

Revenues of the 2nd quarter 2021: growth acceleration reaching +54% driven by the recovery and the relevance of strategic orientations

Strong revenue increase with two divisions driving growth

Prodways Group achieved consolidated revenues of over €17 million, up 54%. This performance is the combined result of:

- A favourable base effect,
- An acceleration of the pace of the recovery in our sectors,
- And an outperformance of activities in which Prodways has strengthened its position in recent years.

(in € millions)	2 nd quarter			1st semester		
	Q2 2020	Q2 2021	Change ¹ (%)	H1 2020	H1 2021	Change ¹ (%)
Systems	7.0	11.1	+60%	16.8	21.6	+28%
Products	4.2	6.4	+51%	9.9	12.6	+27%
Structure & intra-group eliminations	0.2	0.0	n.s.	0.1	0.0	n.s.
Consolidated revenues	11.4	17.5	+54%	26.8	34.1	+27%

¹ Organic change is equal to change at current scope

Systems Division: a record 2nd quarter with +60% growth

The **Systems** division - which includes 3D software, 3D printers and related materials and services - is exceeding its 2019 revenue level by +4% and achieving both **the best 2nd quarter and the best 1st semester in its history**.

This performance is even more positive as it takes place in **a context of partial economic recovery** and where **international travel is still restricted**, delaying investment decisions by industrial customers. Thus, machine sales, up sharply by more than 100% this quarter, are gradually recovering. In addition, **the growth trajectory of the Materials and Software activities is well underway and accelerated during the second quarter**. These two activities had already demonstrated their resilience last year thanks to the recurring profile of their revenues. They posted **a total growth of more than 40%** this quarter compared to last year and thus generated **record high revenues**. This performance is a direct result of their **attractive strategic positioning and competitive advantages developed in the past few years**:

- In 2020, Prodways strengthened its **Software business** by expanding its offering to include Dassault Systèmes' 3DEXperience platform. The group is now positioned as **one of the leaders in 3D modelling software integration in France**, relying on three pillars: diversification of areas of expertise, industrial sectors, and an attractive positioning on Cloud solutions.
- Prodways had increased its production capacity of **Materials** in 2020 to meet growing demand, which is materializing in 2021. Building on its expertise in medical applications certification and the intensive use of the installed base of Prodways machines, **the sales momentum is accelerating** thanks to new customers and strengthening relations with existing partners. Thus, in the second quarter, **Straumann Group, one of the world's leading dental companies, chose Prodways to be its best-in-class supplier for its premium product line in 3D printing**. The two companies are strengthening their partnership with a three-year agreement covering the development and supply of 3D resins for medical applications.

Thanks to the intensification of this activity and to numerous commercial successes, **material sales have almost doubled in three years**.

Products Division: a dynamic recovery with a +51% increase

The **Products** division - which includes the design and manufacturing of on-demand parts and medical applications - reported revenues of €6.4 m, up 51%. This increase is explained by a favourable base effect, a catch-up effect of the activity and the division's sustained recovery pace, which continues to accelerate with the lifting of restrictions.

This strong performance was driven by medical activities (growth of more than 100% year-on-year), in particular **audiology, which posted a record high quarter and semester, exceeding its pre-crisis level**. Prodways reorganized this activity in 2020 with the merger of three companies under the Interson-Protac banner to create the French leader in custom earmolds. This semester, the group is beginning to benefit from the increase in activity thanks to the **full reimbursement of hearing aids** by the French social security system, coupled with the growing adoption of 3D printing solutions by audiologists.



Favourable outlook for all activities

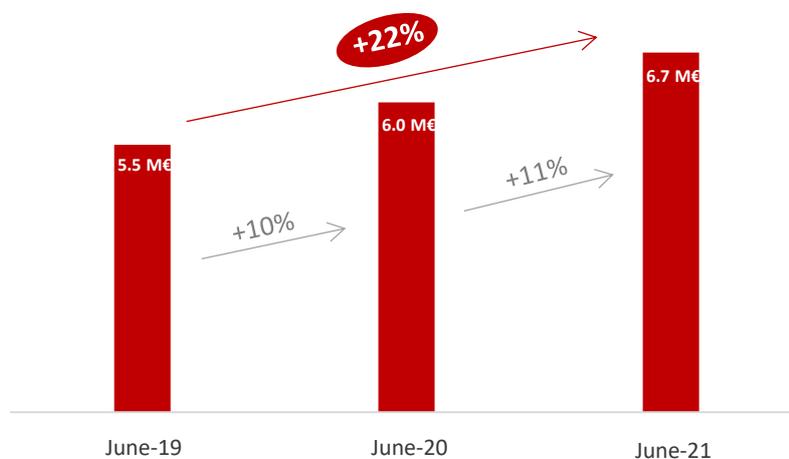
Supportive trends for organic growth

The dynamism of the first semester comforts Prodways' short- and medium-term growth ambitions:

- c. 60% of Prodways activities² achieved record high revenues as a result of the strategic reinforcements implemented in 2020. These include Materials, Software and Audiology. Thanks to the highly recurring profile of these activities, the group has a solid revenue base that will continue to grow in the years to come, supported by major structural trends: the increase in the installed base of printers, the digitalization of medical activities and the growing adoption of 3D technologies.
- c. 40% of activities are experiencing a sustained and gradual recovery. The commercial momentum of these activities, which include machine sales and the manufacturing of on-demand parts for industrial customers, is set to continue in 2021 and 2022. This acceleration is already materializing in June in a context of easing restrictions.

A clear acceleration at the end of the semester

Evolution of Prodways' sales for the month of June



Acceleration of the development strategy with the return of an external growth dynamic

At the beginning of the third quarter, Prodways resumed its external growth dynamic by entering a new geographical area with its Products division through the acquisition of 100% of Creabis, a German company specializing in 3D printing services for plastics parts ([link to the dedicated press release](#)). The size of the new entity, with a fleet of around 50 printers, will allow the creation of one of the largest 3D printing services in Europe. The group is also strengthening its position in the German market, Europe's main industrial engine and a fertile ground for 3D printing services thanks to its highly developed network of industrial SMEs. Besides, Prodways is already present in Germany through its Materials business, which has grown strongly since its acquisition in 2014.

² In % of revenues

With this transaction, the group is ideally positioned to take full advantage of the undergoing economic recovery momentum and the growing interest in 3D printing in a context of global supply chains challenges. **Prodways thus confirms its position as a leading player in 3D printing specializing in plastics and its development ambitions in Europe.**

● Next financial meeting

Publication of 2021's first semester results on September 16, 2021 after market.

On this occasion, Raphaël Gorgé, Chairman and CEO, and Laurent Cardin, CFO, will comment Prodways Group's results to the financial community and answer analysts' questions.

● About Prodways Group

Prodways Group is a specialist in industrial and professional 3D printing with a unique positioning as an integrated European player. The Group has developed right across the 3D printing value chain (software, machines, materials, parts & services) with a high value added technological industrial solution. Prodways Group offers a wide range of 3D printing systems and premium composite, hybrid, and powder materials (SYSTEMS division). The company also manufactures and markets parts on demand, prototypes and small production run 3D printed items in plastic and metal (PRODUCTS division). The Group targets a significant number of sectors, from aeronautics to healthcare.

Listed on Euronext Paris (FR0012613610 – PWG), the Group reported in 2020 revenue of €57 million.

Prodways Group is a Groupe Gorgé company.

For further information: www.prodways-group.com

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