



Investor Presentation

Interim Results

October 2023

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Management Team



Gianmarco Lanza Chairman and CEO

38 years old, graduated from the Istituto Tecnico ISS Valle Seriana he entered the family business where he took over management and control at the age of 23. In FAE Technology he directly contributed to each phase of company' growth, starting from a structure that generated about € 2.5 million of revenues with 20 employees. In particular, he managed the dimensional growth up to the current structure, the increase in company know-how, the expansion of services to the market and the positioning in terms of brand and perceived value.

Marco Ferrari CFO

39 years old, he obtained a degree in Business Administration and a Master of Science in Accounting Finance and Control from Università Commerciale "Luigi Bocconi". Prior to joining FAE Technology Marco was Chief Corporate Officer of Talent Garden S.p.A. in charge of Finance & Accounting, Financial control, Legal and M&A and Investors Relation. In previous experience he was for seven years Group Chief Financial Officer in Directa Plus, an AIM listed company. Other experiences include EY and Deutsche Bank.



Management Team



Dario Ne Operation Manager

42 years old, graduated from I.T.I.S. P. Paleocapa and he brings with him 20 years of experience in Electronic Manufacturing. He focused his expertise in quality management system certification and process analysis. Over the past 5 years at FAE Technology, he added significant contributions towards IATF automotive certification process. In the last 2 years as the COO, he actively managed the implementation of FAE Technology's new production layout and assets, fostering its continuous growth.

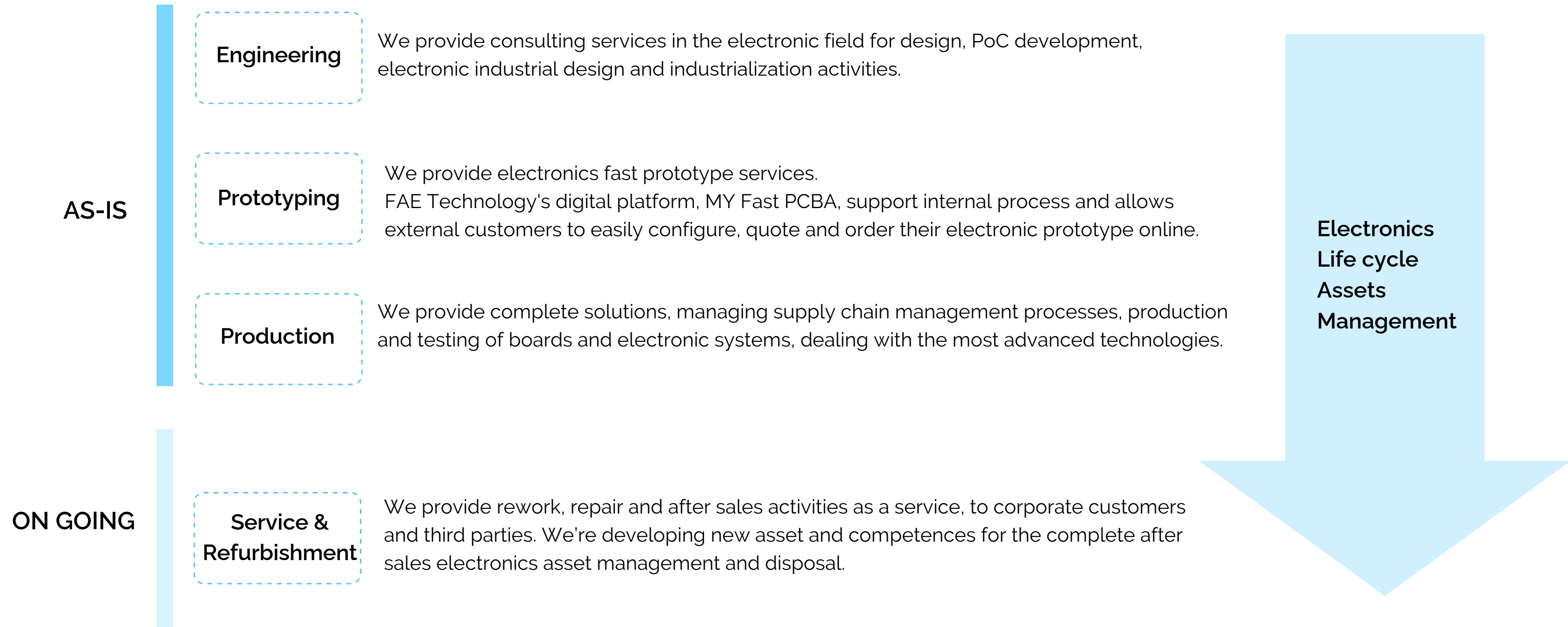
Gabriele Braga Sales & Mkt Manager

52 years old, he holds a degree in electronic engineering from the University of Bologna. His career began as a design engineer in the telecom, and he later dedicated most of his professional life to semiconductor technology and applications, while working at Arrow Electronics Inc, where he held various roles spanning engineering, marketing, and sales across different markets and regions. Currently, he serves as a board member at the Italian Electronic Industrial Association (ANIE). In 2022, he joined FAE Technology with the responsibility of expanding the company's mkt presence and evolving its business model.



What we do

We operate in the **engineering** - from PoC to industrial - , **prototyping** and **production** and supply of custom electronic products.
Thanks to our integrated services we're able to manage the complete lifecycle of different solutions in the field of embedded electronics.



Interim report - overview

€ 29.5 Mln

Value of production
30.06.2023

+62,8%

VS €18.1 Mln 30.06.2022

€ 3.0 Mln

EBITDA
30.06.2023

+63,8%

VS €1.8Mln 30.06.2022

10,2%

EBITDA MARGIN
30.06.2023

= 30.06.2022

€ 1.7 Mln

Net income
30.06.2023

+58%

VS €1.1 Mln 30.06.2022



Fast Growing Company



Partnerships Strategies



+130 Clients



Competence center



+30 years



3 locations

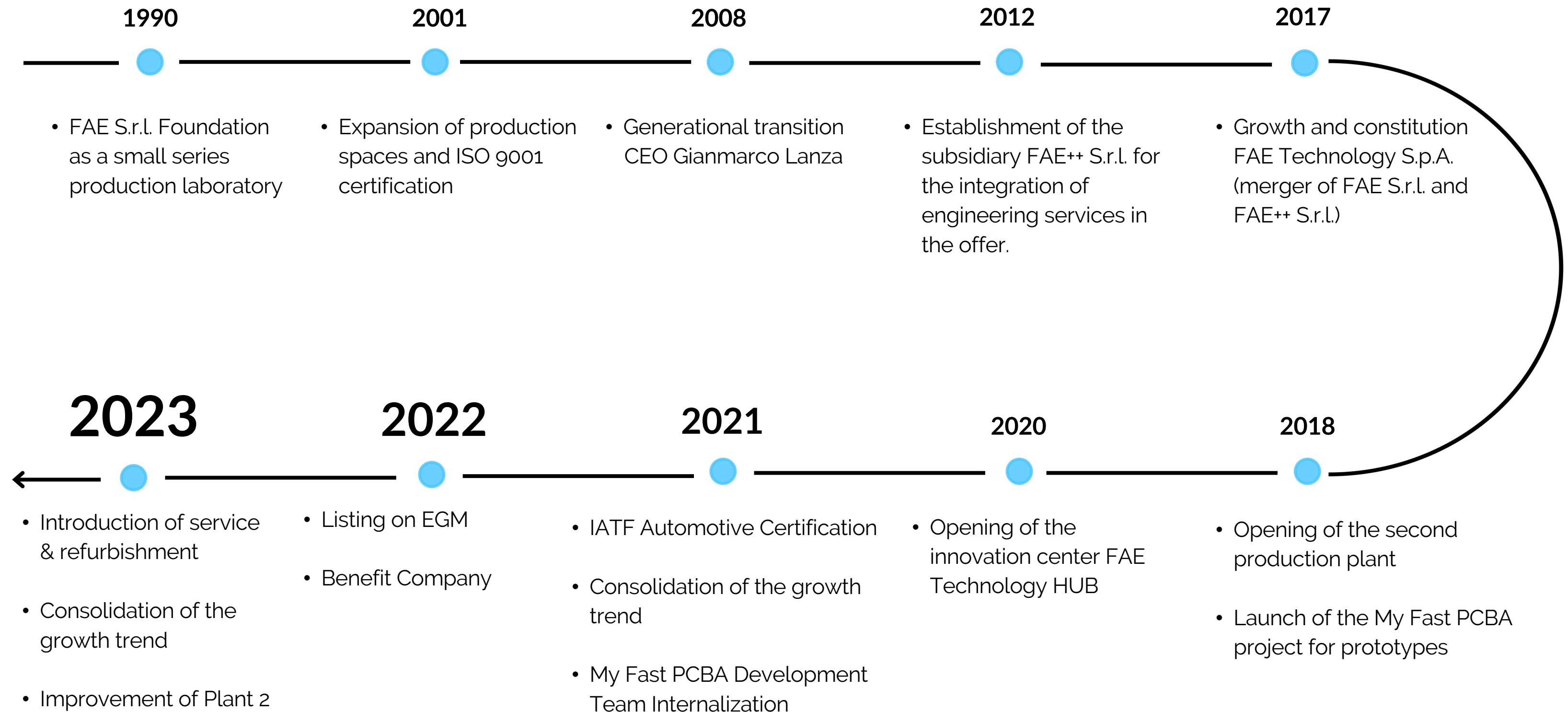


151 collaborators



ESG Sensitivity

A story of continuous development



Shareholders and corporate governance

Corporate Structure

F&E Technology has a share capital equal to € 499.990 of which 75,91% is attributable to the **Lanza Family**, the 2,35% is held by the key people and management, and the remaining 21,74% is held by the financial market. The Company was admitted to Euronext Growth Milan last 11th November 2022 and a total of 15.333.000 ordinary shares were outstanding.

Shareholders	Stock	%
GML Ventures S.r.l. (*)	11.640.000	75,91%
Sehme S.a.g.l. (**)	240.000	1,57%
Financial Market	3.453.000	22,52%
Total	15.333.000	100,00%

(*) Holding of shareholdings attributable to Gianmarco Lanza and Luciana Giudici

(**) Company under Swiss law attributable to Angelo Facchinetti

Corporate Governance

The Company is managed by a **board of directors** composed of 5 members in office for the three-year period **2022 – 2024**

Gianmarco Lanza Chairman and CEO

Angelo Facchinetti Director

Cristina Mollis Independent Director

Thomas Avolio Director

Massimo Bondioni Director

The **Board of Statutory Auditors** will be in office for the three-year period **2022 - 2024** and is composed of 5 members

Davide Felappi Chairman

Stefano Zucchelli Auditor

Roberto Negretti Auditor

Andrea Lampugnani Auditor

Andrea Scainelli Auditor

Supervisory Board

Gloria Spagnoli (Monocratic)

The statutory audit is entrusted to the company RSM Società di Revisione e Organizzazione Contabile S.p.A. for the three-year period 2022 - 2024

EGM and Warrant

Share Performance



Source: borsaitaliana.it

- IPO: 1,50 €
- Price as of 27/09/2023: 1,90 €
- % of increase: 27%

On June 14 2023, **3,833,250 warrants** (with an ex-dividend date of June 12, 2023) were assigned free of charge in execution of the resolution of the Extraordinary Shareholders' Meeting of June 28, 2022 and the "FAE TECHNOLOGY SB 2022-2025 Warrants" Regulations and in the proportion of 1(one) warrant for every 4 (four) shares held by each shareholder. The newly issued warrants are identified with the same ISIN code IT0005500639 as the 3,333,000 warrants previously outstanding and fully fungible. A total of **7,166,250** warrants are therefore outstanding as of the date of this document.

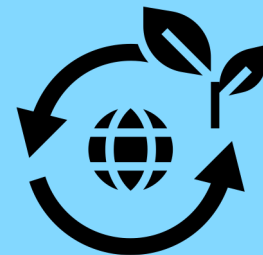
Benefit Company

F AE Technology, in 2022 became a **Benefit Company**, therefore integrating into its corporate purpose, in addition to profit objectives, the scope of having a **positive impact on society and the biosphere**.



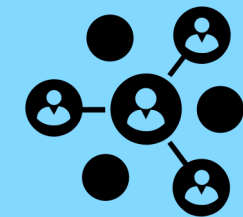
WELFARE

- Promotion of the psychological health of employees
- Corporate Welfare
- Socio-cultural and educational events of various kinds



ENVIRONMENT

- ISO 14001 certification
- Plant Energy Efficiency
- Industrial re-use

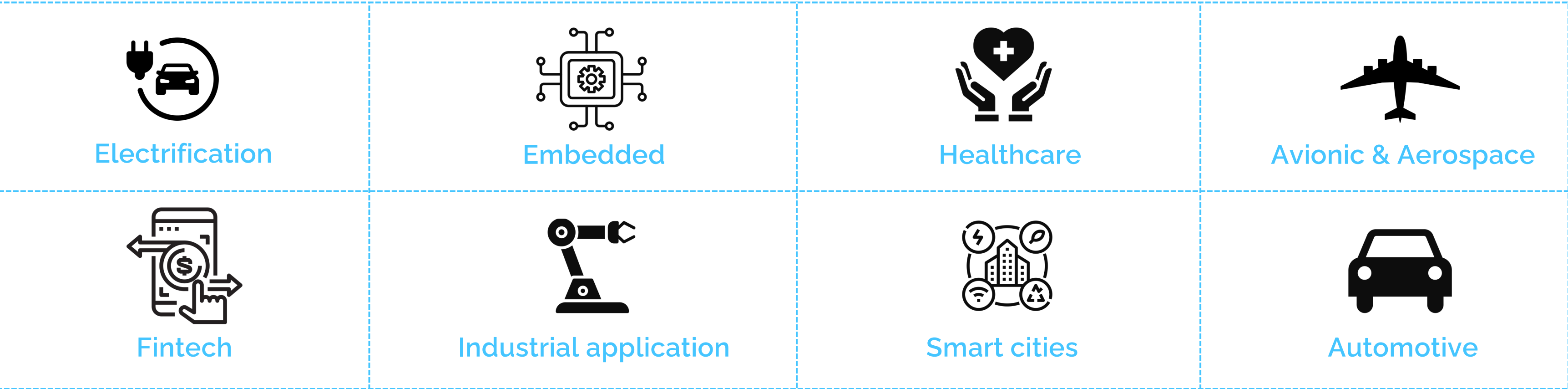


SOCIAL

- Promotion of the interaction between the school system and the company in the Bergamo area
- Future developments with widening of the scope of action

Market sectors and standards

Our business model, combined with the pervasiveness of electronics, enables us to explore opportunities across a wide range of **market sectors**.



Our system and our processes are certified according to different quality standard



ISO 9001:2015



ISO 14001:2016



IATF 16949:2016



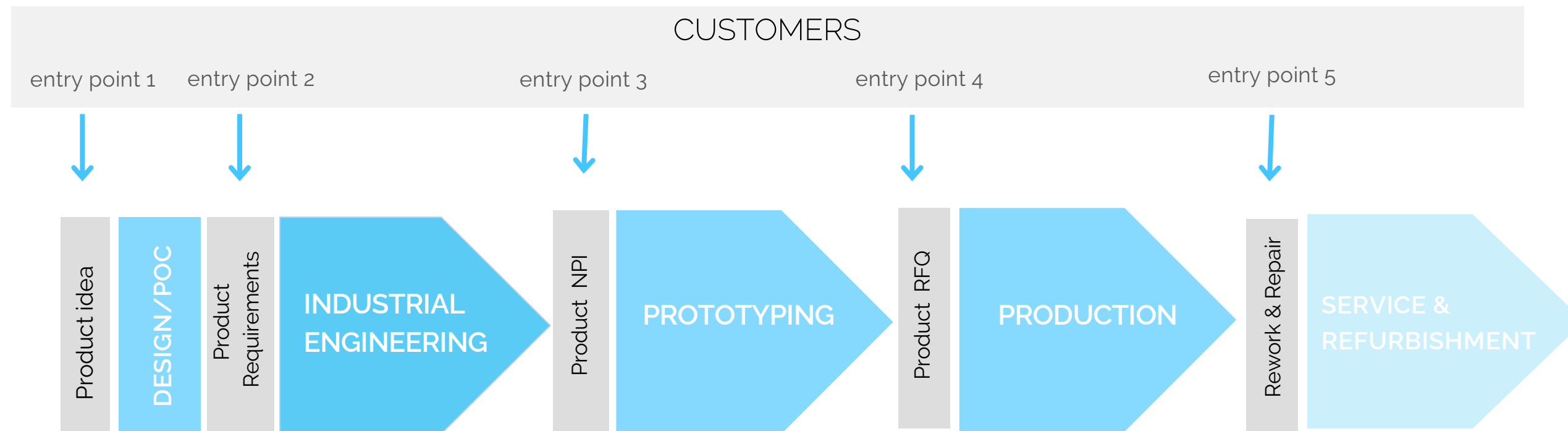
ENg100

*Iter in process of certification
by Q4 2023*

Value chain & customer entry point

The Value Chain of FAE Technology is developed throughout a process that from the **initial concept** leads to the creation of a **complete solution** through phases of engineering, prototyping, production and the upcoming service and refurbishment.

The value chain is designed to offer several "entry points" to potential customers: it is possible **integrate the stream of processes** to obtain an electronic **solution ready for the go-to-market**, generating recurring revenues.



Business through innovation approach

Innovative Air Quality Monitoring System



FAE Technology has forged a close collaboration with the **Massachusetts Institute of Technology - Sensible City Lab**, resulting in the development of Flatburn.

Flatburn is an innovative self-powered system fueled by solar energy, designed for installation on **road vehicles** such as buses and cars. Its primary purpose is to monitor various properties, including **air quality**, **building energy efficiency**, **acoustic impact**, and **humidity levels**.

Looking ahead, FAE Technology is excited to announce our partnership with **INIT**, a global leader in integrated IT solutions for **public transport**. This partnership marks the initiation of an industrial trial, where we will produce commercial-grade devices with the ultimate aim of scaling up future production.



Electronic Boards for Innovative Environmental Monitoring



FAE Technology in partnership with **Finapp**.

FAE Technology has **developed**, **engineered**, **prototyped**, and **manufactured** the electronic boards for an innovative environmental monitoring probe. This cutting-edge device is designed to collect data for various crucial purposes, including optimizing agricultural irrigation to **reduce water wastage**, **mitigating hydrogeological risks** with innovative landslide warning systems, and **mapping water distribution** network leaks to enhance water resource management

In a short term, FAE Technology is actively engaged in the **development of new technology models** with enhanced performance, leveraging advanced communication protocols within a 5g framework. This will support the operation of on-board probes in mobile vehicles, opening up new horizons for environmental monitoring. Furthermore, FAE Technology anticipates a **significant increase in the production** of electronic boards catering to this specific range of applications as we continue to advance our commitment to innovation and environmental sustainability.

Business through innovation approach



Air Quality Monitoring in Industries



FAE Technology, in partnership with **Losma**, is providing an integrated environmental sanitization system.

This system, equipped with a series of air quality detectors strategically distributed throughout the facility, enables continuous **monitoring of pollution parameters** across the entire production site. The comprehensive air purification system, inclusive of detection sensors, has been successfully installed at a company specializing in the manufacturing of molds and equipment for cold metal forming. Looking ahead, the combined air purification and air pollution parameter detection system offers the capability of remote management and real-time data analysis. This is facilitated through a dedicated management panel and an analytical dashboard, providing valuable insights for efficient plant operation and environmental monitoring.

For the next three years, FAE Technology remains committed to its partnership with Losma and **envisions** further advancements in this collaborative effort to **enhance environmental quality** and **industrial efficiency**.

Smart Beverage Dispensing System

Non-Disclosure Customer

Due to non-disclosure agreements, we cannot disclose the identity of our client.

FAE Technology is designing a **HMI** and **control device** for a global leading company in dispensing technologies: the product will be integrated in a smart beverage dispensing system, to manage liquid valves and enable a modular configuration of the **UI interface** through different accessories (touch display, keypad controller).

We are proud to announce that FAE Technology will serve as the supplier for these devices for the **next three years**, supporting our client's innovation in the field of beverage dispensing technology



This business cases are just examples, but the company has many other business opportunities.

At a glance

Value of production	€29.5 mln , +62,8% vs €18.1 mln 30.06.2022 - Proven and solid growth trend
EBITDA	€3 mln , +63,8% vs €1.8 mln 30.06.2022 – Ebitda clearly improved with Ebitda margin confirmed at 10,2%.
EBIT	€2.5 mln , +55,2% vs €1.6 mln 30.06.2022
Net Income	€1.7 mln , +58% vs €1.1 mln 30.06.2022 – Strong results as combined effect of the outstanding commercial performance and the wise and disciplined cost management
Trade working Capital	€8.5 mln , +7% vs €7.9 mln 31.12.2022 - TWC slightly increased due to the strong increase in revenue
Net Financial Debt	€5.8 mln , +65% vs €3.5 mln 31.12.2022 - The increase of the NFD is mainly driven by the revenues ramp-up and a new loan facility (€ 1 million) in order to sustain the capex to increase the production capacity
Net Equity	€12.4 mln , +16% vs €10.8 mln 31.12.2022 - Strong net equity position

Financial statements

Reclassified income statement (Data in thousands of euros)	30/06/2023	% (*)	30/06/2022	% (*)	Var %
Sales revenue	27,311	92,7%	17,398	96,1%	57,0%
Change in inventories	1,820	6,2%	676	3,7%	169,2%
Other revenues and income	335	1,1%	26	0,1%	n.m.
Value of production	29.466	100,0%	18.100	100,0%	62,8%
Cost of raw materials, supplies and good net of var. inventories	(19,912)	-67,6%	(11,872)	-65,6%	67,7%
Costs for services	(3,169)	-10,8%	(2,171)	-12,0%	46,0%
Cost for use of third parts assets	(271)	-0,9%	(176)	-1,0%	54,0%
Staff costs	(2,996)	-10,2%	(2,000)	-11,0%	49,8%
Other operating expenses	(101)	-0,3%	(39)	-0,2%	158,6%
EBITDA	3.017	10,2%	1.842	10,2%	63,8%
Depreciation and amortization	(533)	-1,8%	(242)	-1,3%	120,4%
EBIT	2.484	8,4%	1.600	8,8%	55,2%
Financial income and expenses	(139)	-0,5%	(100)	-0,6%	38,4%
EBT	2.346	8,0%	1.500	8,3%	56,4%
Income taxes	(665)	-2,3%	(437)	-2,4%	52,3%
Income	1.681	5,7%	1.064	5,9%	58,0%

(*) inside with respect to Value of production

Financial statements

Reclassified Balance Sheet (Data in thousands of euros)	30/06/2023	31/12/2022	Var %
Net intangible assets	1.933	1.718	13%
Net tangible assets	4.943	3.613	37%
Equity investments and other non - current financial assets	160	117	36%
Fixed capital	7.037	5.448	29%
Inventories	18.477	10.866	70%
Trade receivables	7.970	8.096	-2%
Trade payables	(17.960)	(11.019)	63%
Trade working capital	8.487	7.943	7%
Other current assets	283	508	-44%
Other current liabilities	(1.141)	(821)	39%
Tax receivables and payables	4.690	2.243	109%
Net accruals and deferrals	(376)	(266)	42%
Net working capital	11.943	9.607	24%
Provisions for liabilities and charges	(75)	(72)	5%
Employee severance indemnity	(702)	(726)	-3%
Net invested capital (Loans)	18.202	14.258	28%
Net financial debt - Current financial debt	1.179	1.508	-22%
Net financial debt - Current part of non-current financial debt	1.325	819	62%
Net financial debt - Non-current financial debt	4.813	4.507	7%
Total financial debt	7.318	6.833	7%
Cash on hand	(1.547)	(3.335)	-54%
Net financial debt	5.771	3.498	65%
Share capital	500	500	0%
Reserves	10.250	8.146	26%
Net income	1.681	2.114	-20%
Net Equity	12.431	10.760	16%
Total sources	18.202	14.258	28%

Financial position

Net financial position (Data in thousands of euros)	30/06/2023	31/12/2022	Var %
A. Cash on hand	1.547	3.335	-54%
B. Cash equivalents	-	-	0%
C. Other current financial assets	-	-	0%
D. Liquidity (A) + (B) + (C)	1.547	3.335	-54%
E. Current financial debt	(1.179)	(1.508)	-22%
F. Current part of non-current financial debt	(1.325)	(819)	62%
G. Current Financial debt (E)+(F)	(2.504)	(2.326)	8%
H. Net current financial debt (G)-(D)	(957)	1.009	-195%
I. Non – current financial debt	(4.813)	(4.507)	7%
J. Debt instruments	-	-	0%
K. Trade and other non-current payables	-	-	0%
L. Non-current financial debt (I) + (J) + (K)	(4.813)	(4.507)	7%
M. Net financial debt (H) + (L)	(5.771)	(3.498)	65%

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TECHNOLOGY