

## SLM Solutions reports revenue growth of 90% in the first half of 2020 while achieving a significant improvement in EBITDA compared to the prior year

- Revenue almost doubled to EUR 31.2 million in H1 2020 (H1 2019: EUR 16.4 million)
- EBITDA in H1 2020 improved to EUR –6.0 million (H1 2019: EUR –18.9 million)
- Order intake in H1 2020 with EUR 13.7 million below H1 2019 (EUR 20.8 million) due to COVID-19 related restrictions and the related global economic slowdown
- For the full year, at least 20% revenue growth and an improved EBITDA in the range of EUR –13 million to EUR –18 million expected
- Launch of the next generation machine planned for the week commencing 9 November 2020

**Lübeck, 13 August 2020** – SLM Solutions Group AG (“SLM Solutions” or the “Company”), a leading supplier of metal-based additive manufacturing technology, reported revenue of EUR 31.2 million for the first half of the 2020 financial year and EBITDA of EUR –6.0 million. Both figures improved significantly compared to the same period in previous year despite the unfavourable environment due to the COVID-19 pandemic.

In the second quarter of 2020, SLM Solutions recognized revenue of EUR 13.3 million and received orders amounting to EUR 10.7 million. Overall, the total order intake in the first half of EUR 13.7 million (H1 2019: EUR 20.8 million) slowed down compared to the previous year given the significant restrictions caused by COVID-19 and the resulting global economic slowdown. Simultaneously, the order backlog of EUR 19.2 million as of 30 June 2020 was still well above the previous year's level, increasing by 31% (30 June 2019: EUR 14.6 million).

EBITDA (earnings before interest, taxes, depreciation and amortization) improved by EUR 12.9 million to EUR –6.0 million for the reporting period (H1 2019: EUR –18.9 million). A major driver was the increased revenue. Additionally, measures from SLM Solutions’ turnaround program had a positive effect on costs. For example, the Company benefited from a more efficient material cost management leading to improved gross margins. In addition, SLM Solutions recorded positive one-time effects of EUR 1.2 million within personnel costs as it benefited from the short-term work program in Germany and the Paycheck Protection Program in the US. Furthermore, travel expenses decreased by EUR 0.5 million compared to previous year due to restrictions related to COVID-19.

Meddah Hadjar, CEO of SLM Solutions: “The first half of 2020 was significantly burdened by the effects and uncertainties of the COVID-19 pandemic. Nevertheless, we have made good progress with our turnaround at SLM Solutions. This applies in particular to the development process for our next generation machine, which has progressed according to plan and will be launched in the week commencing 9 November 2020. We strongly believe this machine will be a game changer for us and the entire metal additive industry.”

Dirk Ackermann, CFO of SLM Solutions: “After a significant slowdown starting in March, we experienced an uptake of customer activities towards the end of the first half of the year. So far, this

trend continued in the third quarter. For the remaining second half of 2020, we expect customer activities to intensify and our business to pick up further. With the funds generated in July from the first tranche of our new convertible bond, we believe that we are currently well positioned to steer SLM Solutions through these challenging times and to continue our turnaround.”

As communicated on 12 August 2020, the Management Board expects a revenue increase of at least 20% compared to the previous year for the full year 2020 (revenue 2019: EUR 49.0 million). For Group EBITDA, SLM Solutions expects an improvement to a level between EUR –13 million and EUR –18 million (EBITDA 2019: EUR –26.0 million).

This forecast is based on the assumption that there will be no significant deterioration of the COVID-19 situation with extensive lockdown measures in the Company's key sales markets during the remainder of 2020.

SLM Solutions Group AG's report on the first six months of the financial year 2020 will be made available for download at [www.slm-solutions.com](http://www.slm-solutions.com) in the "Investor Relations" section in German and English.

**About the company:**

Lübeck-based SLM Solutions Group AG is a leading provider of metal-based additive manufacturing technology. The company's shares are traded in the Prime Standard of the Frankfurt Stock Exchange. SLM Solutions focuses on the development, assembly and sale of machines and integrated system solutions in the field of selective laser melting. SLM Solutions currently employs over 400 members of staff in Germany, France, Italy, the USA, Singapore, Russia, India and China. The products are utilised worldwide by customers in particular from the aerospace, energy, healthcare and automotive industries.

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