



H1 2022 Results Presentation

September 27, 2022



Disclaimer

This proprietary presentation (including any accompanying oral presentation, question and answer session and any other document or materials distributed with or in connection with this presentation) (collectively, the "Presentation") has been prepared by Technoprobe S.p.A. (the "Company" and together with its subsidiaries, the "Technoprobe Group") for information purposes only. This Presentation should not be used for any other purpose. The Presentation is not intended to form the basis of any investment activity or decision and does not, and is not intended to, constitute or form part of, and should not be construed as, an offer to sell, a solicitation to buy, an invitation or a solicitation of an offer, to buy, sell or subscribe for or otherwise acquire, any securities of any kind in any jurisdiction where such an offer, solicitation or sale should require registration, qualification, notice, disclosure or application in the United States or in any other jurisdiction, nor shall it or any part of it form the basis of or be relied upon in connection with or act as any inducement or recommendation to enter into any contract or commitment or investment decision whatsoever.

This Presentation may not be distributed, reproduced, or used in whole or in part without the express consent of the Company or for any purpose other than those for which it has been prepared by the person to whom this document has been delivered.

The financial information set forth herein has been derived by the information set out in the Company's interim condensed consolidated financial statements as of and for the period ended on June 30, 2022, prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board and endorsed by the European Union ("IFRS") and subject to limited review. Company's interim condensed consolidated financial statements as of and for the period ended on June 30, 2021 had not been subject to limited review. The Presentation has not been independently verified and contains summary information only and does not purport to be comprehensive and is not intended to be (and should not be used as) the sole basis of any analysis or other evaluation. No representation or warranty (express or implied) is made as to, and no reliance should be placed on, the accuracy, completeness, quality, relevance, sufficiency or fairness for any purpose whatsoever of any of the information contained in the Presentation, including projections, estimates, targets and opinions, contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein relating to, or resulting from, the Presentation, its inaccuracy or incompleteness, or the use of, or reliance upon, the Presentation. To the extent applicable, the industry, market and competitive position data contained in the Presentation has come from official or third party sources. Third-party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the fairness, quality, accuracy, relevance, completeness or sufficiency of such data. While the Technoprobe Group believes that each of these publications, studies and surveys has been prepared by a reputable source, the Technoprobe Group has not independently verified the data contained therein. In light of the foregoing, no reliance may be or should be placed on any of the industry, market or competitive position data contained in the Presentation.

The information in the Presentation may include statements that are, or may be deemed to be, forward-looking statements regarding future events and the future results of the Technoprobe Group that are based on current expectations, estimates, forecasts and projections about the industry in which the Technoprobe Group operates and the beliefs, assumptions and predictions about future events of the management of the Technoprobe Group. In particular, among other statements, certain statements with regard to management objectives, trends in results of operations, margins, costs, return on equity, risk management are forward-looking in nature. Forward-looking information and forward-looking statements (collectively, the "forward-looking statements") are based on the Technoprobe Group's internal expectations, estimates, projections assumptions and beliefs as at the date of such statements or information including management's assessment of the Technoprobe Group's future financial performance, plans, capital expenditures, potential acquisitions and operations concerning, among other things, future operating results from targeted business and development plans and various components thereof or the Technoprobe Group's future economic performance. The projections, estimates and beliefs contained in such forward-looking statements necessarily involve known and unknown risks, assumptions, uncertainties and other factors which may cause the Technoprobe Group's actual performance and financial results in future periods to differ materially from any estimates or projections contained herein. When used in the Presentation, the words "expects," "believes," "anticipate," "plans," "may," "will," "should", "scheduled", "targeted", "estimated" and similar expressions, and the negatives thereof, whether used in connection with financial performance forecasts, expectation for development funding or otherwise, are intended to identify forward-looking statements. Such statements are not promises or guarantees, and are subject to risks and uncertainties that could cause actual outcomes to differ materially from those suggested by any such statements and the risk that the future benefits and operating activity by the Technoprobe Group may be adversely impacted. These forward-looking statements speak only as of the date of the Presentation and are subject to change without notice and do not purport to contain all information that may be required to evaluate the Technoprobe Group. In the view of the Technoprobe Group's management, the Presentation was prepared by management on a reasonable basis, reflects the best currently available estimates and judgements, and presents, to the best of management's knowledge and belief, the expected course of action and the expected future performance and results of the Technoprobe Group. However, such forward-looking statements are not fact and should not be relied upon as being necessarily indicative of future results. The Technoprobe Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions of the information, opinions or any forward-looking statement contained herein to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any forward-looking statement is based except as required by applicable securities laws.

The Presentation contains non-International Financial Reporting Standards ("IFRS") industry benchmarks and terms, such as EBITDA, EBITDA Margin, Gross Operating Margin, Gross operating margin percentage, Research and development expense ratio, Capital expenditures, Net Financial Position. The non-IFRS financial measures do not have any standardized meaning and therefore are unlikely to be comparable to similar measures presented by other companies. The Technoprobe Group uses the foregoing measures to help evaluate its performance. As an indicator of the Technoprobe Group's performance, these measures should not be considered as an alternative to, or more meaningful than, measures of performance as determined in accordance with IFRS. The Technoprobe Group believes these measures to be key measures as they demonstrate the Technoprobe Group's underlying ability to generate the cash necessary to fund operations and support activities related to its major assets. By reading or accessing the Presentation you acknowledge that you will be solely responsible for your own assessment of the market and the market position of the Technoprobe Group and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the Technoprobe Group's business. Recipients should not construe the contents of the Presentation as legal, tax, regulatory, financial or accounting advice and are urged to consult with their own advisers in relation to such matters. Unless as otherwise stated herein, the Presentation speaks only as of June 30, 2022 and the information and opinions contained in the Presentation are subject to change without notice and do not purport to contain all information that may be required to evaluate the Technoprobe Group. The information included in the Presentation may be subject to updating, completion, revision and amendment and such information may change materially. No person is under any obligation to update or keep current the information contained in the Presentation and any opinions expressed relating thereto are subject to change without notice. To the fullest extent permissible by law, the Technoprobe Group disclaims all and any responsibility or liability, whether arising in tort, contract or otherwise, which it might otherwise have in respect of the Presentation.



Financial Highlights

Q2 results

- Revenues were **128.9€m** up 30,7% QoQ
- Gross profit was **74.5€m**, up 14,8% QoQ, with a margin of 57,8%
- Ebitda* (*excluding IPO costs*) was **55.4€m**, with a margin of 43,0%

H1 results

- Revenue: were **250.3€m** up 42,6% YoY
- Gross profit was **149.1€m**, up 36,0% YoY with a margin of 59,6%
- Ebitda* (*excluding IPO costs*) was **108.3€m**, up 32,2% YoY with a margin of 43,3%

Ü Guidance achieved

Ü Growth path confirmed on quarterly and half year basis



H1 2022 Results

	H1 2021	H1 2022	% change	Comments
€m				
Revenues	175.5	250.3	+42,6%	<ul style="list-style-type: none"> • Revenues boosted by increase in market share and positively impacted by forex tailwind
Gross profit	109.6	149.1	+36,0%	<ul style="list-style-type: none"> • Gross profit margin affected by <ul style="list-style-type: none"> • inflation upward trend which mainly impacted costs of good sold • costs related to the roll out of production lines in Italy
<i>% margin</i>	62,5%	59,6%		
EBITDA* <i>(excluding IPO costs)</i>	81.9	108.3	+32,2%	<ul style="list-style-type: none"> • Ebitda* margin also impacted by R&D costs related to new products development
<i>% margin</i>	46,7%	43,3%		
	31.12.2021	30.06.2022		
Net Financial Position/(Cash)	(134.8)	(315.9)		<ul style="list-style-type: none"> • Net financial position boosted by IPO proceeds (€139.4m) and cash flow generation (€41.7m)

* IPO costs recorded in Income statement amounted to €1.6m



New plants to foster the growth

	Activity	Size	N. Employees	Kick-off
Agrate	Manufacturing	• 3,000 sqm	100	January 2022
TP5 Cernusco Lombardone	<ul style="list-style-type: none">• Boards assembly line• Quality control	• 4,000 sqm	200	February 2022
Osnago	Mechanical shop	• 5,000 sqm	40	April 2022
NEW Catania	R&D centre	>1,400 sqm	• 30	September 2022



H2 business outlook and Q3 guidance

Macroeconomic scenario

- **July 2022:** FY2022 Global semiconductors revenues* estimates reviewed from +13,6% to +7,4%
- **Geopolitical turmoil** foster inflation impacting consumer spending
- Slowdown in consumer demand vs. upward trend in automotive, data centers, industrials

Guidance

Q3 2022

- Revenues: €165m (+/-3%)
- Gross margin: 60% (+/- 2%)
- Ebitda (*excluding IPO costs*) **: 42% (+/- 2%)

9M 2022

- Revenues: €415 (+/-3%)
- Gross margin: 60% (+/- 2%)
- Ebitda (*excluding IPO costs*) **: 43% (+/- 2%)



Stefano Beretta appointed CFO

- Bachelor's Degree in Economics & Business Administration at Università Cattolica del Sacro Cuore in Milan
- Qualified Chartered Accountant since 2009
- In 2000, he joined the audit division of PricewaterhouseCoopers in Milan covering domestic and international companies covering a wide range of industries (Luxury, Automotive, Petrochemical, Energy and Automotive)
- From 2009 to 2011 he was based at the London office of PricewaterhouseCoopers involved in the audit activity with particular focus in developing and improving relationships for Italian and British based companies
- From 2011 to 2015 as Director, he strengthened his professional experience in PricewaterhouseCoopers deepening into forensic services to detect frauds and mitigate related risks
- In 2015 he moved to Tiffany Swiss Watch Center as Finance Director responsible for the financial and controlling activities



Q&A



Appendix



Consolidated Profit & Loss

<i>(In Euro thousands)</i>	Six months ended June 30,	
	2022	2021
Revenue	250,286	175,483
Cost of revenue	(101,157)	(65,843)
Gross profit	149,129	109,640
Operating expenses		
Research and development	(25,645)	(15,769)
Selling, general and administrative	(34,504)	(22,955)
Total operating expenses	(60,149)	(38,724)
Operating profit	88,980	70,916
Other income, net	(2,205)	(13)
Net finance income (expenses)	(96)	(55)
Foreign exchange gains (losses)	4,611	2,998
Profit before tax	91,290	73,846
Income tax expense	(24,670)	(11,311)
Net profit	66,620	62,535



Consolidated Balance Sheet

<i>(In Euro thousands)</i>	As of June 30, 2022	As of December 31, 2021
ASSETS		
Non-current assets		
Property, plant and equipment	190,726	169,198
Intangible assets	7,860	6,673
Goodwill	10,625	9,757
Deferred tax assets	17,548	13,604
Non-current financial assets	959	835
Other non-current assets	1,367	1,383
Total non-current assets	229,085	201,450
Current assets		
Inventories	96,422	71,901
Trade receivables	110,296	102,848
Current financial assets	63	132
Current tax receivables	-	1,898
Other current assets	18,657	12,365
Cash and cash equivalents	323,484	146,754
Total current assets	548,922	335,898
Total Assets	778,007	537,348
EQUITY AND LIABILITIES		
Equity		
Share capital	6,010	5,760
Reserves	586,972	319,669
Net profit attributable to the owners of the Parent	65,656	118,321
Total shareholders' equity attributable to the owners of the Parent	658,638	443,750
Equity attributable to non-controlling interests	2,871	2,533
Total equity	661,509	446,283
Non-current liabilities		
Non-current lease liabilities	5,603	5,516
Deferred tax liabilities	511	335
Employee benefits obligations	272	2,665
Provision for risks and charges	14,925	11,625
Other non-current liabilities	23	24
Total non-current liabilities	21,334	20,165
Current liabilities		
Trade payables	42,640	32,782
Contract liabilities	-	8
Current financial liabilities	1,226	4,646
Current lease liabilities	2,013	2,013
Current tax payables	11,939	1,130
Other current liabilities	37,346	30,321
Total current liabilities	95,164	70,900
Total liabilities	116,498	91,065
Total equity and liabilities	778,007	537,348



Consolidated Cash Flow Statement

<i>(In Euro thousands)</i>	Six months ended June	
	2022	2021
	30,	
Profit before tax	91,290	73,846
- <i>Adjustments for:</i>		
Amortization, depreciation and impairment	17,750	11,023
(Gains) losses on disposals	(46)	(6)
Net Finance (income) expenses	96	55
Other non-cash adjustments	9,093	1,547
Cash flow generated by operating activities before changes in net working capital	118,183	86,465
Change in inventories	(27,572)	(21,481)
Change in trade receivables	(6,866)	1,212
Change in trade payables	10,435	(4,721)
Changes in other assets/ liabilities	(1,072)	(950)
Uses of provisions for risks and charges and employee benefits obligations	(1,215)	(861)
Income taxes paid	(15,611)	(7,110)
Net cash flow provided by operating activities	76,282	52,554
Investments in property, plant and equipment (excluding right of use assets)	(36,800)	(36,480)
Investments in intangible assets	(1,177)	(83)
Disposal of property, plant and equipment	175	406
Net investments in financial assets	(55)	11
Finance income received	87	20
Net cash flow used in investing activities	(37,770)	(36,126)
Financial liabilities reimbursement	(4,420)	(30,005)
Lease liabilities reimbursement	(901)	(715)
Finance expenses paid	(183)	(75)
Capital increase	139,366	-
Net cash flow provided by / (used in) financing activities	133,862	(30,795)
Total cash flow provided / (used) during the period	172,374	(14,367)
Cash and cash equivalents at the beginning of the period	146,754	158,296
Total changes in cash and cash equivalents	172,374	(14,367)
Exchange differences from translation of cash and cash equivalents	4,356	1,892
Cash and cash equivalents at the end of the period	323,484	145,821

