

## **Revenues of the first quarter 2022: +37%**

Prodways Group achieved its best quarter ever thanks to a combination of structural and cyclical effects. The virtuous business model generating solid recurring revenue, coupled with Prodways' positioning in attractive medical applications such as dental, is proving its effectiveness. In addition, some clients anticipated their orders and thus enabled the Group to generate and secure revenue ahead of schedule this year. Overall, the global context of tension and inflation in supply chains and the climate emergency reinforces the interest of 3D printing as a responsible production method.

### **A favorable environment for 3D printing**

3D printing is a responsible production method that differs in three major ways:

- **Reduced material consumption** compared to conventional methods, as 3D technology only uses the material that makes up the final part and reduces production waste (chips, etc.).
- **Reduced or eliminated need for inventory storage**, as the additive manufacturing process offers a high level of reactivity.
- **Local production**, thus limiting the need for long-distance transport.

Rising raw material and energy costs and the strain on global supply chains highlight these advantages and make 3D technology all the more attractive.

These operational advantages are reinforced by the climate emergency and the need to reduce carbon emissions on a global scale. The recent IPCC report on this subject recommends, among other actions, the use of more responsible production methods, in line with the United Nations Sustainable Development goal n°12. Prodways Group is making a structural contribution in this area.

## Revenues of the first quarter 2022 : +37% growth compared to the first quarter 2021

In the first quarter of 2022, Prodways Group benefited from a combination of structural and cyclical factors that enabled it to achieve strong sales growth of +37% and +31% on an organic basis:

- **The strength of the business model** with the increase in the installed base of printers, which generates **recurring sales** of materials and maintenance.
- The good **momentum of the dental sector**, the world's largest application area for 3D printing and Prodways Group's number one source of revenue.
- **Anticipations** of stock-outs and price increases, prompting some customers to anticipate their orders.
- **The favorable base effect**, given that the first quarter 2021 was still impacted by the health crisis, particularly in industrial activities.

## Revenues by division

<i>(in €million)</i>	Q1 2021	Q1 2022	<i>Variation (%)</i>	<i>Organic variation (%)</i>
Systems	10.4	15.5	+48.5%	+48.5%
Products	6.2	7.3	+18.4%	+2.2%
Structure & intra-group eliminations	0.0	-0.1	n.a	n.a
<b>Consolidated revenues</b>	<b>16.6</b>	<b>22.7</b>	<b>+36.6%</b>	<b>+30.7%</b>

The change in the scope of consolidation concerns the acquisition of Creabis in July 2021

## Systems division

### Strong revenue growth generated by machines and material sales

The growth of Prodways Group's installed base of printers is providing an ever-widening base of recurring revenues. This virtuous business model is now beginning to produce its effects on a significant scale: revenues generated by machine sales in the quarter were bolstered by services and spare parts sales on the one hand, and by increased sales of materials on the other. Almost all of Prodways Group's customers increased their consumption of liquid resin or polymer powder in Q1 2022 compared with Q1 2021.

**Sales of materials were exceptionally strong** this quarter due to the anticipation by certain customers of possible stock-outs or price increases in the future. As a result, Prodways Group has secured a portion of its sales earlier than expected this year.

In addition, the dynamic sales of machines through large-scale industrial projects is continuing. Advanced discussions are underway concerning the sale of several machines at various production sites around the world.

### Good orientation of the Software activity

The Software activity (integration of 3D modeling software) had an exceptional quarter, relying on its highly diversified customer base, the good renewal rate with its existing customers and the quality of its teams to gain market share. Expectations of price increases in the coming months have led some customers to renew their licenses early, allowing this business to secure a portion of its revenues earlier than expected this year.

### Products division

#### Growth of on-demand printing service

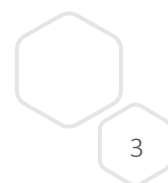
The positive momentum that began at the end of 2021 is continuing in this activity. Revenues are increasing strongly thanks to both the acquisition of Creabis, whose successful integration is generating cross-orders, and the double-digit organic performance (+13%). The increase in the number of orders and requests for quotations received testifies to the interest in this 3D printing service, which is becoming increasingly attractive and virtuous in the context of tense supply chains and rising energy cost.

#### Medical applications driven by audiology.

Medical applications continue to develop progressively against a backdrop of digitalization of their activities. In audiology in particular, the interest of the business model provided by 3D printing is established, but the still incomplete penetration of this technology in the sector offers opportunities for further development. The increase in revenues generated by sales of hearing solutions enabled this activity to achieve a record quarter, despite an unfavorable base effect (significant catch-up effect in the first quarter of 2021 when medical practices reopened).

### Upcoming financial events

- June 16, 2022: Annual General Meeting
- July 25, 2022: Second quarter revenues
- September 14, 2022: Half-yearly results
- October 17, 2022: Third quarter revenues



## 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).

Listed on Euronext Paris (FR0012613610 – PWG), the Group reported in 2021 revenue of €71 million.

For further information: [www.prodways-group.com](http://www.prodways-group.com)

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