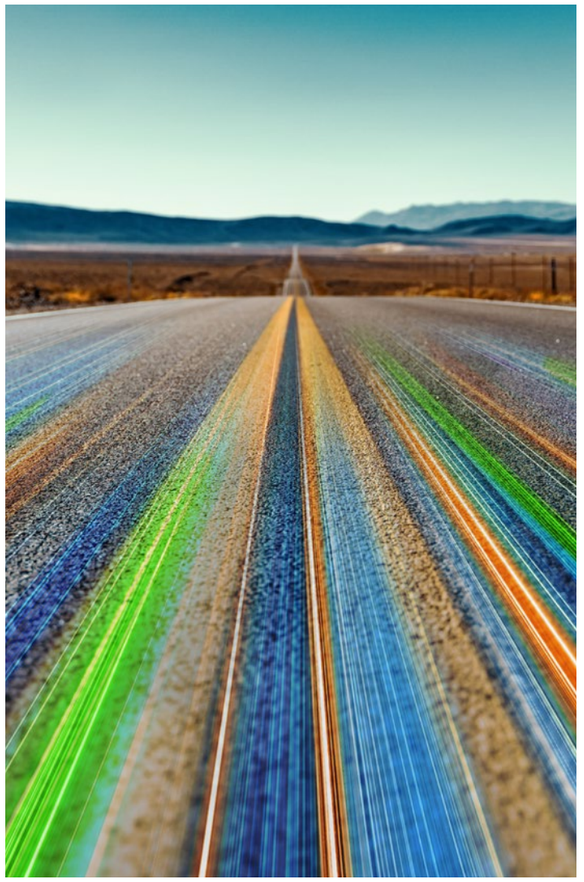
PRIMA INDUSTRIE

2020

FACTS & FIGURES

ready to go, ALWAYS



In 2020, we have done much more than face a sudden and disruptive crisis; we have also gone through a transition, a journey towards a new reality.

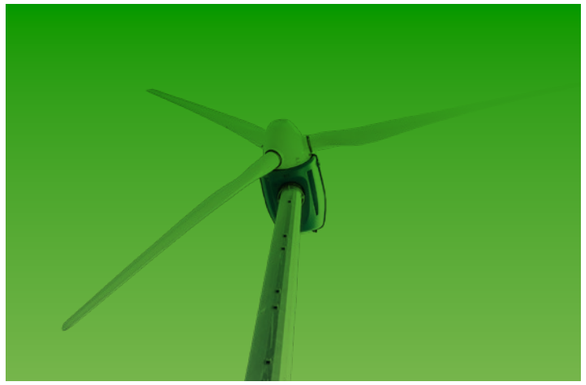
Our mission has not changed since we started 44 years ago, but what lies on the horizon for us and the technologies at our disposal have unquestionably evolved. Without a doubt, the pandemic has accelerated this transformation.

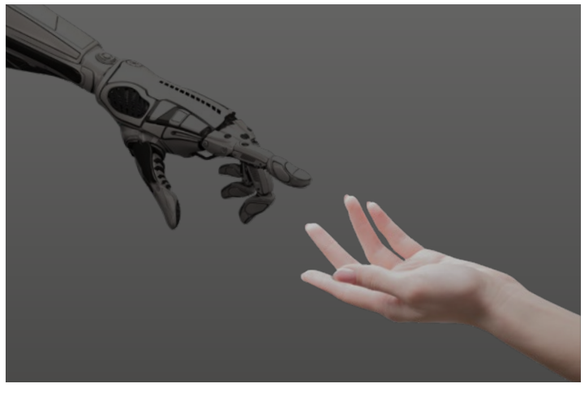
We were prepared for this transition, and we are ready for the next steps. Our strength derives from resilient businesses and customers, passionate and dynamic people, innovative, sustainable and highly digitized technologies, machines, and plants.

Our journey this year can be described as the synthesis of seemingly divergent worlds: solidity & flexibility, progress & sustainability, global & local, physical & digital.
We have dedicated a chapter of this volume to each of these pairs, which combine the best of opposites.

Be part of our journey.

table of contents.





Message to the stakeholders

Gianfranco Carbonato visits the new Collegno plant, which will open in Summer 2021

Ladies and gentlemen,

Our world and our normal life have been overwhelmed by COVID-19 pandemic for now over a year. The top priority during the past year was to preserve the health of our people, our most significant asset, through a rigorous system to secure the workplace and encourage, wherever possible, smart working. We have learned that sustainability is not possible without resilience, that is the ability to resist and adapt to a status quo that has shifted.

Prima Industrie proved to be resilient thanks to an intrinsic feature: customers, as well as production facilities, in different geographical areas; this is extremely important because the dynamics of the crisis in each area are different and so are the actions we've taken to cope with them. In addition, the diversification of the industrial markets of our products represents an important resilience factor since the impact of the crisis has not affected all of the markets in the same way; for example, as opposed to a very strong and sudden decrease in demand from sectors such as civil aeronautics or the already suffering automotive sector, the Group was able to serve segments such as, for example, HVAC, the space economy and the medical sector, which have considerably grown in demand due to underlying macro trends in strong development.

Finally, it should be noted that almost 30% of the Group revenues come from after-sale services towards our wide installed base in 80 countries worldwide. Such activity is less influenced by the economic cycle and, even during the emergency, has shown a limited downturn of about 10% compared to the stronger contraction of the market for new installations. Furthermore, the Group, facing the serious crisis of recent months, seized the opportunity to conceive of a sustainability concept, a new tool, a new operating model, valid now and in the future. In fact, while travelling for people has become complicated or, in many cases, even impossible, the Group invested in technology to make some processes

virtual that previously depended on the physical mobility of people and skills. Through streaming and virtual reality systems, we have connected our employees with customers, making it possible to remotely install and service our machines, despite their technological complexity. Several training sessions were conducted "from a distance" enabling our employees and our distributors, locally present around the world, to operate. Lastly, Prima Industrie launched a streaming platform called "Prima@Home," through which virtual webinars and open houses are opened to customers that have eliminated the need to travel to Group showrooms.

In the difficult and unusual context characterising the year that has just ended, the Group reported revenues down by 22% to 333.0 million euro at 31/12/2020 and EBITDA down by 29% to 27.2 million euro (8.2% of revenues). EBIT was negative at 5.3 million euro, also due the net impairment of 8.5 million euro made on the capitalised costs of Research and Development in the Laser BU and caused by the technological evolution of the sector, the increased price competition, and the limited volumes. The net result is therefore negative for a total of 7.4 million euro, after recording many years of profit. However, we wish to underline that, excluding the previously mentioned impairment and other non-recurring costs, the net result would still have been positive at 4.3 million euro. This was possible thanks to a strong cost-saving action, partly because of the pandemic (blocked travel and limitation of exhibitions) and partly through the actions, mostly temporary and partly voluntary, to reduce labour costs. From a financial point of view, despite the additional credit lines obtained at the beginning of the pandemic as a precaution, the Group paid specific attention to the management of working capital and, consequently, reduced the net financial exposure by approximately 11 million euro to 96.3 million euro, a value including 35.7 million euro of IFRS 16 impact. The year closed with a reasonably good order backlog of 124.7 million euro (not including, as usual, after-sale activities). This was also thanks to a recovery of order intake in the last months of the year, allowing us to look forward with confidence to the near future.

As usual the Group, even in difficult market contingencies, continued to invest a 5.7% share of turnover in Research & Development, specifically in the Automation and Software fields, which are crucial to our competitiveness and success.

"We have always continued investing in the future of the Company and all its stakeholders"

Finally, I would like to point out that we continued to invest in the future of the Company and all its stakeholders by realising, in recent years, modern and energy efficient production sites in China, Finland and the US. Prima Industrie is also completing the construction of its new Headquarters in Collegno (Torino), where the new production plant should be completed by Summer 2021. The building is equipped with the most modern technologies for energy saving thanks to photovoltaic and solar panels and a geothermal system. The lighting is managed by a home automation system to reduce waste while the parking lot is equipped with charging towers for electric or hybrid vehicles.

This year, we expect a partial recovery of the market, in line with the external forecasts and an improvement in the economy, influenced by the pandemic's improvement. The launch of new products, together with the first signs of recovery in the market, allows us to foresee a significant growth in revenues. In terms of margins, we also expect a significant improvement resulting from strong cost-cutting actions and from the growing digitalisation of all business processes.

As always, we'd like to thank all our employees, partners, customers, shareholders and stakeholders for having contributed to the realisation of our targets, even in this highly unstable context and we hope to treasure what we have learned to ensure a new phase of development for the Company and a better world for present and future generations.

Executive Chairman

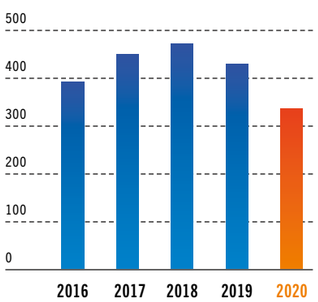
Gianfranco Carbonato

financial highlights.

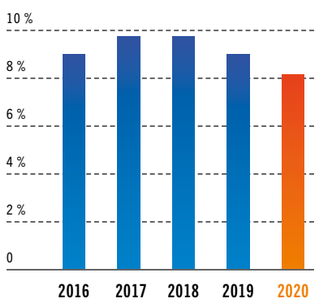
Year ended December 31st, (Euro thousand except per share data)	2020	2019	2018	2017	2016
PROFIT & LOSS STATEMENT					
Net Sales	332,963	427,582	466,932	449,503	393,886
Gross Operating Margin (EBITDA)	27,185	38,432	45,059	43,178	35,409
Operating Result (EBIT)	- 5,258	14,391	28,041	26,269	18,528
Result Before Taxes (EBT)	- 10,560	10,456	26,621	21,852	11,347
NET RESULT FOR THE YEAR	- 7,414	8,818	24,058	18,668	10,160
Minority Interests	- 213	(228)	2	153	58
NET RESULT FOR THE YEAR-GROUP	- 7.201	9,046	24,056	18,515	10,102
BALANCE SHEET					
Fixed Assets (net)	214,649	229,638	210,569	198,047	204,027
Working Capital (net)	44,089	52,818	42,842	20,538	19,140
Shareholders' Equity & Minority Interests	162,464	175,113	169,772	148,953	138,952
Financial Position (net)	* 96,274	* 107,343	74,639	69,632	84,215
PER SHARE DATA					
Numbers of outstanding shares	10,483,274	10,483,274	10,483,274	10,483,274	10,483,274
Net result per share	- 0.69	0.86	2.30	1.77	0.96
Book value per share	15.50	16.70	16.19	14.21	13.25
Dividend per share	-	-	0.44	0.40	0.30
OTHER KEY INFORMATION					
Research & Development Expenses	18,995	23,064	23,843	23,401	22,917
Year-end Order Backlog	124,722	142,332	169,367	169,865	143,400
Number of Employees	1,735	1,781	1,871	1,781	1,664

* The amount includes IFRS16 effect

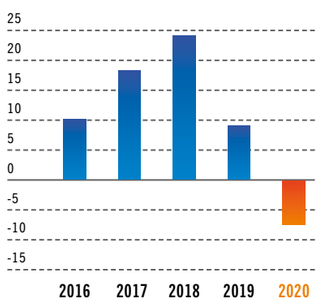
REVENUES (Euro million)



EBITDA MARGIN (On revenues)



NET RESULT (Euro million)



Pioneers, since 1977

Prima Industrie is a world class manufacturer of laser and sheet metal working machinery, industrial laser sources and electronics, and additive manufacturing systems.

Established in Italy in 1977, where its headquarters are based, Prima Industrie is listed on the Milan stock exchange.

Our Group is based on strong experience in the sector and a solid financial structure. It is extremely diversified in terms of geography, product range, and sectors served.

YEARS 44	YEARS LISTED 22
PEOPLE 1735	BUSINESS UNITS 4
REVENUES (€M) 333	INVESTED IN R&D 5%+
PLANTS 8	R&D CENTERS 8
COUNTRIES 80+	INSTALLED SYSTEMS 14k

REVENUES BY GEOGRAPHY

AMER 30%
- USA | **24%**
- Other AMER | **6%**

EMEA 57%
- Italy | **15%**
- North & Baltic | **9%**
- Eastern Europe & Russia | **8%**
- D-A-CH | **7%**
- Spain & Portugal | **4%**
- Other EMEA | **14%**

APAC 13%
- China | **8%**
- Other APAC | **5%**

REVENUES BY TECHNOLOGY

- Laser Sources & Electronics: **6%**
- After Sale & Miscellaneous: **30%**
- Punching / Bending Machines & Systems: **30%**
- Laser Machines: **34%**

MACHINE REVENUES BY INDUSTRY

- Steel Furniture & Panels: **13%**
- Building & Housing Equipment: **25%**
- Automotive: **13%**
- Machinery: **11%**
- Subcontractors: **21%**
- White Goods & Commercial Equipment: **4%**
- Healthcare, Medical & Others: **4%**
- Aerospace & Energy: **9%**

A high tech sculpture celebrates our belief in a sustainable restart

As the acronym of the name Prima well explains (PRogress In Manufacturing Automation), our mission has always been to support our customers with solutions for the efficient automation of their production. Our belief in the power of passion, innovation, sustainability, and customer centrality has always driven our choices and is at the base of our vision of the future.
We have encapsulated our belief in a new, better and more sustainable start in a symbolic high-tech sculpture made using only our technologies: 2D and 3D laser cutting, bending, punching, marking, and additive manufacturing.

Four Business Units, One stop supplier

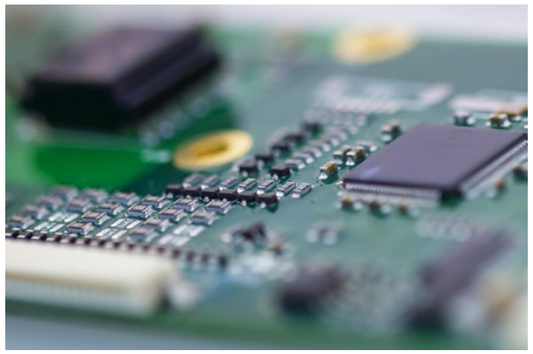
Prima Industrie is made up of four Business Units, specialized in different technologies but with many connections and intersections. This allows us, for example, to have control of the main components of our machinery, as they are produced by the various BUs of the group, a real advantage for us and for our customers, even more so in a period in which complex supply chains can be a critical issue.

Watch our video manifesto and discover why and how we make what we make

Prima Power

Laser and sheet metal working machinery

We are a leader in laser and sheet metal fabrication machines with a strong know-how in mechatronics, opto-electronics, automation, and software.
Our product range is one of the widest in the industry: 2D and 3D laser machines, punching and combined punch/laser and punch/shear machines, press brakes, panel benders, and Flexible Manufacturing Systems.



Prima Electro

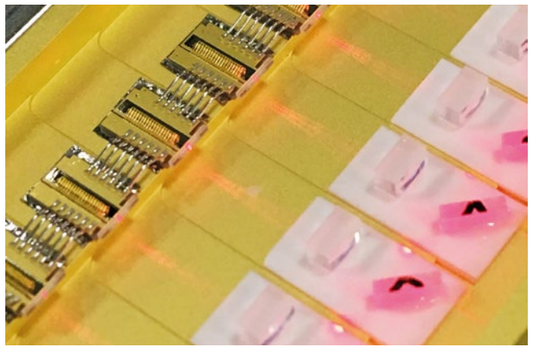
Embedded industrial electronics

We are a contract electronics manufacturer that industrialises customers' product ideas offering a turnkey solution for different applications.
Thanks to vertical integration, full service design and production capabilities, our technologies mainly apply to the Industrial Automation, GMC, Optoelectronics, Transportation and Energy sectors.

Prima Additive

Turn-key solutions for metal AM

We are a dynamic business unit that develops, manufactures, and sells industrial metal additive manufacturing systems around the world. Our solutions cover the two main laser-based AM technologies (Powder Bed Fusion and Laser Metal Deposition) and include all customised services, and the latest Industry 4.0 and Circular Economy developments.



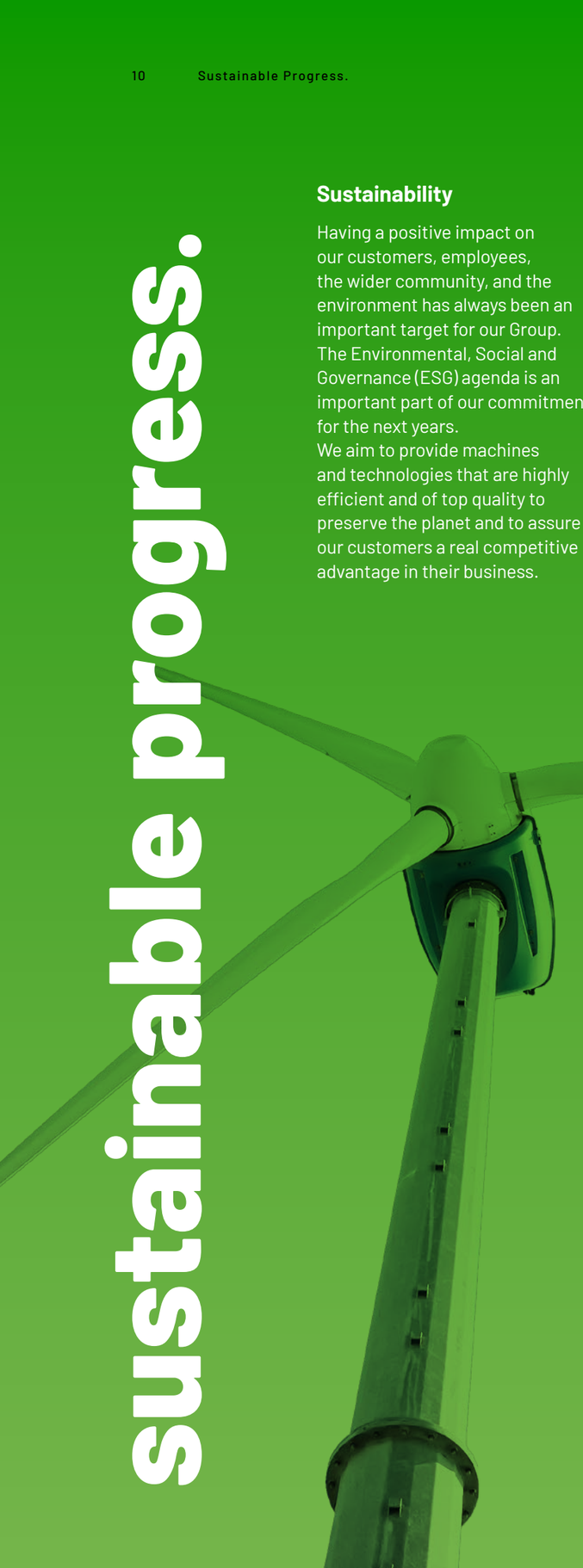
convergent

Laser sources for industrial and medical applications

Taking advantage of our broad applications knowledge (thousands of high power lasers worldwide over the last 25 years) we develop cost effective solutions with our OEM Partners tailored to their application. We work closely with our Customers, taking a partnered approach, which begins with the collaboration on laser design and ends with support for their application efforts.

Facts & Figures 2020

sustainable progress.



Sustainability

Having a positive impact on our customers, employees, the wider community, and the environment has always been an important target for our Group. The Environmental, Social and Governance (ESG) agenda is an important part of our commitment for the next years.
We aim to provide machines and technologies that are highly efficient and of top quality to preserve the planet and to assure our customers a real competitive advantage in their business.

Our punching machines are employed in numerous applications for the HVAC industry

We believe that people make the difference and are essential for our future. We pay particular attention to diversity, a precious asset for an international group like ours, talent growth and retention, knowledge sharing, fostering a positive working environment, listening to everyone's ideas and suggestions, and supporting the continuous evolution of our people.

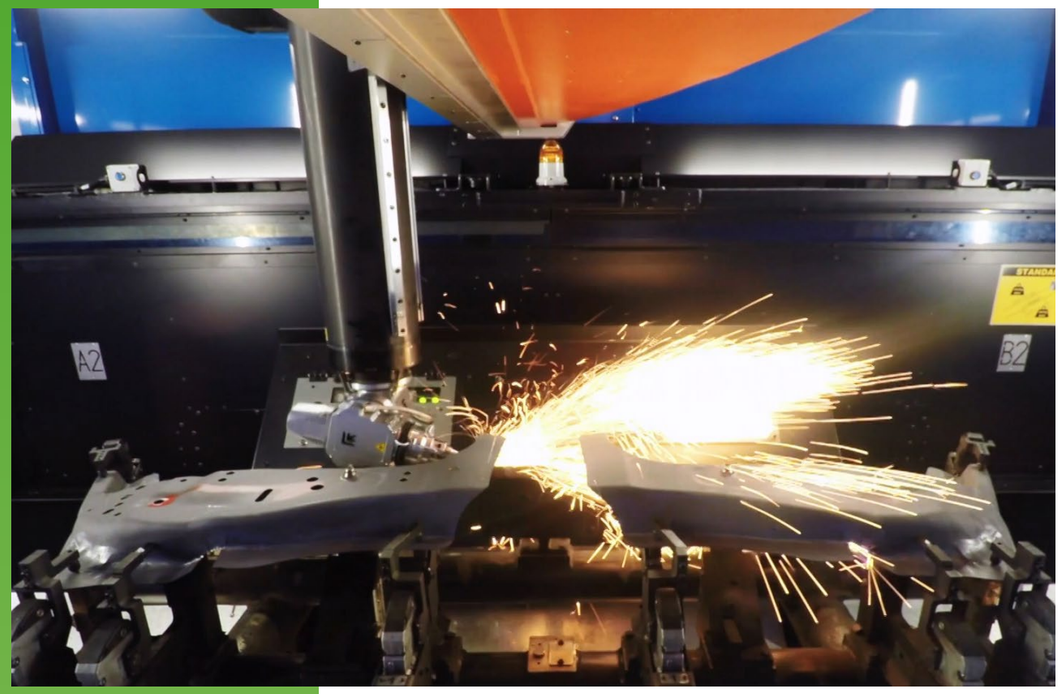
Turbine vanes are repaired with Prima Additive technology

Our customers around the globe use our solutions to manufacture sustainable products

Green Means

- **Having climate change concerns among main innovation drivers**
- **Providing eco-friendly products that reduce consumptions and emissions**
- **Designing for a positive and healthy user experience**
- **Investing in modern and sustainable facilities**

Prima Power 3D laser machines are widely used to process components of electric vehicles



Facts & Figures 2020

Growing with megatrends

Some of the megatrends that were already in place have been boosted by the global crisis of 2020 and are set to influence our future.

The automation of production processes, sector in which Prima Industrie operates, has undergone further impetus from deglobalization and re-shoring, already started following the commercial tensions of past years and today further enhanced by the pandemic.

Other key megatrends driving global economic growth affect the industries we serve with our products and thus will indirectly influence and accelerate our business.

green & circular economy.

A pillar of the green economy, the Circular Economy aims at combining the development with the saving of natural resources, overcoming the paradigm of the traditional linear economy.

Main applications of our products include repairing of parts (e.g. aerospace turbine vanes) and the manufacturing of spare parts using Additive Manufacturing.

space economy.

While the civil aviation market suffered its worst crisis in 2020, defense aerospace and space economy instead appear to be resilient to the crisis. The New Space Economy is one of the most promising economic sector and geopolitical megatrend of the coming decades.

Main applications of our products: processing of components for space rockets and satellite launchers.

e-mobility.

The global transition to safer, cleaner, more efficient, and inclusive transportation systems is sharply accelerating and electrification, particularly in road and rail transport, is one of the main drivers of this evolution.

Main applications of our products: 3D laser cutting of hot stamped parts, cutting and welding of battery housings for electric cars.

smart cities.

Cities are already home to more than 50% of the world's population, and it is estimated that by 2050 this number will rise to two-thirds. This will provide an increasing request for public and private infrastructure, with a particular focus on energy efficiency, green building, digitalization, and electrification. The global warming and the pandemic have further confirmed the need for cities to be made more resilient, sustainable, and liveable through smart technology.

Main applications of our products include the processing of components for elevators & escalators, steel doors & frames, white goods, HVAC, metal furniture, trains and buses parts, construction equipment.

health & wellbeing.

The ageing of the world's population has led to an increase in investments in the health and wellness sector. In addition, the research, production and storage of Covid vaccines have assumed a central role on a global level.

Main applications for our products include: metal walls and equipment for hospitals and labs, refrigerators for storing vaccines, totem for temperature measurement and for hand sanitization, dental prostheses, spinal implants, medical laser for general surgery, as well as sport equipment.

At the intersection of global and local dynamics

Our business model is based on a fine-tuned balance between globalisation and localisation. The need for this glocal strategy in 2020 has been further accelerated by the pandemic, which has made the vicinity of the supplier's activities a big plus for any customer.

For this reason in March 2021 a new organisational model providing a strong technological and regional connotation, a simplification of the structure and greater decentralisation of activities was implemented. While continuing to leverage our international strength and experience, the empowerment of our local presence improves connection with our customers, responsiveness, flexibility, and local sensitivity.

Our new organisation is structured in four regional units – SEMEA, North Europe, Americas, and APAC – including one or more Product Units, with all operations functions, R&D Centre, sales and service, and a main Tech Centre.

These units are supported by central functions such as After Sales, Global Purchasing, Software and Product Management, Quality and HQ functions (Finance, HR, ICT, Marketing).

To guarantee a real proximity to the customer, the sales and after-sales activities are managed through a wide network of branches and distributors, supported, even remotely, by PU organisations.

1 SEMEA

- **1** Headquarters
- **4** Plants
- **2** Tech Centers
- **9** Subsidiaries and Branches

2 NORTH EU

- **1** Plant
- **2** Tech Centers
- **8** Subsidiaries and Branches

3 AMER

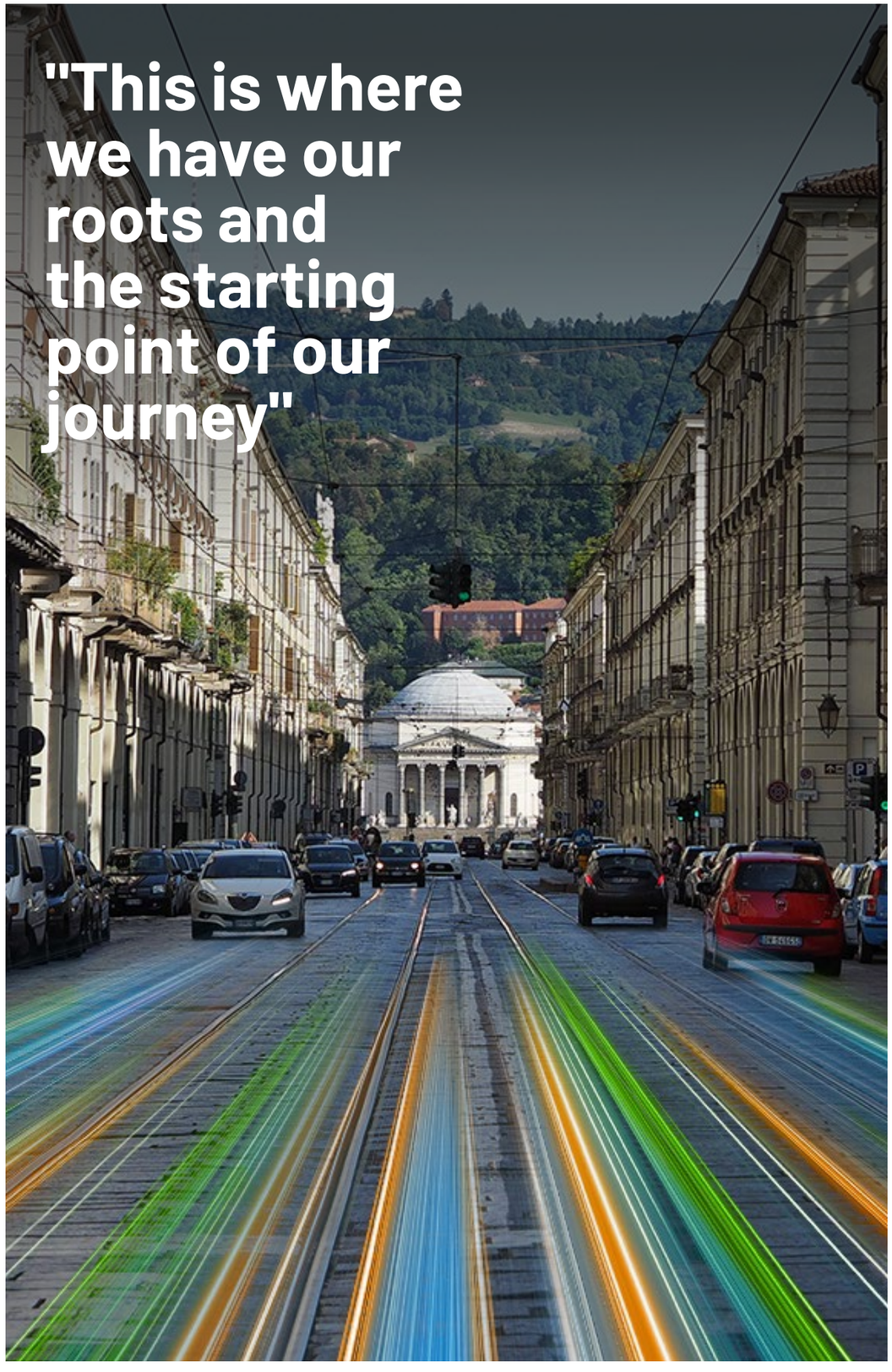
- **2** Plants
- **2** Tech Centers
- **4** Subsidiaries and Branches

4 APAC

- **1** Plant
- **1** Tech Center
- **5** Subsidiaries and Branches

	Total Employees	After Sales Employees	Plants & Offices (m²)
(SEMEA)	913*	216	42k
(NORTH EU)	470	136	25k
(AMER)	245	110	20k
(APAC)	107	39	12k

* Includes HQ Staff



SEMEA

Group Headquarters, Tech Centre, Advanced Laser Centre, and new Manufacturing Plant in Collegno, Turin - Italy

Innovation based on laser and servo-electric technologies

The Prima Industrie Group was established in 1977 in Italy and this is the site of our Headquarters and largest manufacturing footprint.

The plant in Collegno (TO) is dedicated to the design and manufacturing of Prima Power laser machines for the cutting and welding of flat and three-dimensional sheet metal parts, and Prima Additive solutions for metal PBF and DED additive manufacturing. Electronic components, and laser sources are respectively produced in Moncalieri and Barone Canavese (TO). The Diode Fab allows the manufacturing of single and multi-emitter high power laser diodes in Prima Electro's internal processes. The plant in Cologna Veneta (VR) designs and manufactures Prima Power accurate, efficient, and sustainable servo-electric press brakes, panel benders, bending centers and includes a Tech Centre for bending applications.

In June 2021, the construction of the new, large, modern, and sustainable manufacturing plant in Collegno will be completed and production will be moved to the new site. The new plant is in the same area and connected to the Headquarters and Tech Centre (opened in 2016) and the Advanced Laser Centre (inaugurated in 2019), and grants higher manufacturing efficiency and capacity, and a better working environment.

Prima Power main Tech Centre in Collegno

Prima Electro Diode Fab in Turin - Italy

The newest product completely designed and built in the Collegno plant is Laser Genius+, the innovative machine setting new standards of accuracy, reliability and performance in 2D laser cutting.
A ground-breaking fibre laser head, a unique layout, and smart software solutions using the latest AI technologies are some of its plus points.

The latest addition to the 3D laser machine line-up is Laser Next Evo, a further improvement to the highly productive and reliable solution for the cutting of automotive parts.

In 2020, the Prima Additive product range was enriched with the new Print 150 series for PBF applications including a model that uses a green laser for copper materials.

Unique experience in photonics and laser machines

Fully servo-electric bending product range

Additive Manufacturing for new business models

The 150 family is Industry 4.0 ready and allows the integration of monitoring sensors and connectivity via different IoT standards, including Siemens' MindSphere ecosystem.

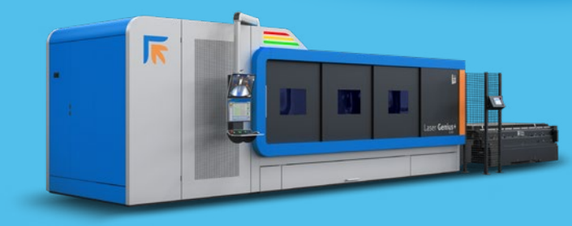
New goals have also been achieved in bending automation and robotization, with the Integrated Robotized Bending Cell, and the eP Genius with automatic tool change storage. The bending product range includes also the hP line of eco-hydraulic press brakes dedicated to the high tonnage market, in collaboration with Gasparini Industries.

In 2020 Prima Electro developed new proximity sensors for social distancing, creating safe working spaces during Covid-19, and an innovative high frequency sampling data acquisition system for industrial machines subject to vibrations.

"Product innovation is not just about creativity, it is also about the methods used, commitment and resilience. These are the same qualities that make our customers successful in difficult times."

Our presence

- ★ Group/Regional HQ
- ▲ Plant
- ■ Tech Centre
- ● Subsidiary/Branch



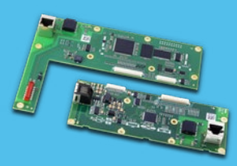
2D laser machines | The new Laser Genius+

3D laser machines

Servo-electric press brakes

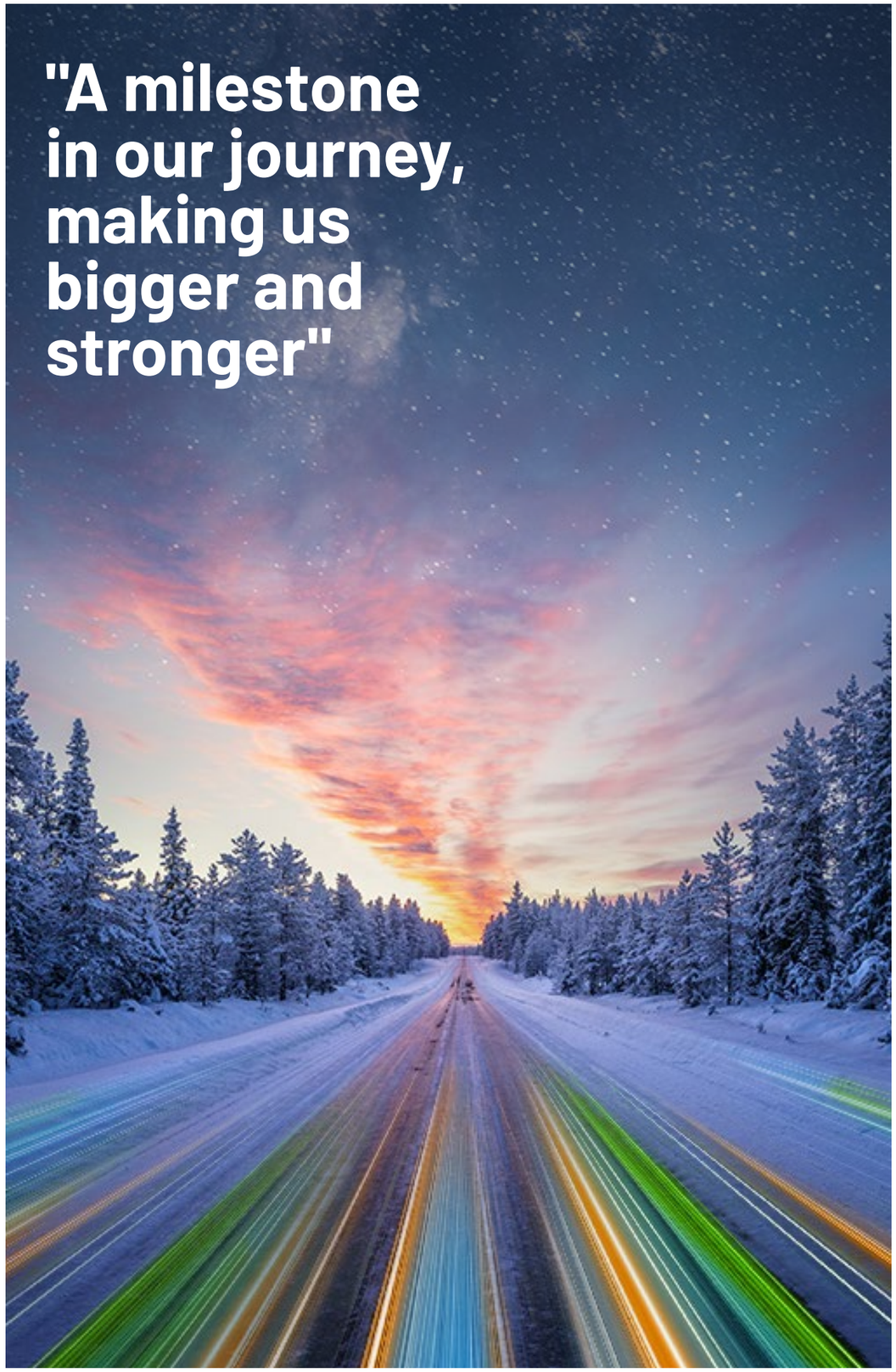
Servo-electric panel benders

Additive manufacturing



Embedded electronics

Laser sources



Northern Europe

Regional Headequarters, Tech Centre, and Manufacturing Plant in Seinäjoki - Finland

Automation and sustainability at the centre

Our presence in the Northern European market is very strong and has its main focus point in Seinäjoki, in Western Finland, where the Finn-Power Oy plant is located. It allows for the manufacturing of the Prima Power families of punching and combined shear or laser machines, flexible manufacturing systems, storages and automation.

The Seinäjoki plant is brand new (it opened in 2019, previously it was situated in Kauhava) and is built with the most modern building criteria.

The 20,000 m^2 premises include factory, offices, R&D Centre and Tech Centre. The plant, equipped with modern and sustainable technologies, is designed to maximise production space and improve internal logistics, and has a suitable height also for the tallest storage systems.

Tech Centre in Seinäjoki - Finland

Manufacturing Plant in Seinäjoki - Finland

All machines manufactured in Seinäjoki are fully servo-electric and combine high productivity with sustainability, following the Green Means® philosophy of Prima Power.

The highly effective combination of technologies and production stages in a single machine (punch+shear or punch+laser) or manufacturing line (PSBB or LPBB) is another distinctive feature, together with the automation level of the solution offered, which automate the material and information systems of a facility. In 2020 we have celebrated the 30th anniversary of our FMS.

Pioneers in servo-electric technology

Unique experience in technology integration

Leaders in the automation of the production flow

Recent introduction in the product families manufactured in this plant are Shear Genius EVO, the new version of the combined punch-shear system for rectangular parts and panels allowing higher and more sustainable productivity, and the flexible storage system Combo Tower Laser 2040.

"We are always happy to welcome visitors to our Tech Centre in Seinäjoki, where they can experience our technology firsthand in a safe environment."

Our presence

- ★ Group/Regional HQ
- ▲ Plant
- ■ Tech Centre
- ● Subsidiary/Branch

Combined machines with punch and shear | The new Shear Genius EVO

Combined machines with punch and laser

Automations and storages

Punching machines

Manufacturing systems

Americas

Regional Headquarters, Tech Centre and Manufacturing Plant in Minneapolis, Minnesota - United States

Mastery in precision laser technology and photonics

The Unites States is the top market for our group in terms of revenues, and in 2020 a decrease in sales was less substantial than in the other regions.

Due to the pandemic in 2020, the US registered the first GDP contraction since the 2009 economic crisis. However, sustained growth is expected for 2021, which is obviously tied to the success of its vaccination campaign. Prima has two plants in this area - Prima Power Laserdyne in Minneapolis (MN) and Convergent Photonics in Chicopee (MA) - which are respectively in charge of manufacturing, R&D, marketing and servicing of the Prima Power Laserdyne high-precision laser processing systems along with the Prima Additive DED systems, and Convergent high power laser generators for industrial applications. A new, larger and more efficient Laserdyne plant was opened in June 2020.

The Prima Power North America branch in Chicago is dedicated to customers in this region in terms of sales and after-sale activities and hosts a large Tech Centre.

Prima Power Tech Centre in Chicago, Illinois - United States

Facts & Figures 2020

Drilling application with a Laserdyne system

Laserdyne is a worldwide brand leader in the Aerospace and precision laser processing markets and customers around the globe rely on our unique expertise and advanced material knowledge. In June 2020 the new Laserdyne 811 system premiered, a highly versatile laser processing platform available in three versions responding to the specific needs of aerospace, automotive and general manufacturing, or additive applications.

Based on 2kW Fiber Laser Modules, the CF10000 laser source can cut a wide range of materials and thicknesses, delivering the best performance in cutting, welding, heat treating applications.

NAZARIY KHOMICHUK
Manufacturing

Extensive experience in high-power industrial laser sources

A wide range of energy efficient generators

Unrivalled know-how in aerospace and energy industry

The efficiency of Convergent Photonics fibre laser sources is maximised thanks to the new diodes that were developed in Turin having higher precision and a 976 nm wavelength, more favourable to the absorption of active fibre doped with ytterbium.

Emission features, in terms of brilliance, maximum power and 976 nm emission spectrum, make Lyrae βL-250 best in class in diode laser sources market.

"We are dedicated to producing exceptionally reliable, high-powered lasers that require low maintenance operation and provide superior performance. With our flexible solutions, we can meet any type of application need."

Our presence

- ★ Group/Regional HQ
- ▲ Plant
- ■ Tech Centre
- ● Subsidiary/Branch

Additive manufacturing, LMD |
The new Laserdyne 811

Fibre, Hybrid and CO_2 laser sources

High precision laser machines
for welding, drilling, cutting

Asia Pacific

Regional Headquarters, Tech Centre and Manufacturing Plant in Suzhou, Jiangsu - China

Products dedicated to the needs of the local markets

APAC is a first-rate strategic region for our sector, representing approximately 55% of the global sheet metal machinery market. This region experienced a severe recession in 2020 due to the COVID-19 pandemic, but a strong economic recovery is forecasted for 2021, mainly underpinned by the rapid economic growth expected in China. Our growth in this region is one of our main goals for the next years.

We have a long-standing presence in China. After coverage in the territory made mainly of joint ventures and partnerships, in 2015 we opened our own factory located in Suzhou (in the province of Jiangsu).

This Product Unit oversees the medium range of laser, punching and combined machines for the local market and hosts a large Tech Centre destined to welcome customers of this region. Sales and after-sales activities are managed through a branch in Beijing and some branches in the most influential Asia-Pacific countries.

Coverage of the Chinese market is strengthened by the partnership with the Hong Kong Company Leeport, which takes care of sales and services in the south of China, and by participation in the Chinese Company Lead Laser, which with its manufacturing plants in Kunshan, Cangzhou and Wuhan, is one of the leading brands in Chinese 2D lasers market.

Prima Power Tech Centre in Suzhou, around 100 km from Shanghai, Jiangsu

Prima Manufacturing Plant in Suzhou, Jiangsu - China

A recent addition to the local production is the new 3D laser machine Rapido+, the cost-effective solution for the cutting of automotive parts dedicated to the APAC market, realised thanks to the effective teamwork between the Collegno and Suzhou plants together with our local partner, Lead Laser.

In April 2021 our Suzhou Tech Centre will host visitors for an in-person event dedicated to the launch of Rapido+.

This is an important sign of the recovery underway in this region.

Long standing presence in the APAC region

Production of cost effective quality solutions for the local market

Important partnerships with local manufacturers

The other products manufactured, distributed, and serviced by Suzhou plant are the 2D high power fiber laser machine Laser Sharp, the servo-electric punching machine Punch Sharp, and the servo-electric combined punch/laser system Combi Sharp.

"We never compromise on quality when pursuing the full and continuous satisfaction of our customers. Quality is our top commitment and I am proud to be involved in this process."

Our presence

- ★ Group/Regional HQ
- ▲ Plant
- ■ Tech Centre
- ● Subsidiary/Branch

3D laser machines | The new Rapido+

2D laser machines

Punching machines

Combined machines

Facts & Figures 2020

The so-called "phygital" paradigm, which reflects the contamination between the physical and digital, has been strongly pushed by the pandemic. Social distances and the drastic downsizing of travel have imposed new ways of interacting and connecting. The use of technology has allowed us to build a bridge between the physical and digital world in many areas of our business.

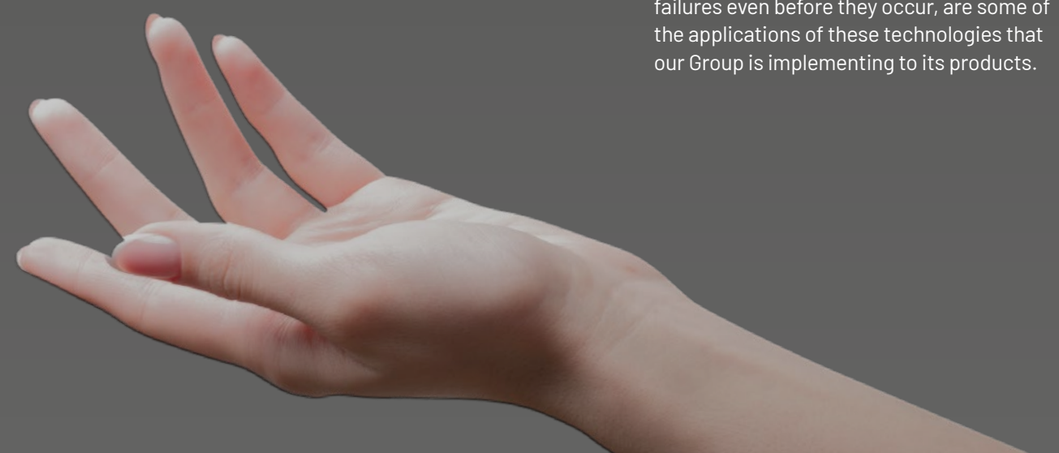
Digitalization

The digitalisation of our internal and external processes is considered pivotal for our growth and strong investments back this goal. Digitalisation has already transformed the manufacturing world and we have been among the pioneers in the application of digital technologies to machine tools. For years, our products have been Industry 4.0 Inside: intelligent and interconnected, they improve productivity, efficiency, processing quality and allow remote monitoring and management of production thanks to connectivity, sensors, Internet of Things, and Big Data.

In the industry, predictive diagnostics is a key innovation aimed at ensuring all assets operate smoothly for as long as possible while minimally using resources.

In 2020, Prima Electro developed a high frequency sampling data acquisition system to be installed on industrial machines that are subject to vibrations.

The new frontier for manufacturing is the implementation of Artificial Intelligence and Machine Learning on production machines. Process control, quality control of finished products and predictive maintenance, which allows you to identify failures even before they occur, are some of the applications of these technologies that our Group is implementing to its products.



phygital.

Smart working

2020 was characterized by an intensive use of smart working, combined with in-person activities managed in maximum safety. Thanks to our modern infrastructure and technologies and careful management of resources, the collaboration and interaction between colleagues has been extremely effective despite this complex period. Through Newsletters, Webinars, and video messages, the connection among Prima People has remained open and active even despite the forced distancing.

The pandemic forced companies to re-think the staff presence in offices. Prima Electro designed proximity sensors for social distancing, playing a key role in ensuring a safe workplace across a number of different settings and fields.

Smart installations

Phygital tools have been crucial this year for the installation and commissioning of our systems around the world despite the restrictions on people's movement. These activities were effectively and efficiently performed by local branches, also thanks to the remote support of central specialists through remote collaboration applications based on IoT and AR.

Smart services

Service represents the 30% of our revenues. Highly specialized people and advanced digital technologies (i.e. Remote Troubleshooting, Augmented Reality, Predictive Maintenance) are key factors in a high tech field like ours and allow our customer to obtain fully connected, measured and automated processes for efficient smart manufacturing and Industry 4.0 models.

prima@home

The communication with our customers did not stop despite the challenges we faced this year. Taking advantage of online demos already implemented in the pre-covid period, our new Prima@Home streaming platform was launched. From May to December 2020, it hosted over 25 sessions of 15 virtual events with 4,000+ registered participants: product launches, technology webinars, standard and customized virtual demos.

Visit the Prima@Home website

We promptly reacted to changing conditions with a new streaming platform to keep all connections active

Prima@Home works also as an "on demand" streaming platform that offers a wide set of content that is always available to our customers. Although in smaller numbers and with less frequency, in 2020 we also welcomed visitors and small groups to our Tech Centres in total safety and participated in in-person fairs to have direct contact with our customers, which remains essential.

Every event and every channel has been exploited promptly and dynamically so that we can stay close to our customers, partners and stakeholders.

2020 Events

Physical Event

- **STEELFAB** | Jan 13 -16 | Sharjah, UAE
- **IMTEX** | Jan 23 - 28 | Bangalore, India
- **A&T** | Feb 12 - 14 | Turin, Italy
- **The Combi** | Feb 13 | Seinäjoki, Finland
- **MWCS** | Sep 15 - 19 | Shanghai, China
- **PP GmbH Open House** | Oct 07 - 09 | Munich, Germany
- **BIMU** | Oct 14 - 17 | Milan, Italy

Digital Event

- **Systems 30 Years Open House** | May 14
- **Prima Power and Prima Additive Open House** | May 28
- **Laserdyne New Facility Opening and 811 Launch** | Jun 25
- **Innovative Machines Italian Funding Bid Webinar** | Jul 16
- **Prima Power Suzhou Open House** | Jul 22
- **Doors & Frames Manufacturing Open House** | Sep 08
- **Laser Automation Productivity Webinar** | Sep 23
- **HVAC Manufacturing Webinar** | Oct 01
- **Prima Power Sweden Open House** | Oct 08
- **Bending Day** | Oct 14
- **EUROBLECH DIGITAL INNOVATION SUMMIT** | Oct 27 - 30
- **New Shear Genius Evo Launch** | Nov 05
- **FORMNEXT CONNECT** | Nov 10 - 13
- **Prima Power France Open House** | Nov 12
- **Punch Tooling Webinar** | Dec 03
- **Prima Power Benelux Open House** | Dec 10

Consolidated financial statements.

CONSOLIDATED FINANCIAL SHEET

Year ended December 31st, (Euro thousand except per share data)

	2020	2019	2018	2017	2016
FIXED ASSETS (NET)	**214,649**	**229,638**	**210,569**	**198,047**	**204,027**
Intangible assets	120,837	134,705	145,000	149,603	155,713
Tangible assets	64,281	69,180	36,749	35,628	35,281
Other fixed assets	29,531	25,753	19,820	12,816	13,033
NET WORKING CAPITAL	**44,089**	**52,818**	**42,842**	**20,538**	**19,140**
Inventories	118,689	127,818	135,863	113,035	98,561
Trade receivables (net of advances for Customers)	37,605	50,691	70,212	70,029	62,348
Other current assets	13,745	17,353	18,596	17,399	11,480
Trade payables	-69,390	-81,290	-115,141	-110,465	-88,448
Other liabilities	-49,456	-54,737	-59,118	-61,766	-56,701
Employees' severance indemnity	-7,104	-7,017	-7,570	-7,694	-8,100
FINANCIAL POSITIONS (NET)	**96,274**	**107,343**	**74,639**	**69,632**	**84,215**
Cash and banks	-62,999	-55,136	-71,078	-70,521	-62,680
Bank borrowings	78,107	87,675	100,767	83,993	88,850
Bond	25,540	25,497	25,455	40,600	40,531
Borrowing from other financial institutions	55,626	49,307	19,495	15,560	17,514
TOTAL CONSOLIDATED SHAREHOLDERS' EQUITY	**162,464**	**175,113**	**169,772**	**148,953**	**138,952**
Minority interests	2,844	3,132	3,334	1,285	1,212
Shareholders' equity - Group	159,620	171,981	166,438	147,668	137,740

CONSOLIDATED INCOME STATEMENTS

Year ended December 31st, (Euro thousand except per share data)

	2020	2019	2018	2017	2016
Revenues from sales of machines	243,948	327,480	370,914	351,158	302,124
Revenues from after sales	89,015	100,102	96,018	98,345	91,762
TOTAL REVENUES	**332,963**	**427,582**	**466,932**	**449,503**	**393,886**
EBITDA	**27,185**	**38,432**	**45,059**	**43,178**	**35,409**
Amortization, Depreciation & Impairment	-32,443	-24,041	-17,018	-16,882	-16,881
OPERATING RESULT (EBIT)	**-5,258**	**14,391**	**28,041**	**26,296**	**18,528**
Financial income & expenses	-5,307	-6,517	-8,653	-7,000	-8,230
Adjustment to financial assets	5	2,582	7,233	2,556	1,049
RESULT BEFORE INCOME TAXES (EBT)	**-10,560**	**10,456**	**26,621**	**21,852**	**11,347**
Income taxes	3,146	-1,638	-2,563	-3,184	-1,187
NET RESULT FOR THE YEAR	**-7,414**	**8,818**	**24,058**	**18,668**	**10,160**
Minority interests	-213	228	2	153	58
Net result for the year - Group	-7,201	9,046	24,056	18,515	10,102
EARNINGS PER SHARE	**-0,69**	**0,86**	**2,30**	**1,77**	**0,96**

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