

**PRESS RELEASE**

Milan, September 9, 2021

**HALF-YEAR NET REVENUES SHOWING ORGANIC GROWTH WITH SUBSTANTIALLY STABLE MARGINS, NET OF THE PENALIZING EXCHANGE RATE EFFECT****DURING 1H 2021 PROGRESSIVE OVERCOMING OF THE COVID-19 CRISIS, WITH A 2Q 2021 SHOWING A STRONG GROWTH COMPARED TO 1Q 2021**

- Consolidated net revenues equal to €85.9 million in 1H 2021 compared to €89.1 million in 1H 2020, organically increased by +3% but penalized by the exchange rate effect (-6.6%)
- Consolidated net revenues equal to €44.8 million in 2Q 2021, organically increased by 9.6% compared to €41 million in 1Q 2021
- Consolidated gross profit equal to €35.4 million (41.2% of consolidated revenues) in 1H 2021, down compared to €38.2 million (42.9% of consolidated revenues) in 1H 2020, exclusively due to the penalizing effect of exchange rates (net of exchange rates, gross profit in line with 1H 2020 and gross margin substantially stable)
- Consolidated gross profit equal to €19.5 million (43.4% of consolidated revenues) in 2Q 2021, up when compared to €15.9 million (38.8% of consolidated revenues) in 1Q 2021
- Consolidated operating income equal to €7.5 million in 1H 2021, compared to €11.1 million in 1H 2020, penalized by exchange rates and increase in operating expenses
- Consolidated operating income equal to €5.3 million (11.8% of consolidated revenues) in 2Q 2021, more than doubled compared to €2.2 million (5.5% of consolidated revenues) in 1Q 2021
- Consolidated EBITDA equal to €13.2 million (15.4% of consolidated revenues) in 1H 2021, compared to €16.5 million (18.5% of consolidated revenues) in 1H 2020
- Consolidated EBITDA equal to €8.2 million (18.3% of consolidated revenues) in 2Q 2021, up from €5 million (12.2% of consolidated revenues) in 1Q 2021
- Consolidated net income equal to €4.2 million in 1H 2021, compared to €0.4 million in 1H 2020, but the comparison is not significant due to the strong penalizing effect of Covid-19 on the fair value of the securities portfolio in 1H 2020
- Consolidated net financial position positive and equal to €82.4 million as at June 30, 2021

The Board of Directors of SAES Getters S.p.A., gathered today in Milan, approved the consolidated results of the first semester of 2021 (January 1 - June 30).

“The results of the second quarter confirm our growth expectations, although penalized by the negative exchange rate effect - **Eng. Massimo della Porta, President of SAES Getters S.p.A.**, said - We expect a further improvement in the months to come”.

The **2021 half-year results** confirm the **solidity of the SAES® Group** and the **return to organic revenue growth**, albeit heavily penalized by the **negative exchange rate effect**. The semester saw the gradual overcoming of the Covid-19 crisis: after a **first quarter** that had already shown some signs of recovery, although still penalized by the effects of the pandemic especially on the Medical Division, in the **second quarter of 2021** sales in the medical sector returned to the pre Covid-19 levels and the Group recorded a strong organic growth in consolidated revenues (+9.6%) compared to the first quarter of the year.

**Consolidated net revenues** were equal to €85.9 million in the first half of 2021, down (-3.6%) compared to €89.1 million in the corresponding semester of 2020, exclusively due to the **negative exchange rate effect** (-6.6%), related in particular to the devaluation of the US dollar against the euro. Excluding this effect, consolidated revenues **organically grew** by 3%.

Organic growth was mainly driven by the sectors of vacuum systems (**Vacuum Technology Division**) and of medical devices in Nitinol (**Medical Division**): the former thanks to the general growth in revenues in all applications; the latter thanks to the gradual resumption of elective surgeries, especially in the USA. However, the overcoming of the pandemic crisis has also led to the saturation of the thermo-scanner market (sector of electronic devices, within the **Metallurgy Division**), that last year, during the peak of the pandemic, had seen a strong demand growth. Finally, please note the continuing tensions between the United States and China, with a negative effect on the sales of SMA wire for consumer electronics applications (SMA Industrial business, also within the **Metallurgy Division**) and the price tensions on the market of plastics, with a penalizing effect on the advanced packaging sales (**Advanced Packaging Division**).

Thousands of euro (except %)

Business	1H 2021	1H 2020	Total difference (%)	Organic change (%)	Exchange rate effect (%)
Security & Defense	9,025	9,524	-5.2%	1.2%	-6.4%
Electronic Devices	6,220	7,702	-19.2%	-15.3%	-3.9%
Healthcare Diagnostics	2,503	2,752	-9.0%	-5.0%	-4.0%
Lamps	1,574	1,946	-19.1%	-15.7%	-3.4%
Thermal Insulated Devices	1,592	1,674	-4.9%	2.8%	-7.7%
Sintered Components for Electronic Devices & SMA Industrial	4,012	3,733	7.5%	17.6%	-10.1%
	5,277	6,208	-15.0%	-12.0%	-3.0%
<b>Metallurgy Division</b>	<b>30,203</b>	<b>33,539</b>	<b>-9.9%</b>	<b>-4.6%</b>	<b>-5.3%</b>
Solutions for Vacuum Systems	8,645	5,359	61.3%	68.9%	-7.6%
<b>Vacuum Technology Division</b>	<b>8,645</b>	<b>5,359</b>	<b>61.3%</b>	<b>68.9%</b>	<b>-7.6%</b>
Nitinol for Medical Devices	38,522	40,145	-4.0%	4.9%	-8.9%
<b>Medical Division</b>	<b>38,522</b>	<b>40,145</b>	<b>-4.0%</b>	<b>4.9%</b>	<b>-8.9%</b>
Functional Dispensable Products	5,603	5,024	11.5%	13.1%	-1.6%
<b>Specialty Chemicals Division</b>	<b>5,603</b>	<b>5,024</b>	<b>11.5%</b>	<b>13.1%</b>	<b>-1.6%</b>
Advanced Coatings	2,912	5,032	-42.1%	-42.1%	0.0%
<b>Advanced Packaging Division</b>	<b>2,912</b>	<b>5,032</b>	<b>-42.1%</b>	<b>-42.1%</b>	<b>0.0%</b>
<b>Total Net Sales</b>	<b>85,885</b>	<b>89,099</b>	<b>-3.6%</b>	<b>3.0%</b>	<b>-6.6%</b>

The **comparison between the revenues of the first two quarters of 2021** points out an organic growth of +9.6% in the second quarter compared to the first one, against an irrelevant exchange rate effect (-0.3%).

The general negative impact of Covid-19, that had characterized the last three quarters of 2020, gradually diminished starting from the first quarter of 2021. From March 2021, the first signs of recovery appeared and then gradually consolidated over the following months. Please note that both the first quarter and, to a lesser extent, the second quarter of 2021 were negatively impacted by the effect of currencies, which strongly reduced sales in absolute terms.

In particular, in the comparison of the second quarter of 2021 with the first one, the **Medical Division** consolidated the signs of recovery already recorded in the final part of the first quarter, returning to pre-Covid levels, thanks to the complete resumption of elective therapies in the USA. The increase in revenues in the Medical Division, together with the very strong growth in the **Vacuum Technology Division** (sales driven by the particle accelerator sector in Japan) enabled the organic growth in consolidated revenues in the second quarter. Moreover, the **Specialty Chemicals Division** recorded a slight organic growth (+4.9%), thanks to the good performance of sales of advanced materials in the mobile phone business.

On the other hand, the following divisions recorded an organic decrease:

- the **Metallurgy Division** (-4.1%), in particular in the Electronic Devices sector, due to the aforementioned decrease in sales of getters for thermo-scanners and in the SMA Industrial sector, whose decrease is linked to a timing issue in the various application sectors (medical actuators, luxury goods, automotive). Please note the growth of the Security & Defense sector, thanks to the higher sales of alkaline dispensers for night vision applications;
- the **Advanced Packaging Division** (-28.6%), that was affected by some order deferrals from the second to the third quarter due to tensions on the prices of plastics, that influenced the purchasing strategy of some customers.

Thousands of euro (except %)

Business	2Q 2021	1Q 2021	Total difference (%)	Organic change (%)	Exchange rate effect (%)
Security & Defense	4,735	4,290	10.4%	10.5%	-0.1%
Electronic Devices	2,799	3,421	-18.2%	-18.0%	-0.2%
Healthcare Diagnostics	1,284	1,219	5.3%	5.4%	-0.1%
Lamps	745	829	-10.1%	-9.6%	-0.5%
Thermal Insulated Devices	661	931	-29.0%	-28.2%	-0.8%
Sintered Components for Electronic Devices & Lasers	2,112	1,900	11.2%	11.3%	-0.1%
SMA Industrial	2,431	2,846	-14.6%	-14.5%	-0.1%
<b>Metallurgy Division</b>	<b>14,767</b>	<b>15,436</b>	<b>-4.3%</b>	<b>-4.1%</b>	<b>-0.2%</b>
Solutions for Vacuum Systems	5,463	3,182	71.7%	73.8%	-2.1%
<b>Vacuum Technology Division</b>	<b>5,463</b>	<b>3,182</b>	<b>71.7%</b>	<b>73.8%</b>	<b>-2.1%</b>
Nitinol for Medical Devices	20,537	17,985	14.2%	14.3%	-0.1%
<b>Medical Division</b>	<b>20,537</b>	<b>17,985</b>	<b>14.2%</b>	<b>14.3%</b>	<b>-0.1%</b>
Functional Dispensable Products	2,867	2,736	4.8%	4.9%	-0.1%
<b>Specialty Chemicals Division</b>	<b>2,867</b>	<b>2,736</b>	<b>4.8%</b>	<b>4.9%</b>	<b>-0.1%</b>
Advanced Coatings	1,213	1,699	-28.6%	-28.6%	0.0%
<b>Advanced Packaging Division</b>	<b>1,213</b>	<b>1,699</b>	<b>-28.6%</b>	<b>-28.6%</b>	<b>0.0%</b>
<b>Total Net Sales</b>	<b>44,847</b>	<b>41,038</b>	<b>9.3%</b>	<b>9.6%</b>	<b>-0.3%</b>

Including also the revenues of the joint ventures<sup>1</sup>, **total revenues of the Group** were equal to €90.6 million in the first half of 2021, down compared to €93.5 million in the first six months of 2020. The decrease was exclusively due to the aforementioned effect of exchange rates on consolidated sales. The increase in revenues of the joint venture SAES RIAL Vacuum S.r.l. (+76.5%) more than offset the reduction in revenues of the joint venture Actuator Solutions (-9.3%), that was only figurative, since the figure for the current year derives from a different business model compared to the previous year.

Thousands of euro

	1H 2021	1H 2020	Difference
<b>Consolidated sales</b>	<b>85,885</b>	<b>89,099</b>	<b>(3,214)</b>
50% sales of the joint venture Actuator Solutions	3,575	3,940	(365)
49% sales of the joint venture SAES RIAL Vacuum S.r.l.	1,532	868	664
46.73% sales of the joint venture Flexterra	2	23	(21)
Intercompany eliminations	(485)	(418)	(67)
Other adjustments	55	10	45
<b>Total revenues of the Group</b>	<b>90,564</b>	<b>93,522</b>	<b>(2,958)</b>

Excluding the penalizing effect of exchange rates, the **Group's margins** were substantially stable if we **compare the first half of 2021 with the corresponding period of 2020**. On the other hand, **comparing the second quarter of 2021 with the first one**, both the gross margin and the operating margin recorded a strong growth.

**Consolidated gross profit**<sup>2</sup> was equal to €35.4 million in the first half of 2021, compared to €38.2 million in the corresponding half of 2020. Excluding the exchange rate effect, negative and equal to -€2.6 million, the gross profit in 2021 was in line with that of the previous year (-0.6%). Also the **gross margin**<sup>3</sup> was substantially stable (41.4%, net of the penalizing effect of exchange rates, compared to 42.9% in the first six months of 2020), despite the different contributions from the various Divisions.

With reference to the quarterly trend in the current half year, please note the progressive increase in both gross profit and gross margin, confirming the trend towards a generalized recovery and towards a return to pre-Covid figures, especially in the medical sector (gross profit equal to €19.5 million - 43.4% of consolidated revenues - in the second quarter of 2021, compared to €15.9 million - 38.8% of consolidated revenues - in the first three months of the current year).

**Consolidated operating income** amounted to €7.5 million (8.8% of consolidated revenues) in the first half of 2021, compared to €11.1 million in the corresponding period of the previous year (12.5% of consolidated revenues): excluding the strong penalizing effect of exchange rates (-€2 million), the decrease (-€1.6 million, equal to -14.6%) was entirely

<sup>1</sup> Actuator Solutions (50%), SAES RIAL Vacuum S.r.l. (49%) and Flexterra (46.73%).

<sup>2</sup> Calculated as the difference between net sales and industrial costs directly and indirectly attributable to the products sold.

<sup>3</sup> Calculated as the ratio between gross profit and consolidated revenues.

attributable to the increase in operating expenses, distributed across each of the three cost items: R&D, selling expenses and G&A (for the details, see the following paragraph commenting on operating expenses). Finally, please note that in the first half of 2020 the item “Other net income (expenses)” included the donations made to research institutions and hospitals to face the Covid-19 crisis (equal to approximately €0.7 million).

With reference to the quarterly trend in the current semester, operating income in the second quarter of 2021 was equal to €5.3 million (11.8% of consolidated revenues), more than doubled compared to €2.2 million (5.5% of consolidated revenues) in the first three months of the year.

Thousands of euro

	Metallurgy Division		Vacuum Technology Division		Medical Division		Specialty Chemicals Division		Advanced Packaging Division		Not Allocated		TOTAL	
	1H 2021	1H 2020	1H 2021	1H 2020	1H 2021	1H 2020	1H 2021	1H 2020	1H 2021	1H 2020	1H 2021	1H 2020	1H 2021	1H 2020
Total net sales	30,203	33,539	8,645	5,359	38,522	40,145	5,603	5,024	2,912	5,032	0	0	85,885	89,099
Cost of sales	(14,429)	(16,454)	(4,016)	(2,074)	(24,915)	(24,294)	(4,017)	(3,628)	(2,794)	(4,423)	(334)	(3)	(50,505)	(50,876)
Gross profit (loss)	15,774	17,085	4,629	3,285	13,607	15,851	1,586	1,396	118	609	(334)	(3)	35,380	38,223
% on net sales	52.2%	50.9%	53.5%	61.3%	35.3%	39.5%	28.3%	27.8%	4.1%	12.1%	n.a.	n.a.	41.2%	42.9%
Operating expenses and other income (expenses)	(5,150)	(5,864)	(2,220)	(1,868)	(4,204)	(4,293)	(1,071)	(841)	(1,748)	(1,734)	(13,443)	(12,480)	(27,836)	(27,080)
Operating income (loss)	10,624	11,221	2,409	1,417	9,403	11,558	515	555	(1,630)	(1,125)	(13,777)	(12,483)	7,544	11,143
% on net sales	35.2%	33.5%	27.9%	26.4%	24.4%	28.8%	9.2%	11.0%	-56.0%	-22.4%	n.a.	n.a.	8.8%	12.5%

Thousands of euro

	Metallurgy Division		Vacuum Technology Division		Medical Division		Specialty Chemicals Division		Advanced Packaging Division		Not Allocated		TOTAL	
	2Q 2021	1Q 2021	2Q 2021	1Q 2021	2Q 2021	1Q 2021	2Q 2021	1Q 2021	2Q 2021	1Q 2021	2Q 2021	1Q 2021	2Q 2021	1Q 2021
Total net sales	14,767	15,436	5,463	3,182	20,537	17,985	2,867	2,736	1,213	1,699	0	0	44,847	41,038
Cost of sales	(7,024)	(7,405)	(2,397)	(1,619)	(12,677)	(12,238)	(2,023)	(1,994)	(1,203)	(1,591)	(58)	(276)	(25,382)	(25,123)
Gross profit (loss)	7,743	8,031	3,066	1,563	7,860	5,747	844	742	10	108	(58)	(276)	19,465	15,915
% on net sales	52.4%	52.0%	56.1%	49.1%	38.3%	32.0%	29.4%	27.1%	0.8%	6.4%	n.a.	n.a.	43.4%	38.8%
Operating expenses and other income (expenses)	(2,343)	(2,807)	(1,285)	(935)	(2,072)	(2,132)	(586)	(485)	(920)	(828)	(6,953)	(6,490)	(14,159)	(13,677)
Operating income (loss)	5,400	5,224	1,781	628	5,788	3,615	258	257	(910)	(720)	(7,011)	(6,766)	5,306	2,238
% on net sales	36.6%	33.8%	32.6%	19.7%	28.2%	20.1%	9.0%	9.4%	-75.0%	-42.4%	n.a.	n.a.	11.8%	5.5%

**Consolidated EBITDA<sup>4</sup>** was equal to €13.2 million (15.4% of consolidated revenues) in the first half of 2021, compared to €16.5 million (18.5% of consolidated revenues) in the corresponding half of 2020. Please note the negative exchange rate effect of -€2.2 million, net of which EBITDA would have been equal to €15.5 million (16.8% of consolidated revenues). The organic decrease (-€1 million, equal to 6.2%) was exclusively due to the increase in operating expenses, especially for unallocated corporate costs, with a gross profit unchanged.

Thousands of euro

	1H 2021	1H 2020
Operating income (loss)	7,544	11,143
Depreciation & amortization	5,667	5,196
Write-down of assets	6	115
Bad debt provision accrual (release)	14	19
<b>EBITDA</b>	<b>13,231</b>	<b>16,473</b>
% on sales	15.4%	18.5%

**Consolidated net income** was equal to €4.2 million (4.9% of consolidated revenues) in the first half of 2021 and compares with a net income of €0.4 million in the first half of 2020 (0.5% of consolidated revenues). Also in this case, the exchange rate effect was heavily penalizing (-€1.7 million), while the organic change was positive for €5.5 million. The net income in the first half of 2020 was penalized by the reduction in the fair value of the securities portfolio, due to the Covid-19 crisis (negative change of €6.5 million in the first half of 2020, compared to a positive change equal to €1.4 million in the first half of 2021).

The **consolidated net financial position** was positive and equal to €82.4 million as at June 30, 2021. The worsening compared to the end of March 2021 (net financial position equal to €92.4 million), was mainly a consequence of the payment of dividends at the end of April (-€7.4 million) and of the net capex (-€5.2 million), partially offset by positive cash flows from operations (+€2.2 million) and by those related to the securities portfolio (+€1.3 million).

<sup>4</sup> EBITDA is not deemed as an accounting measure under International Financial Reporting Standards (IFRSs); however, we believe that EBITDA is an important parameter for measuring the Group's performance and therefore it is presented as an alternative indicator. Since its calculation is not regulated by applicable accounting standards, the method applied by the Group may not be homogeneous with the ones adopted by other Groups. EBITDA is calculated as “Earnings before interests, taxes, depreciation and amortization”.

Thousands of euro

	June 30, 2021	March 31, 2021	December 31, 2020
Cash on hands	9	8	10
Cash equivalents	24,410	28,645	30,668
<b>Cash and cash equivalents</b>	<b>24,419</b>	<b>28,653</b>	<b>30,678</b>
Related parties financial assets, current	0	0	1
Securities - short term	70,279	70,120	70,661
Other current financial assets	0	0	11
<b>Current financial assets</b>	<b>70,279</b>	<b>70,120</b>	<b>70,673</b>
Bank overdraft	(44,508)	(35,880)	(33,491)
Current portion of long term debt	(4,142)	(4,933)	(5,199)
Derivative financial instruments	(38)	(123)	(32)
Other current financial liabilities	(16)	(22)	(24)
Current financial liabilities for leases	(1,496)	(1,663)	(1,932)
<b>Current financial liabilities</b>	<b>(50,200)</b>	<b>(42,621)</b>	<b>(40,678)</b>
<b>Current net financial position</b>	<b>44,498</b>	<b>56,152</b>	<b>60,673</b>
Related parties financial assets, non current	49	49	49
Securities - long term	135,161	134,554	134,087
<b>Non current financial assets</b>	<b>135,210</b>	<b>134,603</b>	<b>134,136</b>
Long term debt, net of current portion	(93,965)	(94,987)	(95,496)
Non current financial liabilities for leases	(3,337)	(3,417)	(3,571)
<b>Non current financial liabilities</b>	<b>(97,302)</b>	<b>(98,404)</b>	<b>(99,067)</b>
<b>Non current net financial position</b>	<b>37,908</b>	<b>36,199</b>	<b>35,069</b>
<b>Net financial position</b>	<b>82,406</b>	<b>92,351</b>	<b>95,742</b>

For further details, please refer to the following sections of this press release.

### **Relevant events occurred in the first half of 2021**

With regard to the investment in the **EUREKA! venture capital fund**, on February 25, 2021, an additional **payment of €37 thousand** was made, including both the portion of commissions and management fees, as well as the portion of an investment made by the fund in an innovative start-up, a spin-off of the NEST laboratory of the *Scuola Normale Superiore di Pisa* and of the *Consiglio Nazionale delle Ricerche* (CNR), that has developed a point-of-care diagnostic system based on nanotechnological devices with an acoustic surface wave for the detection of molecules, focusing on the detection of brain trauma.

On May 17, 2021, a further **payment of €65 thousand** was made, again including both management costs and the portion of an investment in the innovative start-up Endostart, established in Florence in 2018 and that has developed the Endorail system, a medical device aimed at facilitating the completion of colonoscopies in cases where they are difficult or impossible to complete, based on a proprietary technology co-developed together with the ICCOM institute of the CNR and the Interuniversity Consortium INSTM.

Finally, please note that, on May 31, 2021, the EUREKA! fund finalized the third Closing, on the basis of which new investors were formally admitted, with a total contribution to the investment of approximately €11.3 million. Therefore, the investment of SAES was diluted from 7.51% to 5.85% and the Parent Company obtained a **refund** referring to both the costs and the investments of the fund, **equal to €51 thousand**.

The Group's economic result will continue to be influenced by the trend in the exchange rate of the euro against the US dollar. In order to preserve the margins from the exchange rate fluctuations, on March 9, 2021, **forward sale contracts on the dollar** were signed for a notional value of \$6.7 million, with an average forward exchange rate of 1.1957 against the euro. These contracts extend throughout the year 2021.

On March 31, 2021, the **establishment of a branch of SAES Coated Films S.p.A. in Freiburg - Germany** was completed (registration number HRD723906), in line with the strategy of the company that is committed to improving its presence in strategic markets, in order to boost new business opportunities. This decision was approved by the Board of Directors of SAES Coated Films S.p.A. held on November 26, 2020.

With regard to the **investment in SAES RIAL Vacuum S.r.l.**, on May 31, 2021, based on new agreements between the parties currently under negotiation, **the exercise terms of the put & call option** between the shareholders SAES Getters S.p.A. and Rodofil S.r.l. **were redefined**, postponing them from mid-year 2021 to the end of 2021. In particular, Rodofil S.r.l., in the period between October 1, 2021 and October 31, 2021, will have the opportunity to sell its shares to SAES Getters S.p.A. in one single solution, exercising the put option for a minimum percentage of 2% and up to 51% of the share capital of SAES RIAL Vacuum S.r.l., at a price related to the company's performance, pro-formed for any extraordinary costs and non-recurring investments. If Rodofil S.r.l. does not exercise this put option, SAES Getters S.p.A.

will have the right to exercise a call option between November 1 and November 30, 2021, again in a single solution, for a percentage of shares equal to 30% of the share capital, at a price calculated with a similar mechanism, but without adjustments for any extraordinary costs or investments.

On June 1, 2021, the **German branch of SAES Getters S.p.A. was established, located in Freiburg - Germany** (registration number HRB724326), with scouting and promotion functions, in line with the strategy that will see the Group committed to improving its presence in markets deemed crucial for its future growth.

During the month of June SAES Nitinol S.r.l. **partially waived**, for a total amount of €0.5 million, **the interest already accrued on the loans granted to the joint venture Actuator Solutions GmbH**. In addition, the interest rate applied to the loans has been reduced to 2% starting from January 1, 2021. The aforementioned waiver had no effect on the consolidated financial statements, as the financial receivable related to the interest-bearing loan (both principal and interest) was already fully written down as at December 31, 2020, as it was deemed difficult to recover.

### **Metallurgy Division**

**Consolidated revenues** of the Metallurgy Division amounted to €30.2 million in the first half of 2021, down by -9.9% compared to €33.5 million in the corresponding half of 2020. The euro trend compared to other foreign currencies recorded a negative exchange rate effect equal to -5.3%, net of which revenues organically decreased by 4.6%.

The organic decrease was mainly concentrated in:

- the electronic devices sector (Electronic Devices Business, -15.3%) due to the slowdown in the sales of thermal sensors that were highly sought after in the previous year during the pandemic crisis;
- the SMAs for industrial applications (SMA Industrial Business, -12%) penalized by international tensions between USA and China, that drastically reduced sales for consumer electronics applications in the telecom sector;
- similarly to what happened in the thermo-scanner sector, the mitigation of the Covid-19 crisis also recorded an organic decrease in the sector of x-ray diagnostic systems (Healthcare Diagnostics Business, -5%);
- the lamps sector (Lamps Business) continued to show a progressive structural crisis, with an organic decrease of -15.7%.

On the other hand, an organic growth was recorded in the following sectors:

- the Sintered Components for Electronic Devices & Lasers Business (organic growth of +17.6%), thanks to higher sales of heat sinks for solid-state lasers;
- the security and defense sector (Security & Defense Business, +1.2%), thanks to higher sales of alkaline dispensers for night vision applications, particularly in the second quarter;
- the thermal insulation sector (Thermal Insulated Devices Business, +2.8%), thanks to the higher sales of getters for vacuum bottles concentrated in the first part of the current semester.

The table below shows the revenues in the first half of 2021 related to the different businesses, with evidence of the exchange rate effect and of the organic change compared to the corresponding period of 2020.

Thousands of euro (except %)

Business	1H 2021	1H 2020	Total difference (%)	Organic change (%)	Exchange rate effect (%)
Security & Defense	9,025	9,524	-5.2%	1.2%	-6.4%
Electronic Devices	6,220	7,702	-19.2%	-15.3%	-3.9%
Healthcare Diagnostics	2,503	2,752	-9.0%	-5.0%	-4.0%
Lamps	1,574	1,946	-19.1%	-15.7%	-3.4%
Thermal Insulated Devices	1,592	1,674	-4.9%	2.8%	-7.7%
Sintered Components for Electronic Devices & Lasers	4,012	3,733	7.5%	17.6%	-10.1%
SMA Industrial	5,277	6,208	-15.0%	-12.0%	-3.0%
<b>Metallurgy Division</b>	<b>30,203</b>	<b>33,539</b>	<b>-9.9%</b>	<b>-4.6%</b>	<b>-5.3%</b>

**Gross profit** of the Metallurgy Division amounted to €15.8 million, down from €17.1 million in the first half of 2020, as a result solely of lower revenues. On the other hand, the **gross margin** increased from 50.9% to 52.2%, thanks to the better contribution especially of the security and defense and industrial SMA sectors, characterized by a more favorable product mix.

**Operating income** of the Metallurgy Division was equal to €10.6 million, compared to €11.2 million in the first half of 2020 (-5.3%); however, the **operating margin** improved from 33.5% to 35.2%.

### **Vacuum Technology Division**

**Consolidated revenues** of the Vacuum Technology Division were equal to €8.6 million in the first half of 2021, showing a strong growth (+61.3%) compared to €5.4 million in the corresponding period of 2020. The exchange rate effect was negative and equal to -7.6%, net of which sales organically increased even by +68.9%: pump sales increased across all applications and were mainly driven by the particle accelerator business, particularly in Japan.

The table below shows the revenues in the first half of 2021, with evidence of the exchange rate effect and of the organic change compared to the corresponding period of 2020.

Thousands of euro (except %)

Business	1H 2021	1H 2020	Total difference (%)	Organic change (%)	Exchange rate effect (%)
Solutions for Vacuum Systems	8,645	5,359	61.3%	68.9%	-7.6%
<b>Vacuum Technology Division</b>	<b>8,645</b>	<b>5,359</b>	<b>61.3%</b>	<b>68.9%</b>	<b>-7.6%</b>

**Gross profit** of the Vacuum Technology Division was equal to €4.6 million in the first half of 2021, strongly up (+40.9%) compared to €3.3 million in the first half of 2020, due to the higher sales and the consequent economies of scale, while the **gross margin** was down (from 61.3% to 53.5%) due to the different product mix and the higher cost of raw materials.

**Operating income** of the Vacuum Technology Division amounted to €2.4 million, showing a strong growth (+70%) compared to €1.4 million in the first half of 2020. The **operating margin** increased from 26.4% to 27.9%.

### **Medical Division**

**Consolidated revenues** of the Medical Division were equal to €38.5 million in the first half of 2021, down by 4% compared to €40.1 million in the corresponding period of 2020. Please note that the exchange rate effect was negative (-8.9%), net of which sales organically increased by 4.9%, thanks to the gradual resumption of deferred surgeries that returned to pre-Covid levels in the second quarter of the year.

The table below shows the revenues in the first half of 2021, with evidence of the exchange rate effect and of the organic change compared to the corresponding period of 2020.

Thousands of euro (except %)

Business	1H 2021	1H 2020	Total difference (%)	Organic change (%)	Exchange rate effect (%)
Nitinol for Medical Devices	38,522	40,145	-4.0%	4.9%	-8.9%
<b>Medical Division</b>	<b>38,522</b>	<b>40,145</b>	<b>-4.0%</b>	<b>4.9%</b>	<b>-8.9%</b>

**Gross profit** of the Medical Division was equal to €13.6 million in the first half of 2021, down when compared to €15.9 million in the corresponding period of 2020, penalized by the devaluation of the dollar against the euro. **Gross margin** was also lower (from 39.5% to 35.3%), although gradually improving during the current semester, due to both a temporary decline in volumes in a product line with above-average margins, and investments in the new Bethel site to expand the production capacity of tubes.

The first half of 2021 ended with an **operating income** of €9.4 million, compared to an operating income of €11.6 million in the previous year. The **operating margin** of the semester decreased at the same time, from 28.8% to 24.4%.

### **Specialty Chemicals Division**

**Consolidated revenues** of the Specialty Chemicals Division were equal to €5.6 million in the first half of 2021, up (+11.5%) compared to €5 million in the corresponding period of 2020. The exchange rate effect was negative and equal to -1.6%, net of which the organic increase was equal to +13.1%, thanks to the planned increase in

sales of advanced materials in the consumer electronics business and increased sales of dispensable dryers for passive matrix OLED displays and pulse oximeter displays. Finally, please note the launch of a new product for the protection of high voltage circuit-breakers used in electrical substations.

The table below shows the revenues in the first half of 2021, with evidence of the exchange rate effect and of the organic change compared to the corresponding period of 2020.

Thousands of euro (except %)

Business	1H 2021	1H 2020	Total difference (%)	Organic change (%)	Exchange rate effect (%)
Functional Dispensable Products	5,603	5,024	11.5%	13.1%	-1.6%
<b>Specialty Chemicals Division</b>	<b>5,603</b>	<b>5,024</b>	<b>11.5%</b>	<b>13.1%</b>	<b>-1.6%</b>

**Gross profit** of the Specialty Chemicals Division was equal to €1.6 million, up by +13.6% when compared to €1.4 million, especially thanks to higher sales, against a slightly increased **gross margin** (from 27.8% to 28.3%), favored by economies of scale.

The **operating income** of the Specialty Chemical Division was equal to €0.5 million, substantially in line with €0.6 million in the first semester of 2020. The **operating margin** changed from 11% to 9.2%.

### **Advanced Packaging Division**

**Consolidated revenues** of the Advanced Packaging Division were equal to €2.9 million in the first half of 2021, compared to €5 million in the corresponding period of 2020. Sales were entirely denominated in euro. The decrease was exclusively attributable to the phase-out of metallized products completed in the second half of 2020; considering only lacquered products, sales were substantially in line and were affected by some shifts in orders from the second to the third quarter of 2021 due to the tensions on the prices of plastics, which influence the purchasing strategies of customers.

The table below shows the revenues in the first half of 2021, with evidence of the exchange rate effect and of the organic change compared to the corresponding period of 2020.

Thousands of euro (except %)

Business	1H 2021	1H 2020	Total difference (%)	Organic change (%)	Exchange rate effect (%)
Advanced Coatings	2,912	5,032	-42.1%	-42.1%	0.0%
<b>Advanced Packaging Division</b>	<b>2,912</b>	<b>5,032</b>	<b>-42.1%</b>	<b>-42.1%</b>	<b>0.0%</b>

**Gross profit** of the Advanced Packaging Division was equal to €0.1 million (4.1% of revenues) compared to €0.6 million recorded in the corresponding period of 2020 (12.1% of revenues): the decrease was mainly due to the lower economies of scale (higher incidence of manufacturing overhead) and to the initial functioning phase of the second lacquering line, not yet fully operational.

The first half of 2021 ended with an **operating loss** of -€1.6 million, compared to -€1.1 million in the previous year.

### **Not allocated Costs**

It includes the costs related to basic research projects or aimed at diversification in innovative businesses, as well as corporate costs (costs that cannot be directly attributed or reasonably allocated to any business sector, but that refer to the Group as a whole).

The unallocated **cost of goods sold**, equal to a total of -€0.3 million, refers to costs related to a project for the renovation and safety of some production departments at the Lainate site.

The **operating expenses** amounted to €13.3 million in the first half of 2021, compared to €11.7 million in the corresponding period of 2020. The increase, mainly concentrated in G&A expenses, included higher costs in the IT area and higher consultancy costs for the development in foreign markets.



Finally, please note costs for Covid-19 donations equal to €0.7 million under the item “**other net income (expenses)**” in the first half of 2020.

\*\*\*

**Consolidated operating expenses** were equal to €27.7 million (32.3% of revenues), compared to €26.3 million (29.5% of revenues) in the corresponding period of 2020. Excluding the exchange rate effect (which reduced operating expenses by €0.7 million), operating costs increased by €2.1 million: the increase was spread across all destinations and, in absolute terms, mainly concentrated in **general and administrative expenses** (+€0.9 million, net of the exchange rate effect), mainly due to higher costs in the IT area for the implementation of new information systems and higher consulting costs of the US subsidiaries for the recruiting of new staff, in order to support the current phase of production expansion after Covid-19, as well as due to the costs associated with a renovation and modernization project regarding some offices of the Parent Company in Lainate.

**Selling expenses** (+€0.6 million, again net of the exchange rate effect) increased as a result of the increase in the average number of sales personnel of the Parent Company and the higher bonuses set aside following the recovery of the business, as well as for consultancy costs for a development opportunity in foreign markets, currently under assessment.

Finally, **research and development expenses** (+€0.5 million, excluding the currency effect) increased due to both the overcoming of the pandemic phase and the consequent return of R&D activities to pre-Covid levels, as well as to the new approach of the Group to innovation, through the creation of a dedicated *Strategic Innovation Office* within the Parent Company. Finally, please note a slight increase in costs for the management and maintenance of patents.

The net balance of **other net income (expenses)** was negative and equal to -€0.1 million, compared to a negative balance of -€0.8 million in the first half of 2020. The reduction in net costs was due to the fact that in the first half of 2020 there were costs for Covid-19 donations, equal to the same amount (€0.7 million).

The net balance of **financial income and expenses** was positive and equal to €1.1 million, compared to a negative balance of €6.5 million in the corresponding period of 2020. The positive change (€7.6 million) was mainly attributable to the fair value valuation of the securities portfolio, positive in the current half year for €1.4 million and negative in the first six months of 2020 for €6.5 million, due to the Covid-19 financial crisis. Please also note the lower bank commissions that in the first half of 2020 included costs related to the opening of two new credit lines by the Parent Company (approximately €0.2 million). On the other hand, the current semester included net charges (€0.6 million) deriving from the partial disinvestment of the bond portfolio, replaced by a Dynamic Multi-Asset (DMAS) management, with the aim of protecting the value of the invested capital, considering the global macroeconomic and monetary framework. Finally, please note that the item included the write-down of the financial receivable for the interests accrued in the current semester both on the interest-bearing loans granted to the joint venture Actuator Solutions GmbH, and on the convertible loan granted to Flexterra, Inc. (respectively, -€79 thousand and -€100 thousand).

The income deriving from the **valuation with the equity method** of the jointly controlled companies was equal to €53 thousand, attributable exclusively to the joint venture SAES RIAL Vacuum S.r.l., and compares with a loss of €0.9 million in the corresponding period of the previous year, mainly attributable to the jointly controlled company Flexterra. Please note that, similarly to last year, despite the joint venture Actuator Solutions ended the first half of 2021 with a positive result, SAES's share of this net income was not recorded by the Group, since the consolidated shareholders' equity of the joint venture was still negative, against a shareholding of SAES which has already been completely zeroed. Also the portion of the net loss realized by the Flexterra joint venture in the current half year was also not recognized, as the equity investment was already zeroed<sup>5</sup> at the end of the previous year. It should also be noted that there is no legal or implicit obligation for SAES to recapitalize, as the equity of the *joint venture* as at 30 June 2021 is positive.

The sum of **exchange rate differences** recorded a substantially nil balance in the first six months of 2021 and was equal to -€72 thousand (-€29 thousand in the first half of 2020). Both balances, of an immaterial amount, were mainly attributable to the effect of the fluctuations of the dollar against the euro on commercial transactions, including intra-group transactions.

**Income taxes** amounted to €4.5 million in the semester, compared to €3.3 million in the corresponding half of 2020 and mainly consisted of US company taxes. The increase compared to the first six months of the previous year was mainly attributable to the lower 2020 taxes of the subsidiary SAES Investments S.A, which had closed the previous semester with a tax loss due to the losses on securities following the Covid-19 crisis.

<sup>5</sup> Equity investment completely zeroed as at December 31, 2020, following an impairment test.

The Group **tax rate** was equal to 51.6% (compared to 88.4% in the first half of 2020), still significant due to the fact that the Parent Company and SAES Coated Films S.p.A. ended the current half year with a negative tax base, not valued as a deferred tax asset.

In the first half of 2021, **net income per ordinary and savings share** were equal, respectively, to €0.22404 and €0.24067. In the first half of 2020, net income per savings share was equal to €0.05936, while net income per ordinary share was zero.

The **consolidated net financial position** as at June 30, 2021 was positive for €82.4 million and compares with a net cash as at December 31, 2020 of €95.7 million.

The decrease in the net financial position (-€13.3 million) was mainly attributable to net investments in tangible and intangible assets (-€8.2 million), as well as the payment of dividends for the year 2020, paid at the end of April 2021 (-€7.4 million), partially offset by positive cash flows (+€2 million) related to the securities portfolio<sup>6</sup>.

With regard to **operating cash flows** (positive for €0.4 million), the self-financing of the semester was almost completely absorbed by the increase in net working capital, in particular the increase in trade receivables (consequence of the higher sales in the second quarter of 2021, compared to the last months of 2020) and in the inventory (in anticipation of the increase in future sales).

Finally, regarding the **investment activities**, please note investments amounting to €0.1 million in the venture capital fund EUREKA! and, in the **financial management**, financial payables for new leasing contracts entered into in the semester (including interest accrued in the period and the financial effect for the early termination of some contracts) totaling €0.4 million, in addition to negative flows of €0.7 million for interest accrued on bank loans.

The exchange rate impact was positive (+€1.1 million), mainly attributable to the effect of the revaluation of both the renminbi and the dollar as at June 30, 2021, compared to the end of 2020, on the cash equivalents held in these currencies by the Chinese subsidiary SAES Getters (Nanjing) Co., Ltd. and by the US subsidiaries.

### **Performance of the joint venture companies**

#### ***Actuator Solutions GmbH***

The joint venture Actuator Solutions achieved **net revenues** of €7.2 million in the first half of 2021, compared to €7.9 million in the corresponding period of 2020. Despite the signs of recovery in the automotive market, revenues fell by 9.3%, but the two years are not comparable since in the second half of 2020 Actuator Solutions sold a production line of actuators for business seat comfort to its partner Alfmeier Präzision, renouncing sales, but receiving in exchange a commission on them equal to the margin it would have achieved if it had continued its production activities. Therefore, this operation reduced the revenues of the joint venture in the automotive sector, replaced only by commissions, with no effect on the results. By way of information, please note that the pro-forma value of revenues, without considering the aforementioned sale of the seat comfort production line, was €9.7 million, up by 23.5% compared to the previous period: sales increased especially in the first months of the current year, while, starting from May 2021, they were penalized by difficulties in the procurement of electronic components.

The fees generated by the application development activities in the actuator sector increased by 16.7% compared to the first six months of 2020. Finally, sales related to the development and assembly contract for Covid-19 rapid diagnostic test devices recorded revenues of €1.1 million (€1 million in the first six months of 2020).

The **gross margin** was equal to 29.7% in the first half of 2021, up when compared to 27.3% in the corresponding period of 2020, due to the different offer mix and the higher incidence of revenues from application developments that, together with the Covid-19 rapid test assembly activities, are characterized by higher margins compared to the core business of automotive seat comfort.

With the same gross profit and operating expenses, **operating income** for the half year of the year was equal to €0.9 million, down from €1 million in the first half of 2020, since the 2020 figure included an extraordinary income, equal to approximately €0.1 million, related to the liquidation process of the Taiwanese subsidiary.

**Net income** was equal to €1.3 million, compared to €0.7 million in the corresponding period of 2020: the increase was mainly due to a financial income, equal to €0.5 million, recognized by the joint venture following the partial waiver by the SAES Group on the interest accrued on the loans granted to Actuator Solutions GmbH. In addition, the interest rate applied on these loans was reduced from 6% to 2% starting from January 1, 2021, resulting in savings in the semester of approximately €0.2 million for the joint venture.

<sup>6</sup> Coupons collected equal to +€1.3 million and change in the fair value of the securities equal to +€1.4 million, net of capital losses on bonds equal to -€0.6 million and management fees equal to -€0.1 million.

Thousands of euro

<b>Actuator Solutions</b>	<b>1H 2021</b>	<b>1H 2020</b>
	<b>100%</b>	<b>100%</b>
Total net sales	7,151	7,880
Cost of sales	(5,030)	(5,725)
<b>Gross profit</b>	<b>2,121</b>	<b>2,155</b>
% on sales	29.7%	27.3%
Total operating expenses	(1,262)	(1,290)
Other income (expenses), net	29	164
<b>Operating income (loss)</b>	<b>888</b>	<b>1,029</b>
% on sales	12.4%	13.1%
Interests and other financial income, net	377	(304)
Foreign exchange gains (losses), net	(9)	(23)
Income taxes	(3)	15
<b>Net income (loss)</b>	<b>1,253</b>	<b>717</b>

The share attributable to the SAES Group in the result of the joint venture for the first half of 2021 was equal to €0.6 million (€0.4 million in the first half of 2020), but, similar to the previous year, it was not taken over by the Group as the equity of the joint venture was still negative for approximately €2 million<sup>7</sup>, against a shareholding of SAES in Actuator Solutions which has already been completely zeroed.

### ***SAES RIAL Vacuum S.r.l.***

The joint venture SAES RIAL Vacuum S.r.l. ended the first half of 2021 with **revenues** of €3.1 million, strongly up (+76.5%) compared to €1.8 million in the corresponding period of 2020 that, on the other hand, had been characterized by the delay of some large research projects, also due to the Covid-19 pandemic. Despite the increase in revenues, the **gross margin** was down (from 17.7% to 12.3%) due to a different product mix, with the dominance of projects with lower margins and the half year ended with a gross profit of €0.4 million, compared to €0.3 million in the first six months of 2020. The increase in absolute terms of the gross profit was similar at both the **operating income** level (€150 thousand, compared to €76 thousand in the first half of 2020), and at the **net income** one (€109 thousand, compared to €48 thousand in the first six months of 2020).

Thousands of euro

<b>SAES RIAL Vacuum S.r.l.</b>	<b>1H 2021</b>	<b>1H 2020</b>
	<b>100%</b>	<b>100%</b>
Total net sales	3,127	1,772
Cost of sales	(2,743)	(1,459)
<b>Gross profit</b>	<b>384</b>	<b>313</b>
% on sales	12.3%	17.7%
Total operating expenses	(341)	(260)
Other income (expenses), net	107	23
<b>Operating income (loss)</b>	<b>150</b>	<b>76</b>
% on sales	4.8%	4.3%
Interests and other financial income, net	(12)	(14)
Foreign exchange gains (losses), net	(6)	0
Income taxes	(23)	(14)
<b>Net income (loss)</b>	<b>109</b>	<b>48</b>

The share attributable to the SAES Group in the result of the joint venture for the first half of 2021 was equal to +€53 thousand (+€23 thousand in the first half of 2020).

### ***Flexterra***

During the first months of 2021 the Flexterra project made some progress. In particular, some feasibility studies and joint experiments with an important Asian player have been launched for the development of innovative displays for reading, to which Flexterra will be able to contribute with its advanced materials.

The joint venture Flexterra ended the first half of 2021 with a **consolidated net loss** of -€2.1 million, in line with the corresponding period of 2020 (mainly costs for employees employed in research activities and in general and administrative activities, consultancy, costs related to the management of patents and depreciation on intangible assets,

<sup>7</sup> 50% pro-quota amount.

including intellectual property). The reduction in operating expenses, exclusively attributable to the exchange rate effect, was offset by the financial interest accrued on the \$3 million convertible loan granted by the SAES Group in July 2020.

Thousands of euro

<b>Flexterra</b>	<b>1H 2021</b>	<b>1H 2020</b>
	<b>100%</b>	<b>100%</b>
Total net sales	3	50
Cost of sales	(1)	(27)
<b>Gross profit</b>	<b>2</b>	<b>23</b>
<i>% on sales</i>	<i>66.7%</i>	<i>46.0%</i>
Total operating expenses	(2,010)	(2,132)
Other income (expenses), net	17	1
<b>Operating income (loss)</b>	<b>(1,991)</b>	<b>(2,108)</b>
<i>% on sales</i>	<i>n.a.</i>	<i>n.a.</i>
Interests and other financial income, net	(111)	(9)
Foreign exchange gains (losses), net	32	74
Income taxes	(32)	21
<b>Net income (loss)</b>	<b>(2,102)</b>	<b>(2,022)</b>

The share pertaining to the SAES Group in the result of the joint venture for the first half of 2021 was equal to -€1 million (-€0.9 million in the first half of 2020), but since the SAES investment in Flexterra has already been completely eliminated<sup>8</sup> and as there is currently no legal or implicit obligation of the Group to recapitalize, in accordance with the provisions of IAS 28, the share of SAES in the net loss has not been recognized by the Group as a liability.

#### **Significant events occurred after the end of the first half of 2021**

On July 2, 2021 SAES Getters S.p.A. signed a **convertible loan worth €1.5 million in favor of the German company Rapitag GmbH**, based in Munich.

Rapitag is a start-up that develops products for mobile check-out, based on IoT (Internet of Things) solutions, to foster the digital transformation of physical stores. Rapitag, in particular, has developed patented IoT tags for 1-click purchase, speeding up purchases and ensuring the anti-theft functionality, with the aim of helping to support the digital transformation in the retail sector.

The financing agreement provides that the resources made available by SAES will be used by Rapitag for the prototyping activities, which will be carried out through the joint venture **Actuator Solutions GmbH as exclusive contractor**. The agreement also provides that Rapitag will only use **SMA shape memory alloy wires supplied by SAES**. The loan is granted by SAES in two tranches, and the first one, equal to €0.8 million, transferred upon signature of the agreement, will be used to finance the company's operations; the second one (equal to €0.7 million) will be paid in successive installments corresponding to the costs that Rapitag will incur for the development of the prototypes. An annual interest of 6% will accrue on the loan, maturing on December 31, 2024 and extensible through an agreement between the parties. The loan may be repaid before the maturity date upon the occurrence of certain relevant events, including the receivership of Rapitag, its liquidation, the change of control of more than 50% or the renunciation by one of the Founding Shareholders. SAES will have the right to convert its credit into new Rapitag shares (conversion shares) at any time in the period July 1, 2022 - June 30, 2023 or upon the occurrence of a qualified capital increase of at least €500 thousand, as well as at the maturity date. The price of each conversion share will be calculated by dividing the value of the company prior to the last capital increase, net of a discount coefficient, by the number of shares in circulation before the increase itself.

On July 7, 2021 SAES Getters S.p.A. finalized the closing for the **acquisition of 100% of the share capital of Strumenti Scientifici Cinel S.r.l. (CINEL)**, a consolidated international player in the sector of components and scientific instrumentation for synchrotrons and particle accelerators, based in the province of Padua. The price was equal to €19 million, paid to CINEL shareholders in a single tranche and in cash, already in the cash holdings of SAES. This consideration was defined by calculating the equity value, determined by algebraically adding to the enterprise value (equal to 8 times the EBITDA obtained as the arithmetic average of the EBITDA resulting from the approved financial statements for the years 2019 and 2020) the net financial position (NFP) estimated at the closing date, in addition to the difference between the net working capital (NWC) estimated at the closing date and the Company's NWC for the year ended at December 31, 2020. Any deviation between the estimated NFP and NWC values and the actual values at the closing will constitute a price adjustment element (estimated at around €0.7 million, to the benefit of the former shareholders of CINEL).

The spaces used to date by CINEL, already sold to another company, will be leased through the signing of a specific six-year contract.

<sup>8</sup> Equity investment completely zeroed as at December 31, 2020, following an impairment test.

Some agreements are foreseen with the current owners who will continue to collaborate with SAES as consultants, in order to guarantee business continuity in the transition phase.

The objective of the acquisition, for SAES, is to strengthen its competitive position in the vacuum sector, through an expansion of the range of products for particle accelerators and synchrotrons, entirely Italian and at the forefront on a global scale.

Strumenti Scientifici Cinel S.r.l. achieved net revenues<sup>9</sup> of approximately €8.4 million in 2020, with an EBITDA margin of 29.3%. In 2019, revenues were equal to €5.7 million, with an EBITDA margin of 27.5%. As at December 31, 2020, the company's net equity amounted to €2.9 million, while the net financial position was positive for approximately €2.9 million. The company employs around 35 people.

On July 22, 2021, the **liquidation process of the German subsidiary Memry GmbH** (which began at the end of 2017) **was completed** with the cancellation of the company from the Register of Companies.

With regard to the **investment completed in the venture capital fund EUREKA!**, on July 27, 2021, a **payment of €50 thousand** was made, including both the portion of commissions and management fees, as well as the portion of an investment made by the fund in Aquaseek S.r.l., a spin-off company of the Politecnico of Turin that has just been established, which intends to develop and market an innovative system (AWG, Atmospheric Water Generator) for the collection and conversion of environmental humidity, in order to make it available in a liquid and drinkable form, useful in contexts of water shortage or usable in parallel with other resources.

On August 18, 2021, SAES Getters International Luxembourg S.A. finalized an agreement to grant to the **joint venture Flexterra, Inc.** a **second convertible loan for a total amount of \$2 million**, with the same characteristics of the one granted last year (July 2020). The loan, with a duration of one year and on which an interest of 8% will accrue, will be paid in two tranches: the first one, equal to \$1 million, upon signing the contract and the second one, again for an amount equal to \$1 million, in November 2021. The latter will be conditional upon the joint venture's achievement of pre-established commercial objectives. The agreement also provides for **the extension of the maturity date of the convertible loan of \$3 million granted in July 2020** and the alignment of its maturity to that of the new loan (i.e., August 2022, in case that only the first tranche is paid, or November 2022, if both tranches are paid).

Please note that the fair value of the Group's **securities portfolio**, consisting mainly of buy&hold assets, at the end of August 2021 increased by approximately 0.3% compared to the value as at June 30, 2021.

## **Business Outlook**

In the remaining part of the year a further consolidation is expected in the Medical Division as well as a gradual recovery of activities within the industrial world.

\*\*\*

The figures are drawn from the Interim consolidated financial statements as at June 30, 2021 (including the interim condensed consolidated financial statements, the interim management report and the certification required by article 154-bis, paragraph 5 of TUF) that was approved by the Board of Directors of SAES Getters S.p.A. today and already transmitted to the auditing firm to perform the related legal requirements.

This document, together with the results of the audit check, will be available to the public both on the Company's website ([www.saesgetters.com/investor-relations/financial-reports](http://www.saesgetters.com/investor-relations/financial-reports)) and on the centralized storage mechanism IInfo ([www.linfo.it](http://www.linfo.it)) on September 13, 2021.

\*\*\*

The Officer responsible for the preparation of corporate financial reports of SAES Getters S.p.A. certifies that, in accordance with the second subsection of article 154-bis, part IV, title III, second paragraph, section V-bis, of Legislative Decree February 24, 1998, no. 58, the financial information included in the present document corresponds to book of account and book-keeping entries.

*The Officer responsible for the preparation of corporate financial reports*  
Giulio Canale

\*\*\*

**SAES Group**

<sup>9</sup> Please note that the value of net revenues was determined by applying national accounting standards.

*A pioneer in the development of getter technology, the company SAES Getters S.p.A., together with its subsidiaries (hereinafter referred to as SAES® Group) is the world leader in a variety of scientific and industrial applications where stringent vacuum conditions are required. In 80 years of activity, the Group's getter solutions have been supporting technological innovation in the information display and lamp industries, in sophisticated high vacuum systems and in vacuum thermal insulation, in technologies spanning from large vacuum power tubes to miniaturized silicon-based microelectronic and micromechanical devices (MEMS).*

*Starting in 2004, by leveraging the core competencies in special metallurgy and in the materials science, the SAES Group has expanded its business into the advanced material markets, in particular the market of shape memory alloys, a family of materials characterized by super elasticity and by the property of assuming predefined forms when subjected to heat treatment. These special alloys, which today are mainly applied in the biomedical sector, are also perfectly suited to the realization of actuator devices for the industrial sector (domotics, white goods industry, consumer electronics, healthcare, automotive and luxury sector).*

*More recently, SAES has expanded its business by developing a technological platform that integrates getter materials in a polymeric matrix. These products, initially developed for OLED displays, are currently used in new application sectors, among which optoelectronics, photonics and above all in the mobile sector. Among the new applications, the advanced packaging is a significantly strategic one, in which SAES is present with an offer of new products for the food sustainable packaging and aims to compete with fully recyclable and compostable solutions.*

*A total production capacity distributed in ten facilities, a worldwide-based sale & service network, almost 1,100 employees allow the Group to combine multi-cultural skills and experiences and to be a fully-fledged global company.*

*SAES Group is headquartered in the Milan area (Italy).*

*SAES Getters S.p.A. is listed on the Italian Stock Exchange Market, STAR segment, since 1986.*

*More information on the SAES Group is available in the website [www.saesgetters.com](http://www.saesgetters.com).*

**Contacts:**

**Emanuela Foglia**

**Investor Relations Manager**

Tel. +39 02 93178 273

E-mail: [investor\\_relations@saes-group.com](mailto:investor_relations@saes-group.com)

**Corporate Media Relations**

**Close to Media**

Tel. +39 02 70006237

**Nicola Guglielmi**

E-mail: [nicola.guglielmi@closetomedia.it](mailto:nicola.guglielmi@closetomedia.it)

**Sofia Crosta**

E-mail: [sofia.crosta@closetomedia.it](mailto:sofia.crosta@closetomedia.it)

**Legend:**

<b>Metallurgy Division</b>	
Security & Defence	Getters and metal dispensers for electronic vacuum devices
Electronic Devices	Getters for microelectronic, micromechanical systems (MEMS) and sensors
Healthcare Diagnostics	Getters for X-ray tubes used in image diagnostic systems
Thermal Insulated Devices	Products for thermal insulation
Lamps	Getters and metal dispensers used in discharge lamps and fluorescent lamps
Sintered Components for Electronic Devices and Lasers	Cathodes and materials for thermal dissipation in electronic tubes, lasers and solid-state devices
SMA Industrial	Shape memory alloys actuator devices for the industrial sector (domotics, white goods industry, consumer electronics, healthcare, automotive and luxury sector)
<b>Vacuum Technology Division</b>	
Solutions for Vacuum Systems	Getter pumps for vacuum systems that find application in the industrial sector, in research and in particle accelerators
<b>Medical Division</b>	
Nitinol for Medical Devices	Nitinol raw material and components for the biomedical sector
<b>Specialty Chemicals Division</b>	
Functional Dispensable Products	Getter materials integrated in polymeric matrices for OLED applications, optoelectronics, photonics and mobile sector
<b>Advanced Packaging Division</b>	
Advanced Coatings	Lacquers and advanced plastic films for the sustainable packaging sector

**Consolidated Net Sales by Geographic Location of Customer**

Thousands of euro

<b>Geographic Area</b>	<b>1H 2021</b>	<b>1H 2020</b>
Italy	2,432	2,008
European countries	14,580	17,324
North America	50,168	48,382
Japan	4,967	3,923
South Korea	1,210	876
China	9,298	12,851
Rest of Asia	2,549	2,887
Rest of the World	681	848
<b>Total Net Sales</b>	<b>85,885</b>	<b>89,099</b>

**Consolidated statement of profit or loss**

Thousands of euro

	1H 2021	1H 2020
<b>Total net sales</b>	<b>85,885</b>	<b>89,099</b>
Cost of sales	(50,505)	(50,876)
<b>Gross profit</b>	<b>35,380</b>	<b>38,223</b>
R&D expenses	(5,665)	(5,283)
Selling expenses	(6,061)	(5,656)
G&A expenses	(15,993)	(15,368)
Write-down of trade receivables	(14)	(19)
Total operating expenses	(27,733)	(26,326)
Other income (expenses), net	(103)	(754)
<b>Operating income (loss)</b>	<b>7,544</b>	<b>11,143</b>
Interest and other financial income, net	1,309	(6,273)
Write-down of financial receivables and other financial assets	(174)	(187)
Income (loss) from equity method evaluated companies	53	(884)
Foreign exchange gains (losses), net	(72)	(29)
<b>Income (loss) before taxes</b>	<b>8,660</b>	<b>3,770</b>
Income taxes	(4,471)	(3,332)
<b>Net income (loss) from continued operations</b>	<b>4,189</b>	<b>438</b>
Income (loss) from discontinued operations	0	176
<b>Net income (loss) before minority interest</b>	<b>4,189</b>	<b>614</b>
Net income (loss) pertaining to minority interest	0	0
<b>Net income (loss) pertaining to the Group</b>	<b>4,189</b>	<b>614</b>

**Consolidated statement of other comprehensive income**

Thousands of euro

	1H 2021	1H 2020
<b>Net income (loss) for the period</b>	<b>4,189</b>	<b>614</b>
Exchange differences on translation of foreign operations	3,863	205
Exchange differences on equity method evaluated companies	0	13
Total exchange differences	3,863	218
<b>Total components that will be reclassified to the profit (loss) in the future</b>	<b>3,863</b>	<b>218</b>
Fair value variations on investments in other companies	(51)	0
Income taxes	0	0
Fair value variations on investments in other companies, net of taxes	(51)	0
<b>Total components that will not be reclassified to the profit (loss) in the future</b>	<b>(51)</b>	<b>0</b>
<b>Other comprehensive income (loss), net of taxes - continued operations</b>	<b>3,812</b>	<b>218</b>
<b>Total comprehensive income (loss), net of taxes - continued operations</b>	<b>8,001</b>	<b>832</b>
<b>Net income (loss) for the period from discontinued operations</b>	<b>0</b>	<b>0</b>
<b>Other comprehensive income (loss), net of taxes -discontinued operations</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income (loss), net of taxes -discontinued operations</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income (loss), net of taxes</b>	<b>8,001</b>	<b>832</b>
<i>attributable to:</i>		
- Equity holders of the Parent Company	8,001	832
- Minority interests	0	0

**Consolidated income (loss) per share**

Euro

	1H 2021	1H 2020
Net income (loss) per ordinary	0.22404	0.00000
Net income (loss) per savings	0.24067	0.05936



**Consolidated Statement of Financial Position**

Thousands of euro

	<b>June 30, 2021</b>	<b>December 31, 2020</b>
Property, plant and equipment, net	78,741	73,353
Intangible assets	41,667	41,165
Right of use	4,747	5,415
Securities	135,161	134,087
Other non current assets	13,174	13,984
Current assets	157,693	156,781
<b>Total Assets</b>	<b>431,183</b>	<b>424,785</b>
Shareholders' equity	238,723	238,162
Minority interest in consolidated subsidiaries	0	0
<b>Total Shareholders' Equity</b>	<b>238,723</b>	<b>238,162</b>
Non current liabilities	115,308	115,821
Current liabilities	77,152	70,802
<b>Total Liabilities and Shareholders' Equity</b>	<b>431,183</b>	<b>424,785</b>

**Consolidated Cash Flows Statement**

Thousands of euro

	<b>1H 2021</b>	<b>1H 2020</b>
Net income (loss) from continued operations	4,189	438
Net income (loss) from discontinued operations	0	0
Current income taxes	3,287	2,921
Change in deferred income taxes	1,184	411
Depreciation, amortization and write down of non current assets	5,673	5,311
Net loss (gain) on disposal of assets	(1)	0
Interests and other financial income, net	(1,188)	7,344
Other non-monetary costs	(1,422)	(773)
	<b>11,722</b>	<b>15,652</b>
Change in operating assets and liabilities	(8,794)	(11,028)
Payments of termination indemnities and similar obligations	(145)	(335)
Financial income received, net of payment of interests	(68)	(415)
Payment of income taxes	(2,286)	(1,094)
<b>Net cash provided by (used by) operating activities</b>	<b>429</b>	<b>2,780</b>
Purchase of tangible and intangible assets, net of proceeds from sales	(8,247)	(6,933)
Purchase of securities, net of disinvestments	156	(1,431)
Income from securities, net of management fees	1,187	1,170
Advances paid for the purchase of investments	(40)	0
<b>Cash flows provided by (used by) investing activities</b>	<b>(6,944)</b>	<b>(7,194)</b>
Proceeds from debts, net of repayments	8,271	(1,981)
Interests on financing receivables from related parties	1	1
Dividends paid	(7,440)	(9,198)
Interests and other expenses paid on loans	(740)	(654)
Repayment of financial liabilities for leased assets (interests included)	(1,186)	(1,130)
Other financial liabilities/assets	0	21
<b>Cash flows provided by (used by) financing activities</b>	<b>(1,094)</b>	<b>(12,941)</b>
Effect of exchange rate differences	1,203	23
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(6,406)</b>	<b>(17,332)</b>
Cash and cash equivalents at the beginning of the period	30,700	48,521
<b>Cash and cash equivalents at the end of the period</b>	<b>24,294</b>	<b>31,189</b>

\*\*\*

**Actuator Solutions - SAES Group interest (50%)**

Thousands of euro

<b>Actuator Solutions</b>	<b>June 30, 2021</b>	<b>December 31, 2020</b>
<b>Statement of financial position</b>	<b>50%</b>	<b>50%</b>
Non current assets	2,796	3,012
Current assets	1,573	1,809
<b>Total Assets</b>	<b>4,369</b>	<b>4,821</b>
Non current liabilities	4,166	4,306
Current liabilities	2,288	3,226
<b>Total Liabilities</b>	<b>6,454</b>	<b>7,532</b>
Capital Stock, Reserves and Retained Earnings	(2,711)	(2,970)
Net income (loss) for the period	626	189
Other comprehensive income (loss) for the period (*)	0	70
<b>Total Equity</b>	<b>(2,085)</b>	<b>(2,711)</b>

(\*) Currency translation differences arising from the conversion in euro of the financial statements of Actuator Solutions Taiwan Co., Ltd. and Actuator Solutions (Shenzhen) Co., Ltd., from January 1st, 2020 to the liquidation date (September 2020), and release to P&L of the conversion reserve after the liquidation of the two asian companies.

<b>Actuator Solutions</b>	<b>1H 2021</b>	<b>1H 2020</b>
<b>Statement of profit or loss</b>	<b>50%</b>	<b>50%</b>
Total net sales	3,575	3,940
Cost of sales	(2,515)	(2,863)
<b>Gross profit</b>	<b>1,060</b>	<b>1,077</b>
Total operating expenses	(631)	(645)
Other income (expenses), net	15	82
<b>Operating income (loss)</b>	<b>444</b>	<b>514</b>
Interests and other financial income, net	189	(152)
Foreign exchange gains (losses), net	(5)	(12)
Income taxes	(2)	8
<b>Net income (loss)</b>	<b>626</b>	<b>358</b>
Exchange differences	0	2
<b>Total comprehensive income (loss) for the period</b>	<b>626</b>	<b>360</b>

**SAES RIAL Vacuum S.r.l. - SAES Group interest (49%)**

Thousands of euro

<b>SAES RIAL Vacuum S.r.l.</b>	<b>June 30, 2021</b>	<b>December 31, 2020</b>
<b>Statement of financial position</b>	<b>49%</b>	<b>49%</b>
Non current assets	322	302
Current assets	1,649	1,695
<b>Total Assets</b>	<b>1,971</b>	<b>1,997</b>
Non current liabilities	195	201
Current liabilities	964	1,037
<b>Total Liabilities</b>	<b>1,159</b>	<b>1,238</b>
Capital Stock, Reserves and Retained Earnings	759	451
Net income (loss) for the period	53	309
Other comprehensive income (loss) for the period (*)	0	(1)
<b>Total Equity</b>	<b>812</b>	<b>759</b>

(\*) Actuarial differences on the employee severance indemnities (TFR), according to the IAS 19.

SAES RIAL Vacuum S.r.l.	1H 2021	1H 2020
<b>Statement of profit or loss</b>	<b>49%</b>	<b>49%</b>
Total net sales	1,532	868
Cost of sales	(1,344)	(715)
<b>Gross profit</b>	<b>188</b>	<b>153</b>
Total operating expenses	(167)	(127)
Other income (expenses), net	52	11
<b>Operating income (loss)</b>	<b>73</b>	<b>37</b>
Interests and other financial income, net	(6)	(7)
Foreign exchange gains (losses), net	(3)	0
Income taxes	(11)	(7)
<b>Net income (loss)</b>	<b>53</b>	<b>23</b>
Actuarial gain (loss) on defined benefit plans, net of taxes	0	0
<b>Totale comprehensive income (loss) for the period</b>	<b>53</b>	<b>23</b>

**Flexterra - SAES Group interest (46.73% )**

Thousands of euro

Flexterra	June 30, 2021	December 31, 2020
<b>Statement of financial position</b>	<b>46.73%</b>	<b>46.73%</b>
Non current assets	5,519	5,628
Current assets	580	1,086
<b>Total Assets</b>	<b>6,099</b>	<b>6,714</b>
Non current liabilities	70	44
Current liabilities	1,537	1,343
<b>Total Liabilities</b>	<b>1,607</b>	<b>1,387</b>
Capital Stock, Reserves and Retained Earnings	5,154	7,595
Reserve for stock options plan	173	173
Net income (loss) for the period	(982)	(1,811)
Other comprehensive income (loss) for the period (*)	147	(630)
<b>Total Equity</b>	<b>4,492</b>	<b>5,327</b>

(\*) Currency translation differences arising from the conversion in euro of the financial statements of Flexterra, Inc. and of Flexterra Taiwan Co., Ltd.

Flexterra	1H 2021	1H 2020
<b>Statement of profit or loss</b>	<b>46.73%</b>	<b>46.73%</b>
Total net sales	2	23
Cost of sales	(1)	(13)
<b>Gross profit</b>	<b>1</b>	<b>10</b>
Total operating expenses	(939)	(996)
Other income (expenses), net	8	0
<b>Operating income (loss)</b>	<b>(930)</b>	<b>(986)</b>
Interests and other financial income, net	(52)	(4)
Foreign exchange gains (losses), net	15	35
Income taxes	(15)	10
<b>Net income (loss)</b>	<b>(982)</b>	<b>(945)</b>
Exchange differences	147	13
<b>Total comprehensive income (loss) for the period</b>	<b>(835)</b>	<b>(932)</b>

**Total statement of profit or loss of the Group**  
Thousands of euro

Thousands of euro	1H 2021							
	Consolidated profit or loss	50% Actuator Solutions	Intercoy eliminations & other adjustments	49% SAES RIAL Vacuum S.r.l.	Intercoy eliminations & other adjustments	46.73% Flexterra	Intercoy eliminations & other adjustments	Total profit or loss of the Group
Total net sales	85,885	3,575	(141)	1,532	(289)	2		90,564
Cost of sales	(50,505)	(2,515)	141	(1,344)	289	(1)		(53,935)
Gross profit	35,380	1,060	0	188	0	1	0	36,629
% on sales	41.2%							40.4%
Total operating expenses	(27,733)	(631)		(167)		(939)	38	(29,432)
Other income (expenses), net	(103)	15		52		8		(28)
Operating income (loss)	7,544	444	0	73	0	(930)	38	7,169
% on sales	8.8%							7.9%
Interest and other financial income, net	1,135	189	(211)	(6)		(52)	47	1,102
Income (loss) from equity method evaluated companies	53		0		(53)		0	0
Foreign exchange gains (losses), net	(72)	(5)		(3)		15		(65)
Income (loss) before taxes	8,660	628	(211)	64	(53)	(967)	85	8,206
Income taxes	(4,471)	(2)		(11)		(15)		(4,499)
Net income (loss) from continued operations	4,189	626	(211)	53	(53)	(982)	85	3,707
Income (loss) from assets held for sale and discontinued operations	0							0
Net income (loss) before minority interest	4,189	626	(211)	53	(53)	(982)	85	3,707
Net income (loss) pertaining to minority interest	0							0
Net income (loss) pertaining to the Group	4,189	626	(211)	53	(53)	(982)	85	3,707

\*\*\*

**Covid-19 one-offs**

Thousands of euro

Covid-19 one-offs	1H 2021					
	Direct labor	Manufacturing overhead	R&D expenses	Selling expenses	G&A expenses	Total
Personnel cost	(29)	(13)	(6)	(2)	16	(34) (*)
Maintenance and repairs					68	68
Material and office material					3	3
Transport, insurance, freight-direct					0	0
Consultant fees					10	10
Canteen, cleaning, vigilance					75	75
Training					0	0
Total cost of sales and extraordinary operating expenses Covid-19	(29)	(13)	(6)	(2)	172	122

(\*) The amount is composed by:

- saving for USA governmental measures to support companies and families, for -54 thousands of euro;
- additional personnel costs, for 20 thousands of euro.

Thousands of euro

Covid-19 one-offs	1H 2020					
	Direct labor	Manufacturing overhead	R&D expenses	Selling expenses	G&A expenses	Total
Personnel cost	(101)	(53)	(44)	(11)	47	(162) (**)
Maintenance and repairs					30	30
Material and office material					103	103
Transport, insurance, freight-direct					3	3
Consultant fees					73	73
Canteen, cleaning, vigilance					38	38
Training					3	3
Total cost of sales and extraordinary operating expenses Covid-19	(101)	(53)	(44)	(11)	297	88

(\*\*) The amount is composed by:

- CIGO savings in Lainate plant, for -55 thousands of euro;
- saving for USA governmental measures to support companies and families, for -167 thousands of euro;
- additional personnel costs, for 60 thousands of euro.

Thousands of euro

Covid-19 one-offs	1H 2020
Other income	0
Other expenses	(689)
Total other extraordinary income (expenses) Covid-19	(689)