



COMPANY PRESENTATION

**European Midcap Event
Amsterdam
September 20th, 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**



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

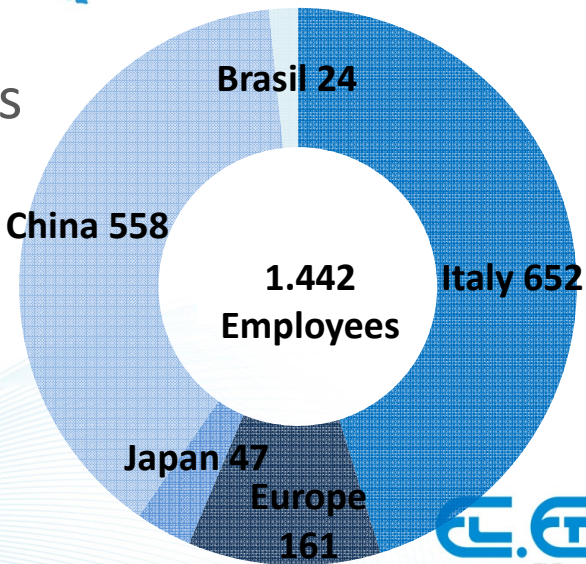


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Production sites

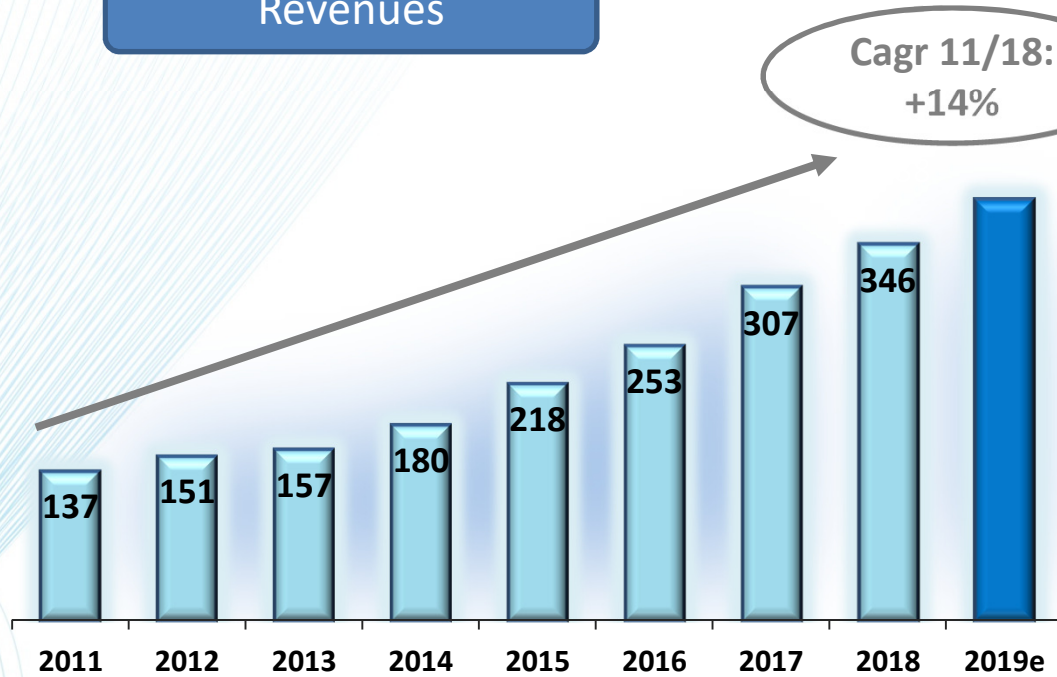
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R&D centers

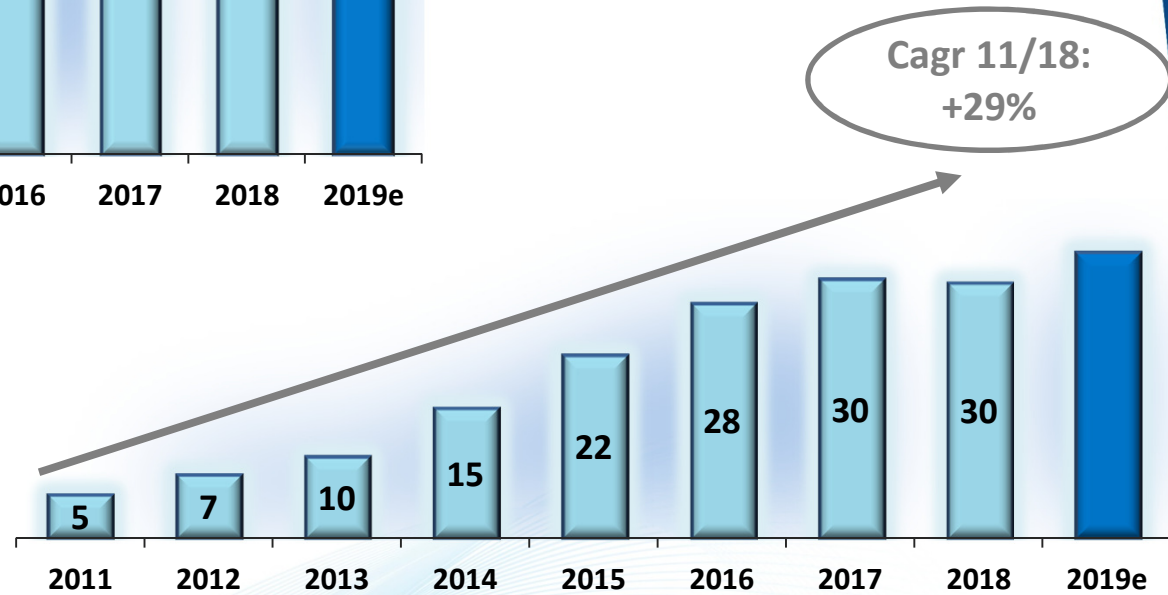


Growth history

Revenues



EBIT



in Euro million

The background features a complex geometric pattern of overlapping triangles and lines in various shades of blue (from light to dark) and white. The pattern is most prominent on the left side and fades into a lighter blue gradient towards the right.

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



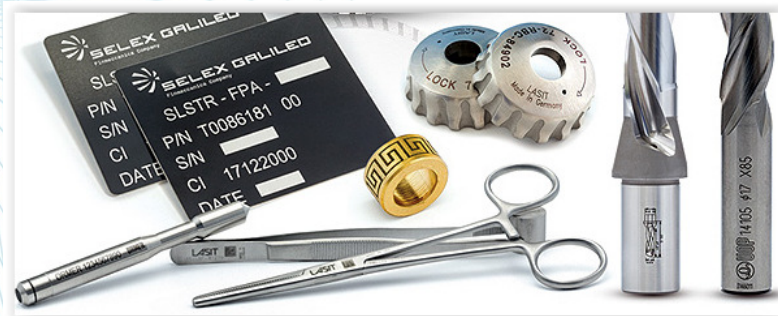
Minimally invasive surgeries:

- 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



The background features a complex geometric pattern of overlapping triangles and lines in various shades of blue (from light to dark) and white. A prominent white line structure is visible on the left side, resembling a stylized architectural or structural element. The overall aesthetic is modern and clean.

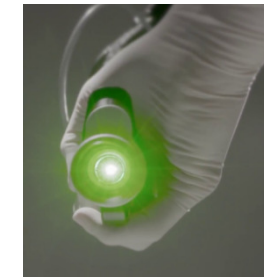
Our Products

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)



TATTOO REMOVAL - 4 TREATMENTS
Courtesy Nicola Zerbinati MD



TATTOO REMOVAL - 4 TREATMENTS
Courtesy Nicola Zerbinati MD



TATTOO REMOVAL - 5 TREATMENTS
Courtesy Nicola Zerbinati MD



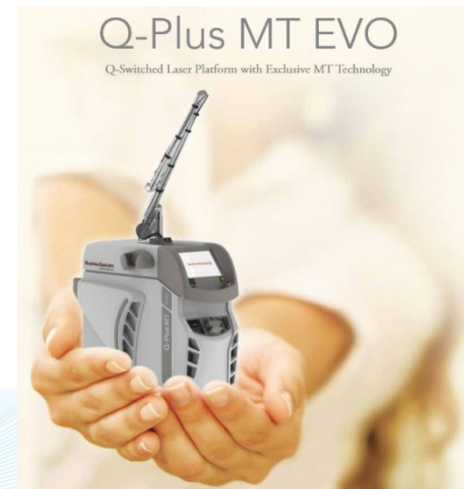
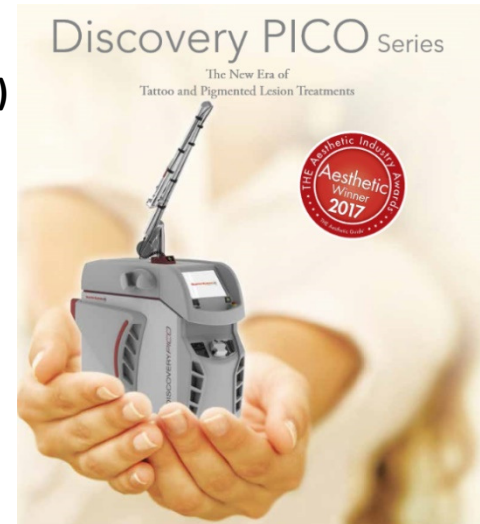
TATTOO REMOVAL - 4 TREATMENTS
Courtesy Nicola Zerbinati MD



BENIGN PIGMENTED LESIONS
Courtesy Tamas Kovacs MD

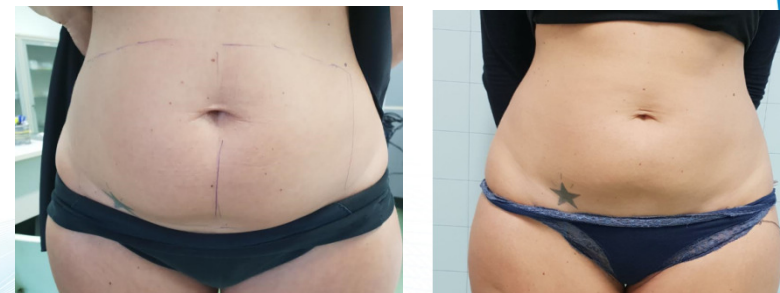
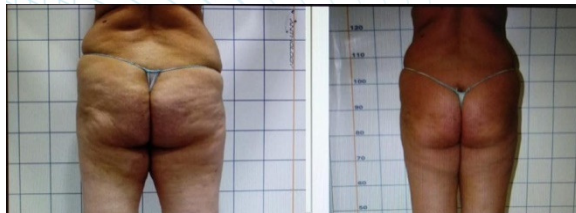


BENIGN PIGMENTED LESIONS
Courtesy Nicola Zerbinati MD



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



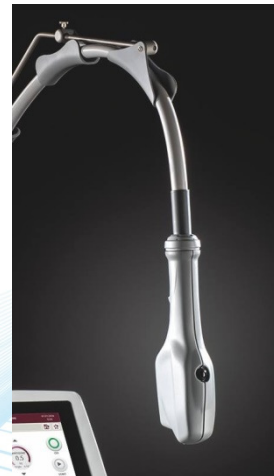
MULTI PLATFORM TECHNOLOGY Highlights

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



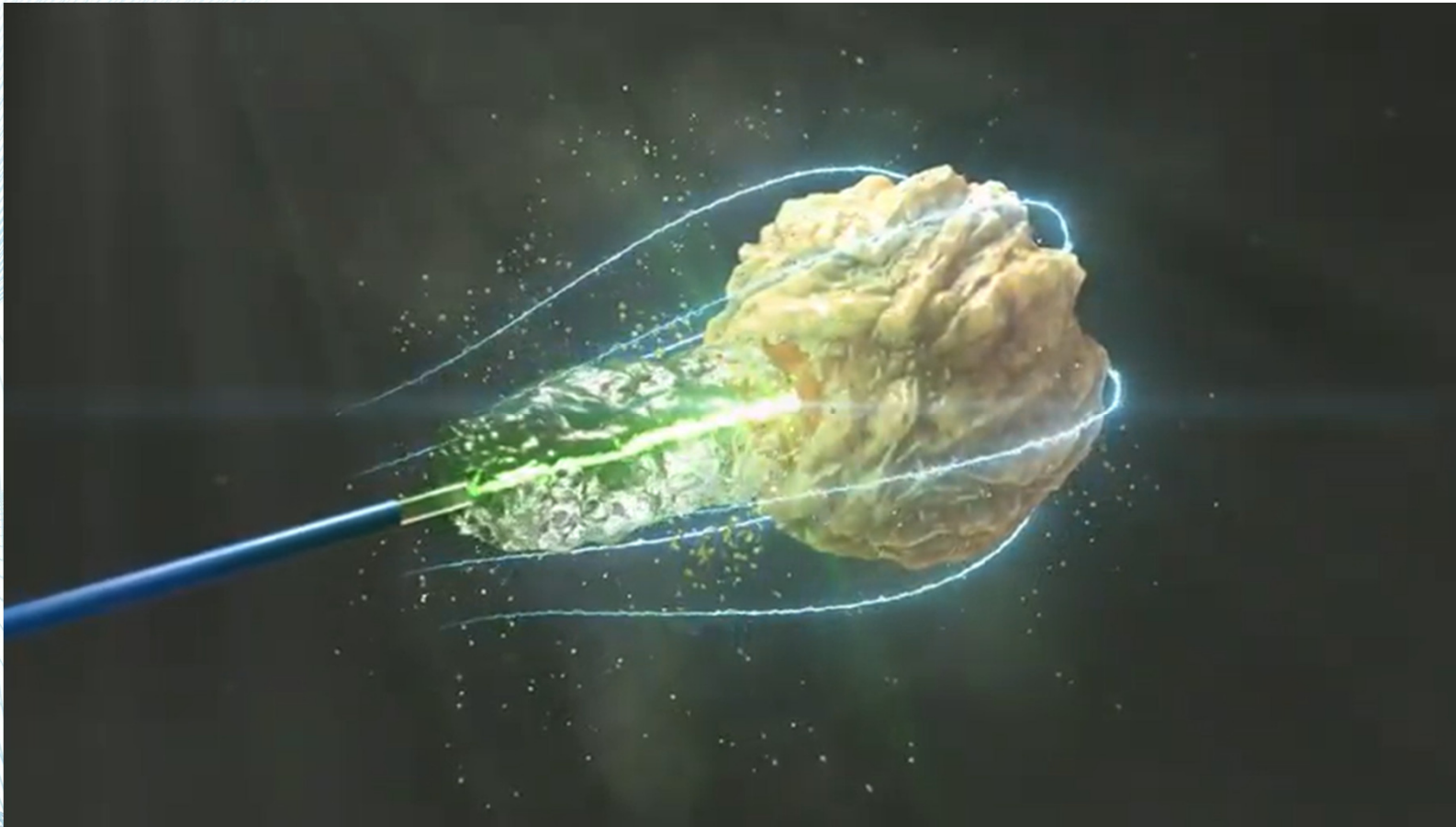
140 W

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



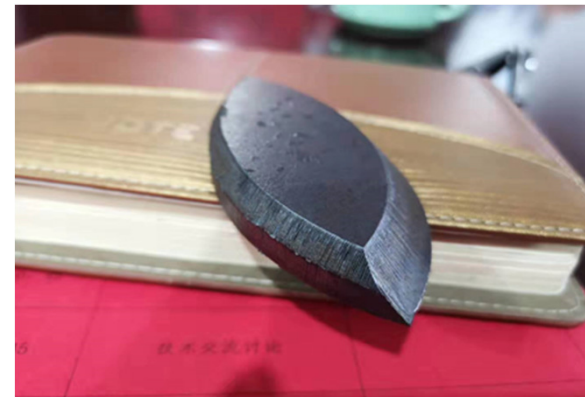
METAL CUTTING Highlights

PENTA & PENTA CHUTIAN

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



73mm stainless steel, another break-through cut by PENTA's 15kW.



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

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Financial Highlights

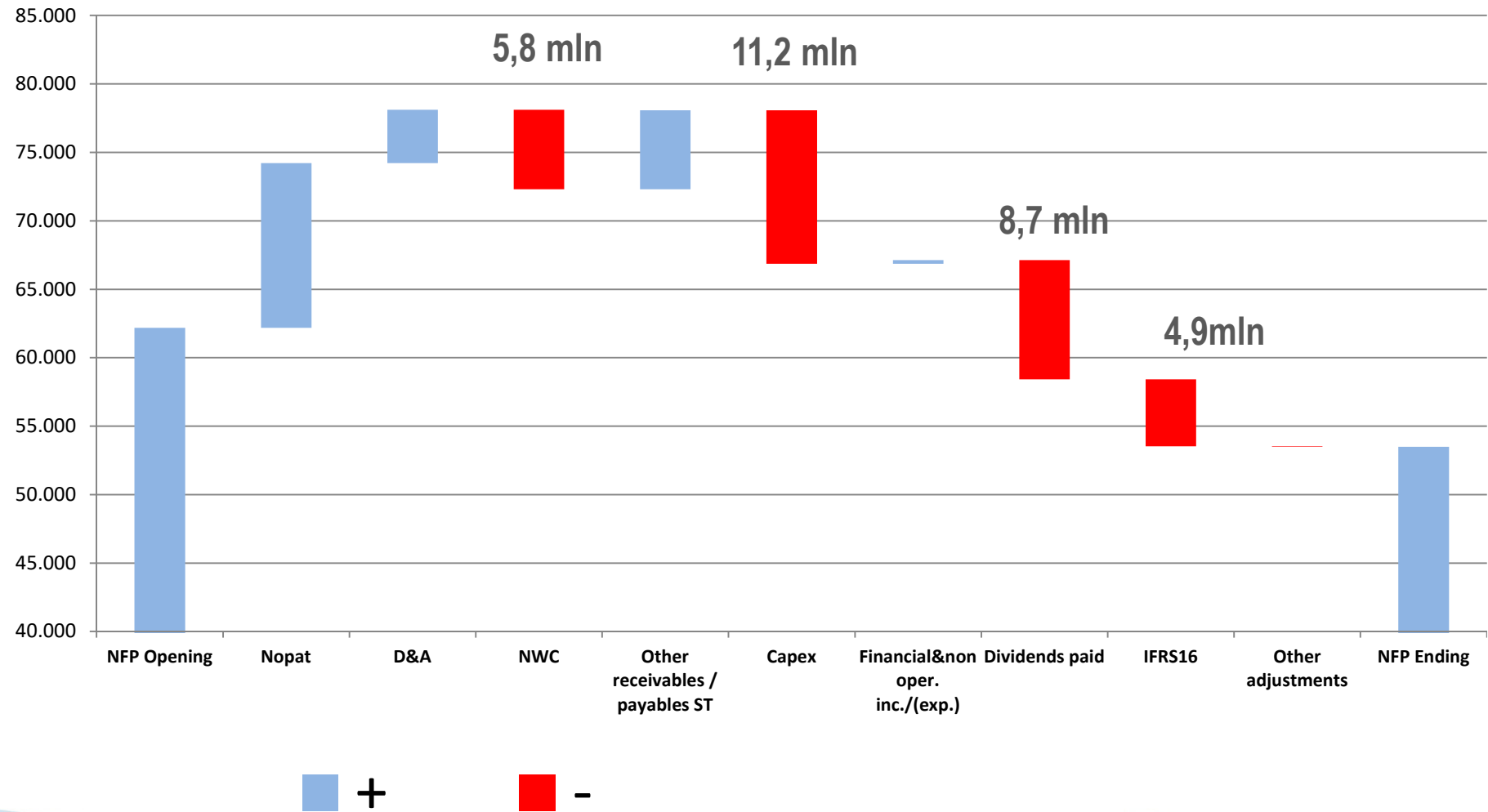
Income Statement H1-2019

Euro '000	30/06/18	%	30/06/19	%	Var.%
Medical	93.598	58,3%	112.129	59,5%	19,8%
Industrial	67.039	41,7%	76.321	40,5%	13,8%
Total Revenues	160.637	100,0%	188.450	100,0%	17,3%
Gross margin	64.701	40,3%	74.385	39,5%	15,0%
EBITDA	15.349	9,6%	20.604	10,9%	34,2%
EBIT	12.731	7,9%	16.713	8,9%	31,3%
Pretax Income	13.090	8,1%	16.894	9,0%	29,1%
Net income	7.452	4,6%	10.223	5,4%	37,2%
Net Income per share	0,39		0,53		

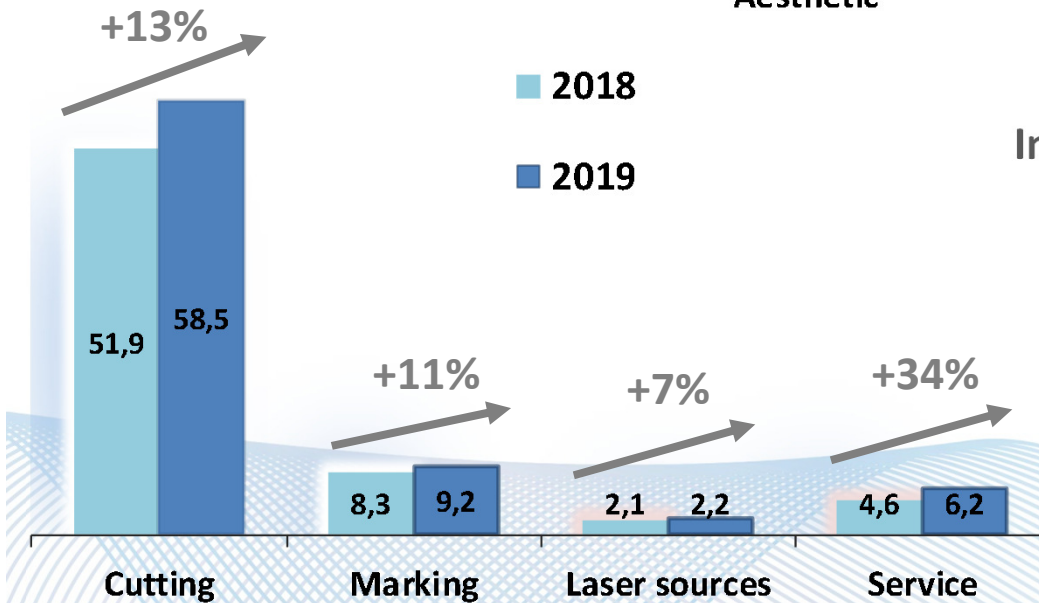
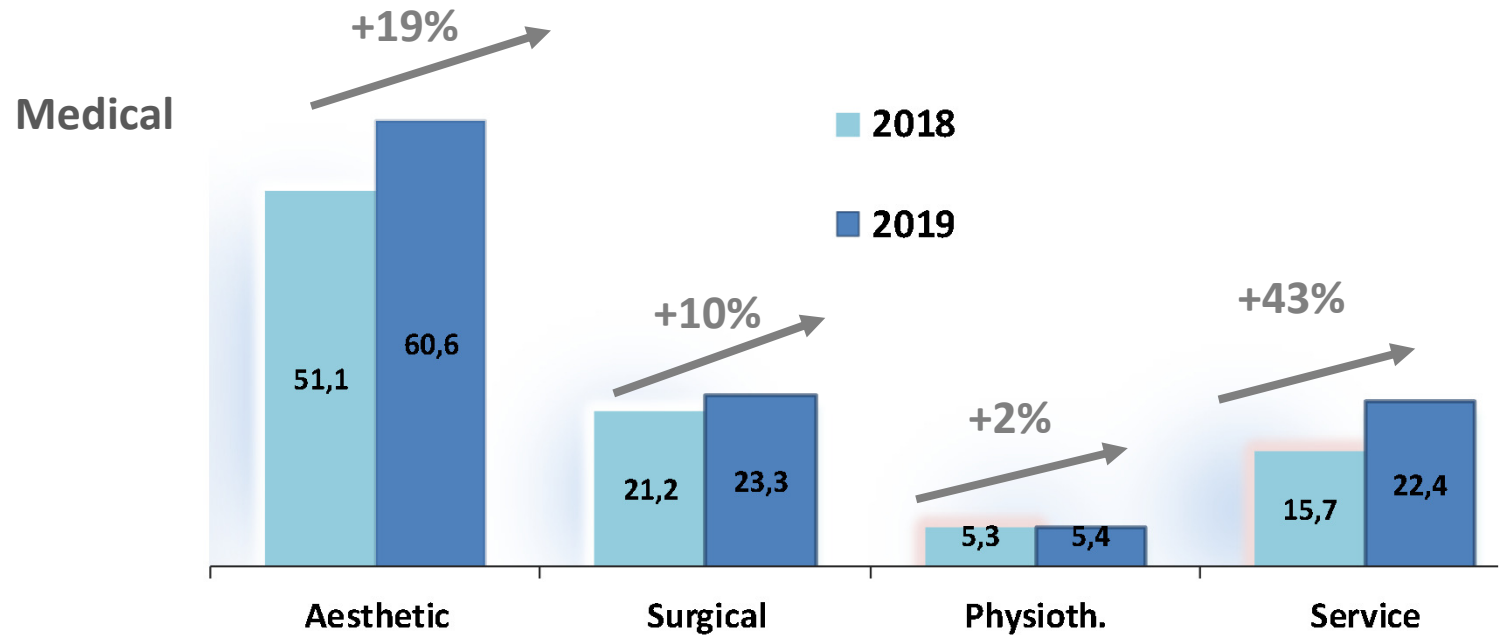
Balance Sheet 2019

Euro '000	31/12/18	30/06/19	Var.%
Total non current assets	86.879	99.968	15,1%
Net Working Capital	102.248	108.494	6,1%
Other receivables/payables ST	(22.341)	(28.224)	26,3%
Net financial position	62.461	53.770	-13,9%
Long term liabilities	10.011	10.779	7,7%
Net Equity	219.236	223.229	1,8%
Net capital employed	157.051	169.745	8,1%
Net Working Capital on sales	29,5%	28,8%	
ROCE (EBIT/Net capital employed)	19,1%	19,7%	
Capex	27.058	11.262	

Cash Flow 2019



Revenue breakdown by business

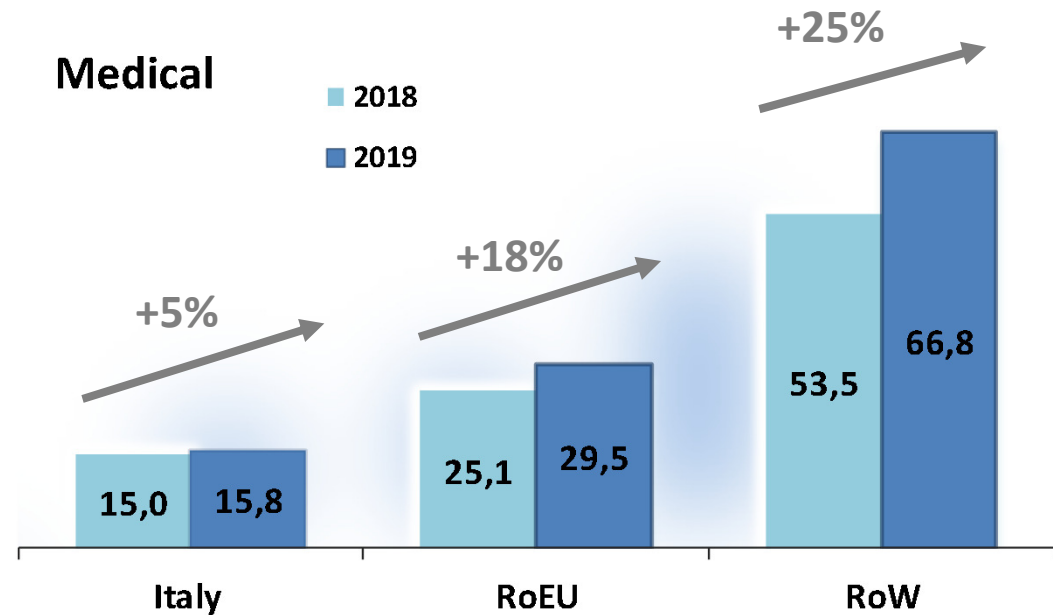


in Euro million

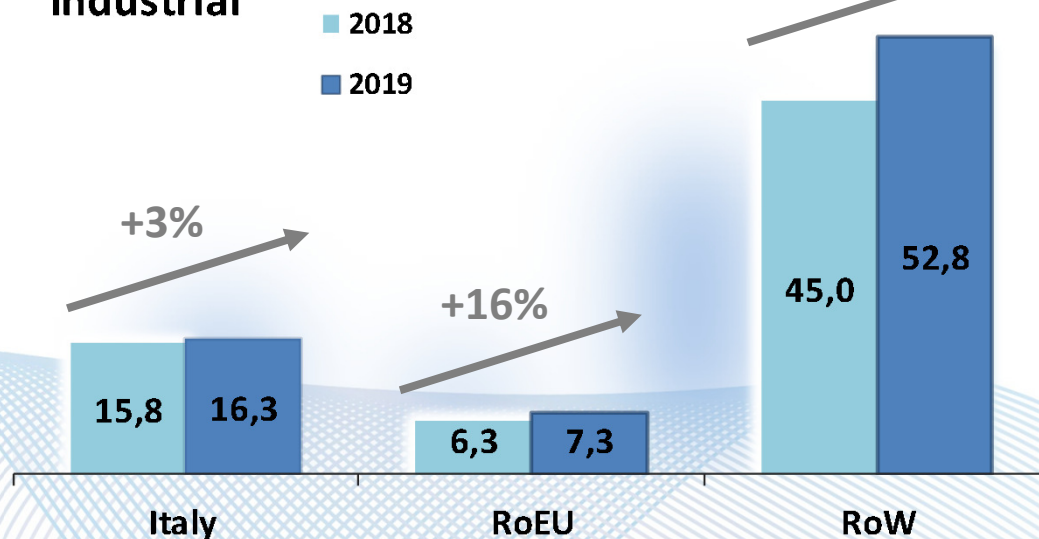
Revenue breakdown by area

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



Guidance

2019 vs 2018:

Revenue: > +10%

EBIT% 2019 > EBIT% 2018



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Multiples & Comparables

Multiples

Stockholder's Equity per share **11,6**

Price / Book Value Adj. **2,0**

EV / EBIT (85% EBIT) **13,5**

EV / Sales (85% Sales) **1,2**

El.En. Market Cap. **449,6 @ € 23,30**

Net financial position **53,8 @ 30/06/19**

Financial investments m/l term **12,3 @ 30/06/19**

Enterprise Value **383,6**

Comparables

Amounts in mln

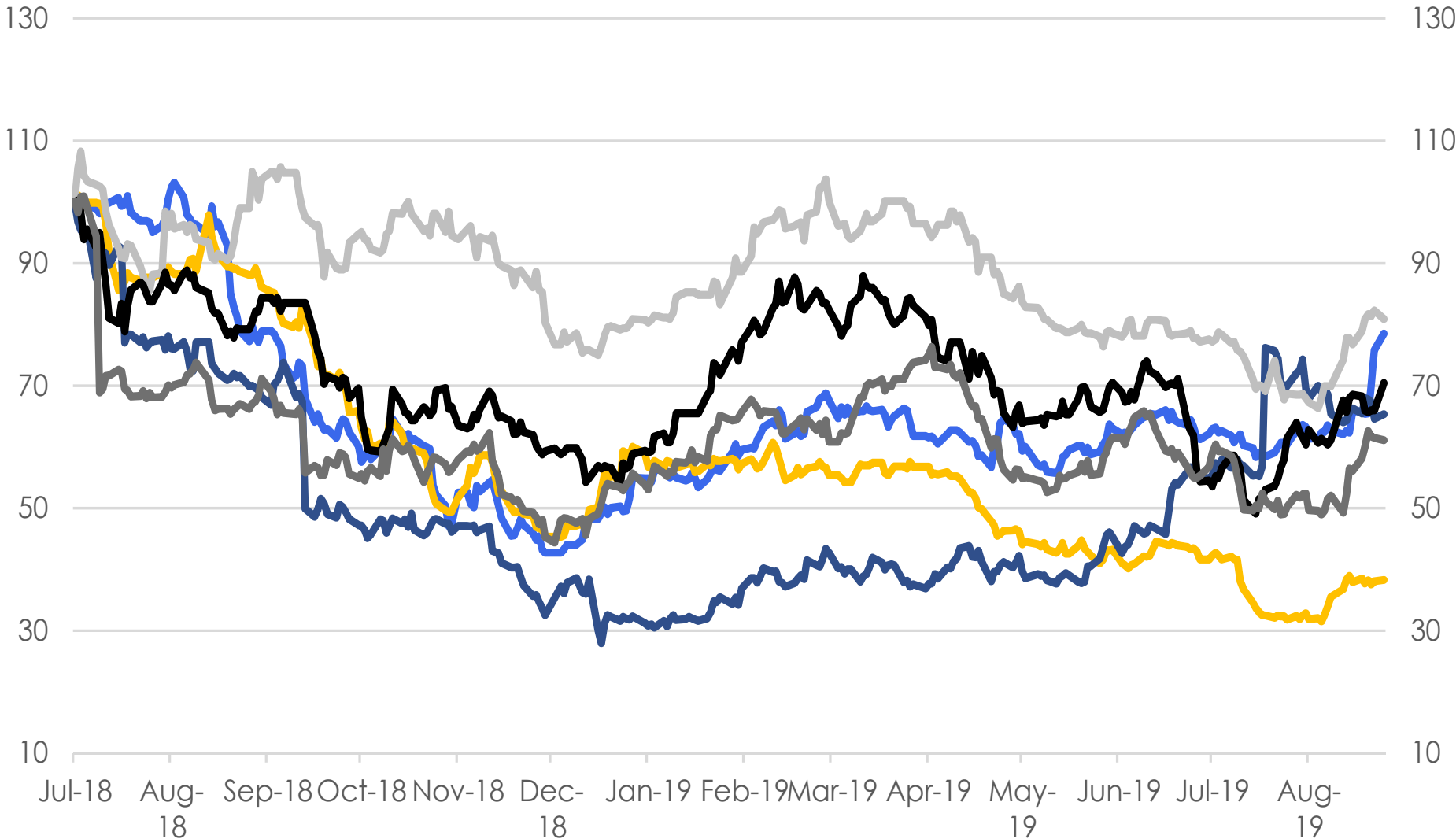
Sept. 30th, 2019

	Price	Revenue	Var.% Rev.	EBIT	EBIT%	MK.Cap.	EV	EV/Sales (*)	EV/EBIT (*)	P/E (*)	P/Book Value
Medical/Aesthetic											
Cutera	\$28,84	\$84	9%	\$(8)	-9%	\$409	\$386	2,3	n.a.	n.a.	9,5
InMode	\$27,53	\$69	51%	\$26	37%	\$880	\$798	5,8	15,5	15,4	12,3
Sisram Medical	\$0,52	\$85	9%	\$16	18%	\$231	\$129	0,8	4,1	4,6	0,7
Lutronic	€ 6,82	€ 41	20%	-€ 5	-13%	€ 182	€ 166	2,0	n.a.	n.a.	2,0
Industrial											
IPG Photonics Co.	\$145,46	\$679	-12%	\$159	23%	\$7.740	\$6.701	4,9	21,0	26,3	3,3
Prima Industrie	€ 13,72	€ 215	-1%	€ 6	3%	€ 143	€ 275	0,6	21,2	75,9	0,9
Han's Laser	¥36,10	¥4.684	-8%	¥296	6%	¥38.520	¥40.185	4,3	67,9	53,0	4,5
El.En. (1)	€ 23,30	€ 188	17%	€ 17	9%	€ 450	€ 384	1,2	13,5	18,8	2,0

(1) EV and multiples as for previous slide

(*) Revenue, Ebit and earnings annualized

Comparables



— El.En. S.p.A.
 — Prima Industrie S.p.A.
 — Cutera, Inc.
— Sisram Medical Ltd.
 — Han's Laser Tech
 — IPG Photonics Corporation

“...and the best is yet to come....”

*Nobel Prize for
Physics
Prof. G  rard Mourou*



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