



BORSA ITALIANA - STAR segment

PRESS RELEASE

INTERIM FINANCIAL REPORT AS OF 31/03/2022

(results as of 31/03/2021 in brackets)

**CONTINUOUS GROWTH
WITH EXCELLENT PERFORMANCE OF ORDER ACQUISITION
IN A CHALLENGING CONTEXT**

- REVENUES at 93.3 M€ (+13.4%);
- EBITDA at 5.7 M€ (+30.8%);
- Adj. EBITDA at 6.2 M€, equal to 6.6% of revenues (rispetto a 5.7M€)
- EBIT at 1.2 M€ (compared to -0.5 M€);
- Adj. EBIT at 1.7 M€ equal to 1.8% of revenues (compared to 0.8 M€);
- NET RESULT IN BALANCE (compared to -1.5 M€);
- NET FINANCIAL DEBT at -75.2 M€ (compared to -99.4 M€), including 41.8 M€ of leasing payables;
- ORDER BACKLOG at 253.5 M€ (+71.4%), further growing to 277.6 M€ at 30/04/2022

Collegno (TO), May 12, 2022 - The Board of Directors of Prima Industrie S.p.A., a leading company operating in the high-tech sector of laser systems and sheet metal processing and electronic components for industrial applications, met today to approve the Interim Financial Report at 31/03/2022.

The Company Executive Chairman Gianfranco Carbonato commented the results of the year as follows: *"Despite the challenging international context (war in Ukraine, raw materials and components market) and a seasonality that historically does not benefit the first quarter of the year, the Group is continuing to generate satisfactory results, both in terms of commercial performance and with reference to the recovery of profitability. In particular, the important order book allows us to positively face the year just started"*.

The Group turnover as of 31/03/2022 is equal to 93,322 thousand euro, growing by 13.4 compared to 2021.

The turnover of the quarter was affected by approximately 9.5 million euro of some postponements due to the delay in delivery of components.

The consolidated revenues are shown here below, broken down on a geographical basis, as of 31/03/2022 compared with same period of the previous year:

REVENUES	31/03/22		31/03/21	
	Euro thousand	%	Euro thousand	%
SEMEA (*)	29.503	31,6	26.154	31,8
NORTH EUROPE	22.685	24,3	17.461	21,2
AMERICAS	19.311	20,7	24.657	30,0
APAC	21.823	23,4	14.028	17,0
TOTAL	93.322	100,0	82.300	100,0

(*) South Europe, Middle East & Africa

The above table shows that the Group turnover at 31/03/2022 (compared with the corresponding period of the previous year) increased in the SEMEA area (+12.8%), NORTH EUROPE (+29.9%) and APAC (+55.6%). On the other hand, the trend is down in the AMERICAS (-21.7%).

The main destination countries in the SEMEA area were Italy (14.7% of consolidated revenues), Poland and Eastern Europe (7.7% of consolidated revenues) and Spain and Portugal (3.0% of consolidated revenues).

The main destination countries in the NORTH EUROPE area were Finland and the Baltics (11.0% of consolidated revenues), DACH countries (6.3% of consolidated revenues) and Benelux countries (5.0% of consolidated revenues).

The share of revenues achieved in the AMERICAS went from 24,657 thousand euro to 19,311 thousand euro, of which 13,306 thousand euro in the United States. With reference to this area, compared with the reduction in turnover, partly attributable to the aerospace market, a significant growth in the acquisition of new orders has been registered in the quarter.

In the APAC area, revenues grew by 55.6% compared to 2021, going from 14,028 thousand euro to 21,823 thousand euro. The increase is attributable to revenues in Australia & New Zealand (equal to 3,053 thousand euro), Korea (equal to 4,781 thousand euro) and China where turnover grew from 9,179 thousand euro (at 31/03/2021) to 10,349 thousand euro (at 31/03/2022).

The main economic indicators of the Group, split by Division, are shown below, compared with the corresponding period of the previous year:

Values in Euro thousand

31/03/22	Revenues	Gross Margin	Gross Margin %	EBITDA	EBITDA %	EBIT	EBIT %	NET RESULT
PRIMA POWER	85.319	18.946	22,2%	4.864	5,7%	1.325	1,6%	159
PRIMA ELECTRO	13.852	1.827	13,2%	549	4,0%	(450)	-3,2%	(334)
CONSOLIDATION	(5.849)	238	-	273	-	275	-	197
GROUP	93.322	21.011	22,5%	5.686	6,1%	1.150	1,2%	22

(% calculated over the revenues)

Values in Euro thousand

31/03/21	Revenues	Gross Margin	Gross Margin %	EBITDA	EBITDA %	EBIT	EBIT %	NET RESULT
PRIMA POWER	75.927	16.477	21,7%	4.290	5,7%	244	0,3%	(902)
PRIMA ELECTRO	11.827	1.269	10,7%	62	0,5%	(786)	-6,6%	(643)
CONSOLIDATION	(5.454)	(36)	-	(6)	-	(5)	-	(3)
GROUP	82.300	17.710	21,5%	4.346	5,3%	(547)	-0,7%	(1.548)

(% calculated over the revenues)

Group **EBITDA** at 31/03/2022 is at 5,686 thousand euro, equal to 6.1% of revenues compared to 4,346 thousand euro, equal to 5.3% of revenues at 31/03/2021.

EBITDA was negatively affected by non-recurring costs of 518 thousand euro (at 31/03/2021 they amounted to 1,316 thousand euro); therefore, adjusted **EBITDA** amounted to 6,204 thousand euro (equal to 6.6% of revenue).

Group **EBIT** at 31/03/2022 was positive for 1,150 thousand euro, equal to 1.2% of revenues, compared to the negative result of 547 thousand euro, equal to -0.7% of revenues, of the previous year.

Such result has been affected by:

- amortization of intangible fixed assets of 1,790 thousand euro (relating to development costs of 1,128 thousand euro and the brand registered as part of the business combination of the FINN-POWER Group for 485 thousand euro).
- depreciation of tangible fixed assets of 2,747 thousand euro.

EBIT at 31/03/2022 is penalized by non-recurring costs of 518 thousand euro; as a result, adjusted **EBIT** amounted to 1,668 thousand euro (1.8% of revenues).

The Group **EBT** at 31/03/2022 was positive for 210 thousand euro compared to the negative result of 1,568 thousand euro at 31/03/2021.

The Group **EBT** is subject to net charges from financial operations (including foreign exchange gains and losses) for 910 thousand euro (at 31/03/2021 they amounted to 981 thousand euro).

The Group **NET RESULT** at 31/03/2022 is positive for 22 thousand euro against the negative result for 1,548 thousand euro at 31/03/2021; the Net Result attributable to the parent company is negative for 37 thousand euro.

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At 31/03/2022, the Group **Net Financial Debt** amounted to 75,192 thousand euro, up from 68,421 thousand euro at 31/12/2021, but a sharp reduction compared to 99,410 thousand euro at 31/03/2021.

Here below the breakdown of the Group net debt:

Values expressed in Euro thousand	31/03/22	31/12/21	31/03/21
NON CURRENT FINANCIAL ASSETS	(4.701)	(4.233)	(4.233)
CASH & CASH EQUIVALENTS	(68.185)	(67.267)	(58.350)
CURRENT FINANCIAL ASSETS	(301)	(372)	(328)
CURRENT FINANCIAL LIABILITIES	31.735	39.886	51.188
NON CURRENT FINANCIAL LIABILITIES	74.820	57.575	75.331
NET FINANCIAL DEBT (before leasing)	33.368	25.589	63.608
LEASING LIABILITIES	41.824	42.832	35.802
NET FINANCIAL DEBT	75.192	68.421	99.410

During the first quarter of 2022, the Group **order acquisition** (including after-sale service) amounted to 130.6 million euro, increasing by 24.8% compared to 104.6 million euro at 31/03/2021 and 79.3% compared to 31/03/2020.

The consolidated **backlog** (not including after-sale service) at 31/03/2022 amounted to 253.5 million euro, up from 147.9 million euro at 31/03/2021 and 215.2 million euro at 31/12/2021. The portfolio is growing further to 277.6 million euro as of 30/04/2022.

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The Board of Directors has appointed Dr. Chiara Roncolini, Head of Investor Relations and Legal Affairs, as a member of its Supervisory Body pursuant to Legislative Decree 231/2001 to replace a resigning member. The other members of the Company's Supervisory Body as of today are the lawyer Davide Conforti (President) and Mr. Giorgio Gaetani.

The Board also acknowledged the outcome of the assessment on the independence of its members carried out by the newly appointed Board of Statutory Auditors which held its own settlement meeting. The Board of Statutory Auditors has verified and confirmed the possession of the requirements on the basis of the information provided by each member of the body itself. All the members of the Board of Statutory Auditors are independent pursuant to Law Decree no. 58/1998 ("TUF"), the Decree of the Economy and Finance Ministry no. 169/202, as well as the criteria provided for by the Corporate Governance Code as adopted by the Board of Directors of the Company.

"The manager responsible for preparing the company financial reports, Marco Pintauro, declares, pursuant to para. 2 article 154 bis of TUF (Consolidated Finance Law), that the accounting information contained in this press release corresponds to the document results, books and accounting records".

The draft of company financial statements at March 31, 2022 will be deposited at the registered office and will also be available under the Company website www.primaindustrie.com, as well as on the authorized storage mechanism www.1info.it, within the legal terms.

The alternative performance indicators used and accompanied by an explanation which reflects their content and basis of calculation are as follows:

- Revenues at constant currency are determined by applying the prior year average exchange rates to current year's revenues expressed in local currency;
- EBIT (which corresponds to "Operating income");
- EBITDA ("Earnings before interest, taxes, depreciation and amortization"), which is determined by adding to the "Operating Profit" in the financial statements the "Amortization" and the "Impairment and write-downs";
- EBT (which corresponds to the "Profit before tax");
- EBITDA, EBIT and EBT Adjusted correspond to the mentioned alternative performance indicators net of non-recurring items;
- Net Result Adjusted is calculated as Net Result adjusted of the non-recurring items incorporated in EBT Adjusted;
- Net Financial Indebtness, which includes cash, financial receivables (current and non-current), net of financial loans (current and non-current) and of the fair value of derivatives. The reconciliation with the financial debt required by ESMA document 32-382-1138 of 04/03/2021 is reported into the Explanatory Notes of the Consolidated Report.

PRIMA INDUSTRIE heads a Group leader worldwide in developing, manufacturing and marketing of laser systems for industrial applications, sheet metal processing machinery as well as industrial electronics, laser sources and solution for additive manufacturing.

The parent company Prima Industrie S.p.A. is listed on the Italian Stock Exchange since 1999 (MTA- STAR segment).

With over 40 years of experience, the Group has an installed base of about 14,000 machines in more than 80 countries and is positioned among the main worldwide manufacturers within its own reference market.

The Group has about 1,700 employees, manufacturing sites in **Italy, Finland, USA and China** and a direct commercial and after-sale presence worldwide.

Prima Industrie Group is structured on four *Business Units*:

Prima Power - development, production and marketing of laser and sheet metal processing (2D and 3D laser machines, laser drilling systems, punching and combined systems, bending and paneling systems);

Prima Electro - development, production and marketing of embedded electronics for industrial applications;

Convergent Photonics - development and production of diodes and laser sources, both industrial and medical;

Prima Additive - development, production and marketing of additive manufacturing solutions with Powder Bed Fusion and Laser Metal Deposition technologies.

For further information:

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CONSOLIDATED BALANCE SHEET

Values in thousand euro	31/03/2022	31/12/2021
Property, plant and equipment	70.305	71.854
Intangible assets	115.900	116.624
Investments accounted for using the equity method	364	394
Other investments	7.076	6.927
Non current financial assets	4.233	4.233
Derivatives	468	-
Deferred tax assets	16.917	18.823
NON CURRENT ASSETS	215.263	218.855
Inventories	158.121	134.859
Trade receivables	80.965	91.164
Other receivables	8.784	6.972
Current tax receivables	10.235	9.286
Financial assets	301	372
Cash and cash equivalents	68.185	67.267
CURRENT ASSETS	326.591	309.920
Assets held for sale	4.000	4.775
TOTAL ASSETS	545.854	533.550
Capital stock	26.208	26.208
Legal reserve	5.242	5.242
Other reserves	68.626	68.161
Currency translation reserve	5.401	4.274
Retained earnings	68.421	60.623
Net result	(37)	7.798
Stockholders' equity of the Group	173.861	172.306
Minority interest	3.546	3.412
STOCKHOLDERS' EQUITY	177.407	175.718
Interest-bearing loans and borrowings	110.537	94.259
Employee benefit liabilities	6.666	6.728
Deferred tax liabilities	2.613	4.678
Provisions	244	244
Derivatives	23	140
NON CURRENT LIABILITIES	120.083	106.049
Trade payables	96.052	98.239
Advance payments	58.312	52.450
Other payables	25.715	24.226
Interest-bearing loans and borrowings	37.755	45.849
Current tax payables	7.469	8.712
Provisions	22.997	22.262
Derivatives	64	45
CURRENT LIABILITIES	248.364	251.783
TOTAL STOCKHOLDERS' EQUITY AND LIABILITIES	545.854	533.550

CONSOLIDATED INCOME STATEMENT

<i>Values in euro thousand</i>	31/03/2022	31/03/2021
Net revenues	93.322	82.300
Cost of goods sold	(72.311)	(64.590)
GROSS MARGIN	21.011	17.710
Research and Development costs	(5.818)	(5.606)
Sales and marketing expenses	(6.705)	(6.178)
General and administrative expenses	(7.338)	(6.473)
OPERATING PROFIT (EBIT)	1.150	(547)
Financial income	94	70
Financial expenses	(1.285)	(1.665)
Net exchange differences	281	614
Net result of investments accounted for using the equity method	(30)	(40)
RESULT BEFORE TAXES (EBT)	210	(1.568)
Taxes	(188)	20
NET RESULT	22	(1.548)
- <i>Attributable to Group shareholders</i>	(37)	(1.595)
- <i>Attributable to minority shareholders</i>	59	47
RESULT PER SHARE - BASIC (in euro)	-	(0,15)
RESULT PER SHARE - DILUTED (in euro)	-	(0,15)
EBITDA	5.686	4.346

CONSOLIDATED STATEMENT OF CASH FLOWS

<i>Values in Euro thousand</i>	31/03/2022	31/03/2021
Net result	22	(1.548)
Adjustments (sub-total)	(6.544)	(173)
Depreciation, impairment & write-off	4.537	4.893
Stock Grants reserve	304	-
Net change in deferred tax assets and liabilities	(159)	(1.079)
Change in employee benefits	(62)	(41)
Change in inventories	(23.262)	(13.424)
Change in trade receivables	10.199	(3.325)
Change in trade payables and advances	3.675	11.054
Net change in other receivables/payables and other assets/liabilities	(1.806)	1.709
Net result of investments accounted for using the equity method	30	40
Cash Flows from (used in) operating activities	(6.522)	(1.721)
Cash flow from investments		
Acquisition of tangible fixed assets (*)	(566)	(1.094)
Acquisition of intangible fixed assets	(533)	(148)
Capitalization of development costs	(419)	(707)
Net disposal of fixed assets (**)	891	-
Cash Flows from (used in) investing activities	(627)	(1.949)
Cash flow from financing activities		
Change in other financial assets/liabilities and other minor items	(43)	184
Increases in loans and borrowings (including bank overdrafts and Credit lines)	30.042	2.012
Repayment of loans and borrowings (including bank overdrafts and Credit lines)	(20.856)	(3.711)
Repayments in financial lease liabilities	(1.683)	(1.717)
Treasury stock reserve	(291)	-
Cash Flows from (used in) financing activities	7.169	(3.232)
Cash Flows from (used in) change of minority shareholders	-	-
Foreign exchange translation differences	898	2.253
Net change in cash and equivalents	918	(4.649)
Cash and equivalents beginning of period	67.267	62.999
Cash and equivalents end of period	68.185	58.350

Additional Information to the Consolidated Statement of Cash-Flow	31/03/2022	31/03/2021
<i>Values in euro thousand</i>		
Taxes paid	599	231
Interests paid	483	542

(*) Not included leases

(**) Included assets held for sale