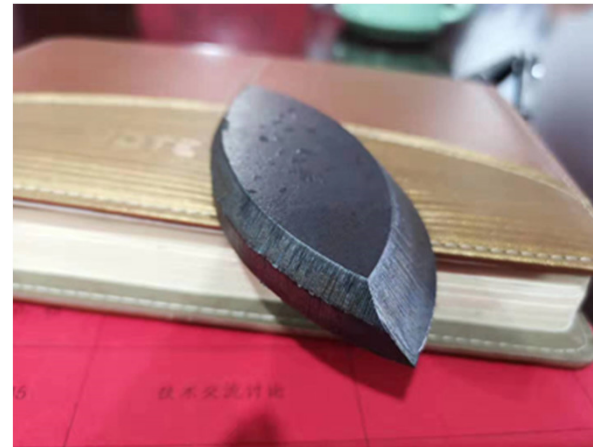
2018 vs 2017 : +12,27%

## 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 FY-2018

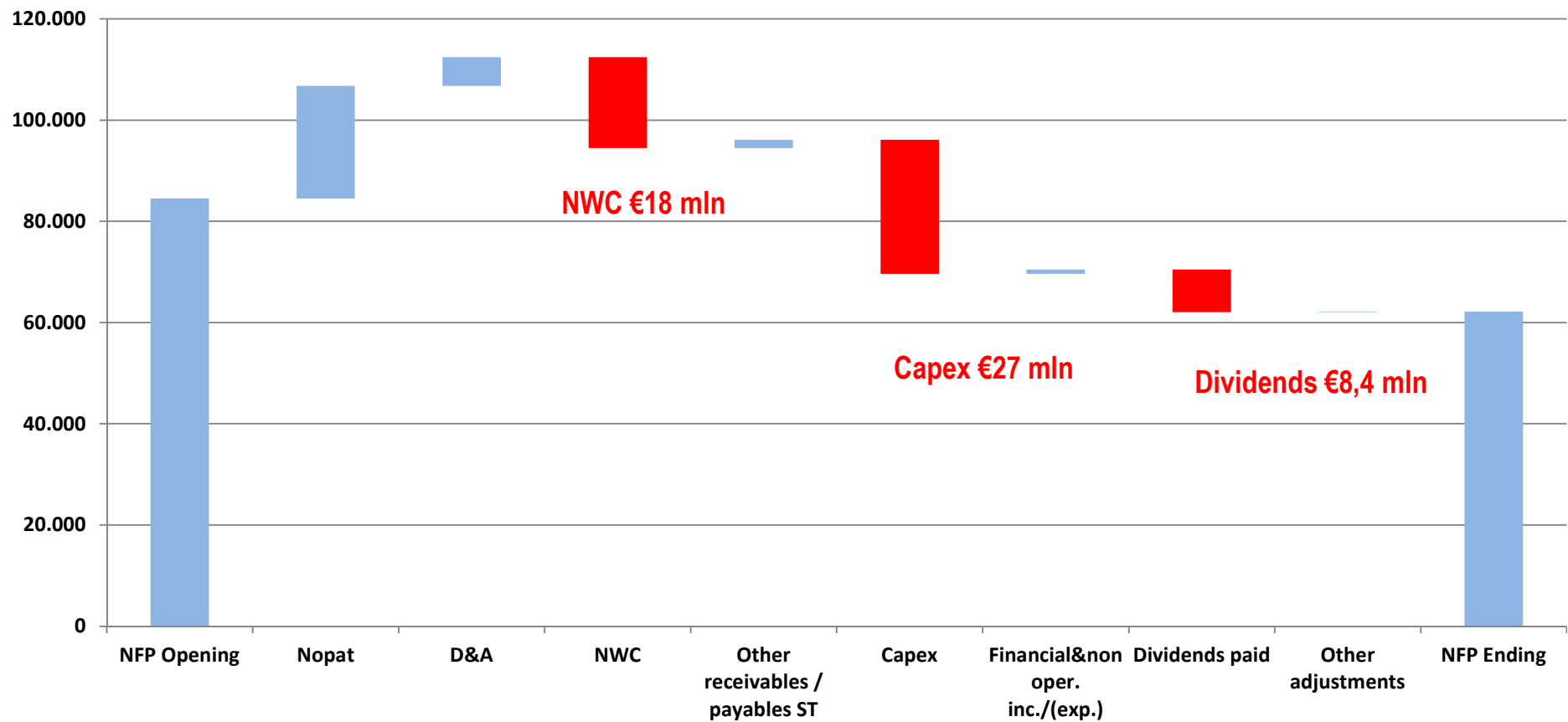
Euro '000	31/12/17	%	31/12/18 unaudited	%	Var.%
Medical	174.416	56,9%	197.854	57,2%	13,4%
Industrial	132.045	43,1%	148.167	42,8%	12,2%
Total Revenues	306.461	100,0%	346.020	100,0%	12,9%
Gross margin	127.284	41,5%	137.478	39,7%	8,0%
EBITDA	36.125	11,8%	35.618	10,3%	-1,4%
EBIT	30.449	9,9%	29.987	8,7%	-1,5%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

# Balance Sheet 2018

Euro '000	31/12/17	31/12/18 unaudited	Var.%
Total non current assets	65.664	86.879	32,3%
Net Working Capital	63.622	79.907	25,6%
Net financial position	84.506	62.461	-26,1%
Long term liabilities	9.496	10.011	5,4%
Net Equity	204.296	219.236	7,3%
Net capital employed	119.790	157.051	31,1%
Net Working Capital on sales	20,8%	23,1%	
ROCE (EBIT/Net capital employed)	25,4%	19,1%	
Capex	5.060	27.058	



# Cash Flow 2018



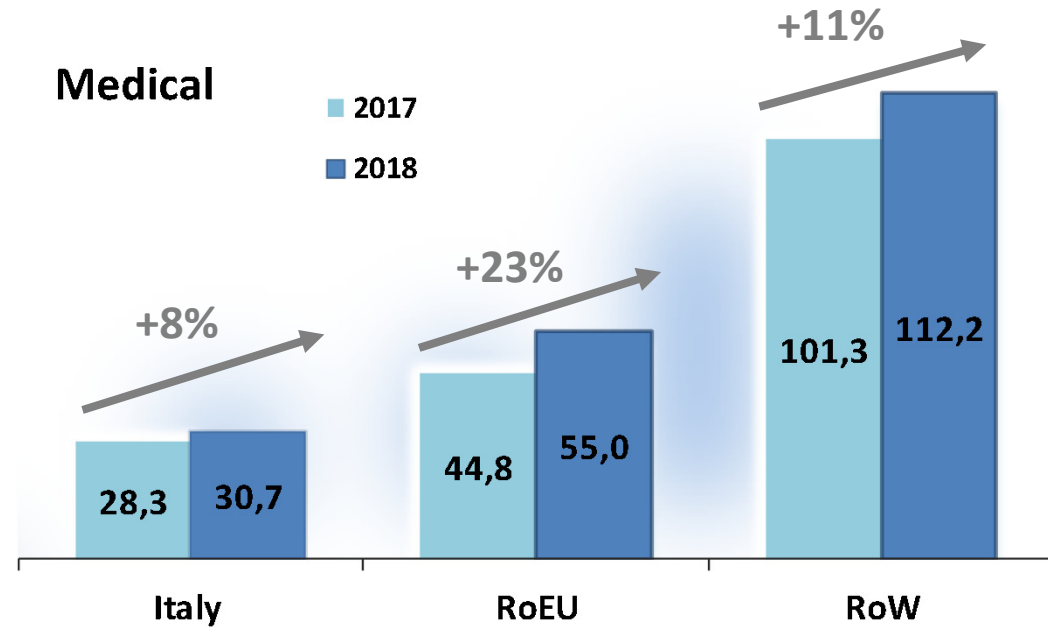
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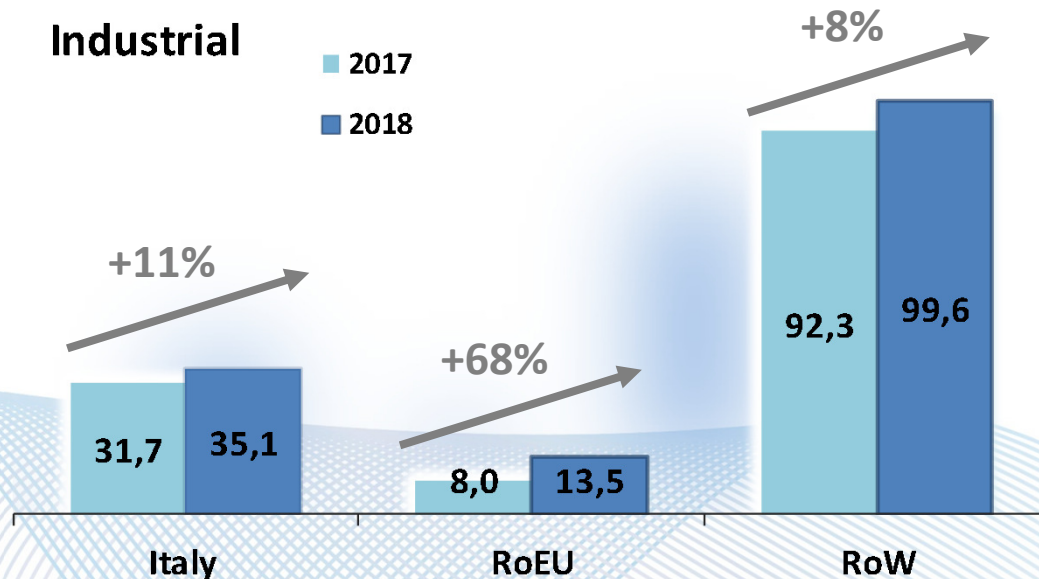
# Revenue breakdown by area FY-2018

*in Euro million*

## Medical

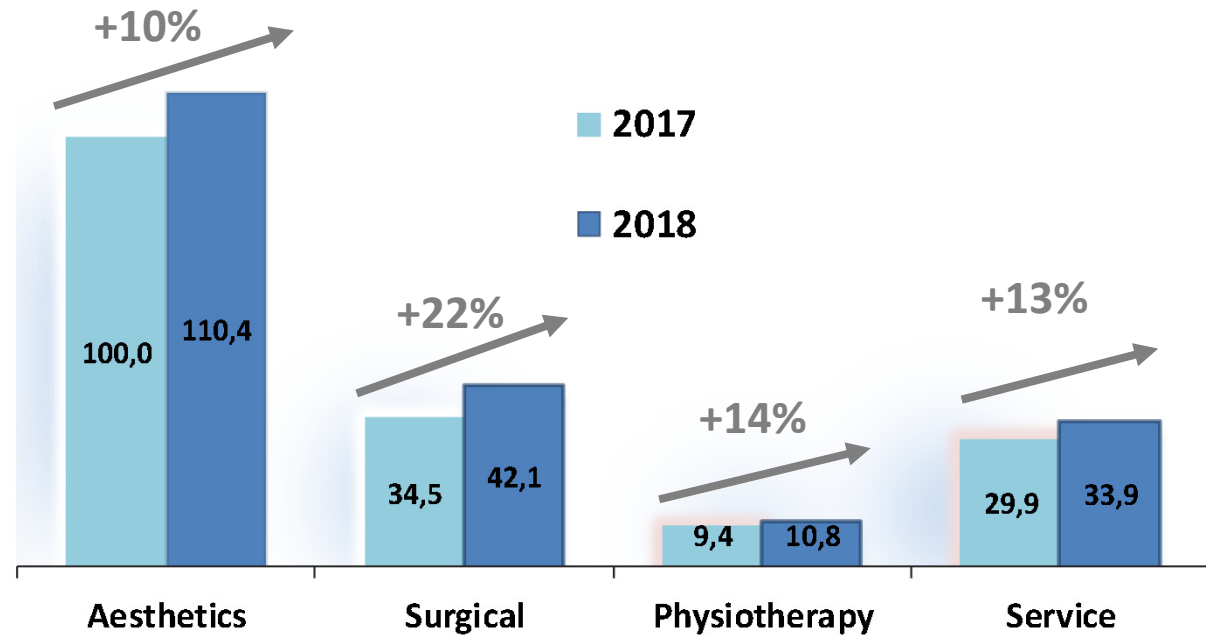


## Industrial

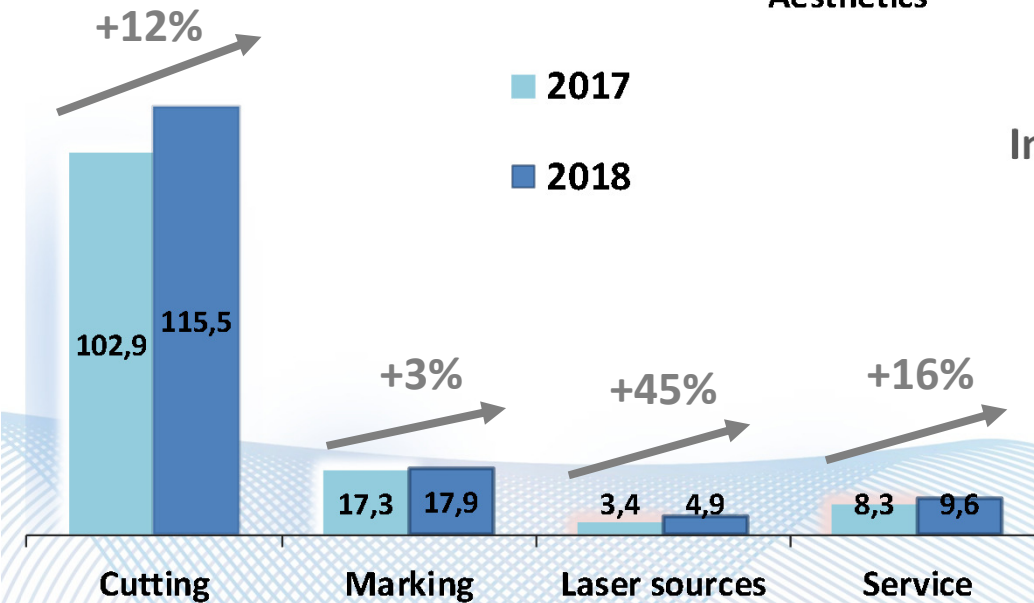


# Revenue breakdown FY-2018

## Medical



## Industrial



in Euro million



# New factories

Jena - Asclepion



Wenzhou (2nd) – Penta Laser



透视图

Vicenza – ASA Laser



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



# Guidance

2018 vs 2019:

Revenue: +5% → 10%

EBIT 19 > EBIT 18



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# Multiples & Comparables



# Multiples

**Stockholder's Equity per share** **10,4**

**Price / Book Value Adj.** **1,8**

**EV / EBIT (80% EBIT)** **12,2**

**EV / Sales (80% Sales)** **1,1**

**El.En. Market Cap.** **366,7 @ € 19,00**

**Net financial position** **62,5 @ 31/12/18**

**Financial investments m/l term** **12,3 @ 31/12/18**

**Enterprise Value** **291,9**

# Comparables

Dec. 31st, 2018

Amounts in mln

	Price	Revenue	Var.% Rev.	EBIT	EBIT %	MK.Cap.	EV	EV/Sales	EV/EBIT	P/Book Value
<b>Medical/Aesthetic</b>										
Cutera	\$18,33	\$163	7%	\$(13)	-8%	\$257	\$221	1,4	n.a.	5,5
Sisram Medical (2)	\$0,64	\$78	18%	\$14	18%	\$282	\$188	1,2	6,6	0,9
Lutronic	€ 8,83	€ 71	6%	-€ 10	-15%	€ 220	€ 208	2,9	n.a.	2,1
<b>Industrial</b>										
IPG Photonics Co.	\$151,42	\$1.460	4%	\$523	36%	\$7.990	\$6.949	4,8	13,3	3,6
Prima Industrie	€ 20,85	€ 467	4%	€ 28	6%	€ 219	€ 293	0,6	10,5	1,3
Han's Laser	¥43,38	¥11.028	-5%	¥1.817	16%	¥46.290	¥46.329	4,2	25,5	5,1
El.En. (1)	€ 19,00	€ 346	13%	€ 30	9%	€ 367	€ 292	1,1	12,2	1,8

(1) EV and multiples as for previous slide

(2) Data on June 30th, 2018

# Comparables





*“...and the best is yet to come....”*

*Nobel Prize for  
Physics  
Prof. Gérard Mourou*



# Contacts

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