

## Activity of the third quarter 2021

A buoyant environment for 3D printing, which contributes structurally to the United Nations' Sustainable Development Goals



Driven by the rise of Industry 4.0 and the digitization of production processes, 3D printing is considered an environmentally friendly technology: its additive process means that only the raw material needed to manufacture a part is used, and the reactivity of the processes eliminates the need to build up large stocks of parts. This technology thus contributes structurally to the United Nations

Sustainable Development Goals 9 (Industry, Innovation and Infrastructure) and 12 (Responsible Consumption and Production).

The intensification of global efforts to promote the reindustrialization of the economic fabric and more responsible production methods is a fundamental trend that is sustaining the development of 3D Printing. Recent government announcements, tensions in supply chains and the urgent need to combat global warming confirm the need for innovation to which Prodways Group is responding.

### Third quarter sales

Prodways Group recorded consolidated **sales of €16.4 million in the third quarter, up 26% and 16% on an organic basis**. This performance confirms Prodways Group's growth momentum and the trends observed in the second quarter. It is the combined result of

- The good performance of our markets and activities,
- A solid revenue base, which is highly recurring and growing
- The acquisition of Créabis in Germany at the beginning of the third quarter.

<i>(in € millions)</i>	Q3 2020	Q3 2021	Change (%)	Organic change <sup>1</sup> (%)	9 months 2020	9 months 2021	Change (%)	Organic change <sup>1</sup> (%)
Systems	7.8	9.7	+24.0%	+24.0%	24.7	31.3	+26.9%	+26.9%
Products	5.2	6.7	+27.7%	+4.1%	15.1	19.3	+27.5%	+19.3%
Structure & intra-group elimination	0.0	0.0	n.s.	n.s.	0.1	-0.1	n.s.	n.s.
<b>Consolidated revenue</b>	<b>13.1</b>	<b>16.4</b>	<b>+25.5%</b>	<b>+16.0%</b>	<b>39.9</b>	<b>50.5</b>	<b>+26.6%</b>	<b>+23.5%</b>

<sup>1</sup>The change in the scope of consolidation concerns the acquisition of Creabis in July 2021

## Systems Division

The **Systems division** (comprising 3D software, 3D printers and related materials and services) grew by +24% this quarter, driven mainly by **sales of materials**, which increased significantly in volume. This activity, which was already growing during the year 2020, is supported by buoyant trends in the dental market as well as the good progress of recurring contracts with our customers, such as Straumann Group. **Software sales**, the second growth driver this quarter, continued to enjoy good sales momentum, supported by the increasing digitalization of many industrial sectors.

**Machine sales** benefited from the economic rebound in the luxury goods sector, and particularly in the jewellery industry, thereby fuelling the revenues generated by this application. Prodways Group, through its Solidscape brand, is one of the world leaders in 3D printing for jewellery, with more than 5,000 machines sold. These machines use Prodways' proprietary Midas, Melt and Cast materials for precision casting to produce jewellery models in wax. Most of the major luxury companies use Solidscape machines.

## Products Division

The **Products division** (which includes the design and manufacturing of on-demand parts and medical applications) recorded sales of €6.7 million, **up 28% this quarter**. This increase is mainly due to the acquisition of Créabis. Cross-selling between France and Germany, although low at this stage, has begun and testifies to the good integration of the newly acquired company in the Group. This transaction once again confirms Prodways' ability to execute its external growth strategy and strengthens its track record in this area.

**Organic growth of +4%** this quarter was driven in particular by the increase in volumes of on-demand parts manufactured on the Group's 3D printer fleet. In addition, printing and sales of parts for medical activities remained at a good level compared to Q3 2020, which saw a strong recovery in activity with a catch-up effect marked by the reopening of medical practices.

### **Positive trends for all activities**

**In the short term**, in addition to the good performance of the driving activities over the first nine months of the year, machine sales could benefit from the release of investment decisions, which had previously been slowed by a lack of visibility. The recovery of business fairs from the fourth quarter onwards will be a catalyst for future orders. For 2021, Prodways Group confirms its guidance of around 20% growth in sales and a level of profitability, the result of the transformation plan, which should remain around the level of the first half of the year.

**In the medium term**, the structural trends that are underpinning our activities this year will continue and accelerate in the years to come: the digitalization of industrial and medical activities, the implementation of more responsible production methods that are closer to home or the increasingly strong expectations for personalization of consumer products. This buoyant environment, combined with Prodways Group's strong positioning in its sectors, reinforces the group's ambitions for future growth.

## 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 generated revenue of €57 million in 2020

For further information: <https://www.prodways-group.com/en/>

Follow us and keep up with Prodways Group's latest news on Twitter & LinkedIn!



## Contacts

### INVESTOR CONTACTS

Anne-Pauline Petureau

Investor relations

Tel: +33 (0)1 53 67 36 94 / [apetureau@actus.fr](mailto:apetureau@actus.fr)

### PRESS CONTACTS

Manon Clairét

Financial press relations

Tel: +33 (0)1 53 67 36 73 / [mclairret@actus.fr](mailto:mclairret@actus.fr)

## Disclaimer

Releases from the Prodways Group may contain forward-looking declarations with statements of objectives. These forward-looking statements reflect the current expectations of Prodways Group. Their realization, however, depends on known or unknown risks, uncertainties and other factors that may cause actual results, performance or events to differ significantly from those previously anticipated. The risks and uncertainties that might affect the Group's future ability to achieve its targets are reiterated and presented in detail in our Annual financial report on Prodways Group's website ([www.prodways-group.com](http://www.prodways-group.com)). This list of risks, uncertainties and other factors is not exhaustive. Other unanticipated, unknown or unpredictable factors may also have significant negative effects on the achievement of our objectives. The current release and the information contained therein do not constitute an offer to sell or to subscribe, nor a solicitation for an order to purchase or subscribe to shares in Prodways Group or in any subsidiaries thereof listed in whatsoever country