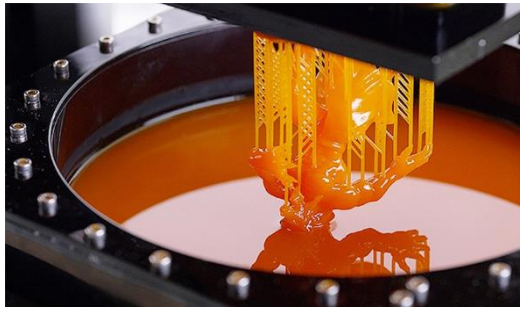
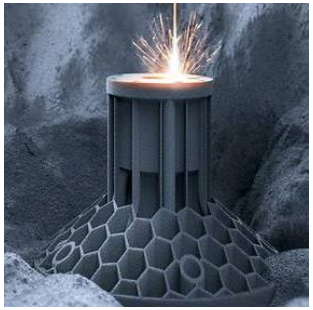
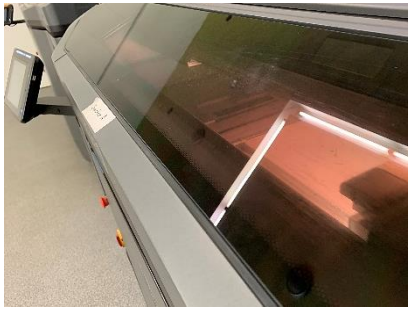
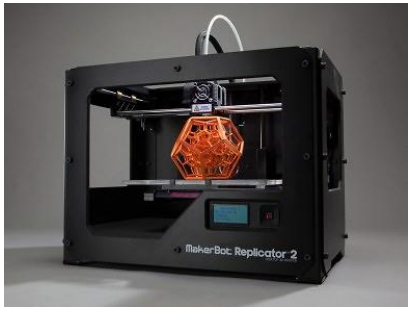
3d-Printing

Additive Manufacturing









INVESTMENT MEMORANDUM

Anonymised and highly abbreviated version

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Executive Summary

The company has cutting-edge 3D printers and an established production process with upgrading stages.

ISO 9001: 2015

Small batches for 1700 customers so far, including top tier companies - many of them are repeat customers asking for larger batches to be produced.

Corporate goal:

- ➔ Automation
- ➔ Sales growth
- ➔ Economies of scale

Overview

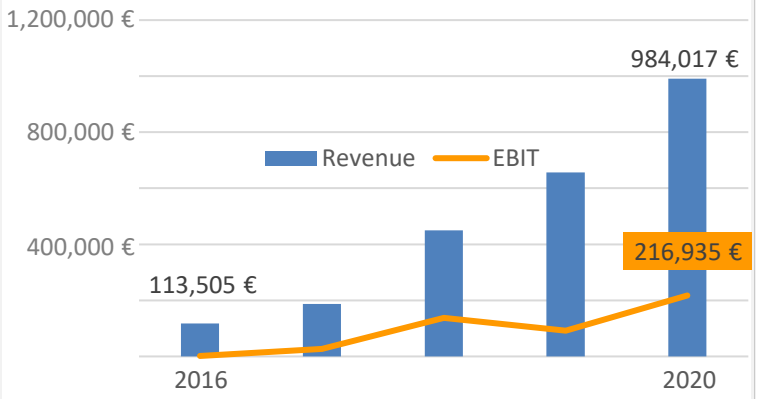
The company founded in 2014 now has 13 employees working in a single shift and serves around 400 customers per year.

Batches vary in size from 1 to 4,000. Enquiries and orders are submitted online through the website. The company uses HP Multi Jet Fusion 4210 printers to manufacture components for almost any sector. The company is posting double-digit annual growth rates.

Customers in a variety of sectors

BOSCH, uponor, RUAG, liberkee, PÖPPELMANN, ZEISS, HERMA, JENOPTIK, ams Sensing is life., LINAMAR, thyssenkrupp, Steiff

Financial overview



Capital requirements & utilisation

The company plans to invest EUR 4.0 million between 2021 and 2025. Some of this investment will be financed by cash flow, with a further part coming from machinery finance.

	one-off	annual
Automation	€ 700,000	€ 104,000
Increased capacity	€ 1,800,000	€ 54,000
Marketing & sales	€ 105,000	€ 390,000

The funding gap (equity capital) is EUR 2.5 million.

Investment Highlights

The market for the additive manufacturing of components in the automotive and medical device sectors and other industrial applications is set to grow by more than 20% per annum over the next few years.

Our client has the potential to build on its market-leading position and maintain or improve its current growth rate of 50% per year.

Products & Services

The value chain (example)

Wednesday: *Company X submits an order for 150 components and provides the CAD file. This file is reviewed on the same day and prepared for the Production department.*

Thursday: *The data is allocated to a print cycle.*

Friday: *The printing process finishes in the morning, the build space is removed and left to cool over the weekend.*

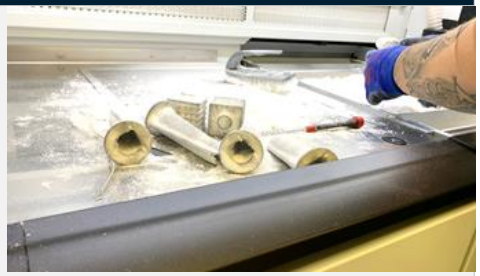
Monday: *Components are removed, finished, inspected and dispatched.*

Order acceptance / print optimisation

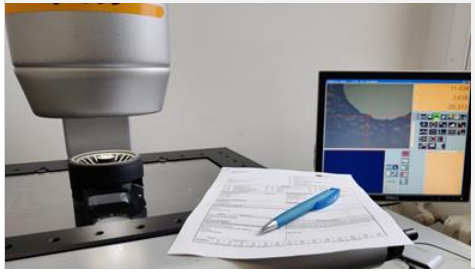
CAD data entered, optimised and prepared

Production

Printing, cooling and removal of components from the processing unit.



Quality control & delivery



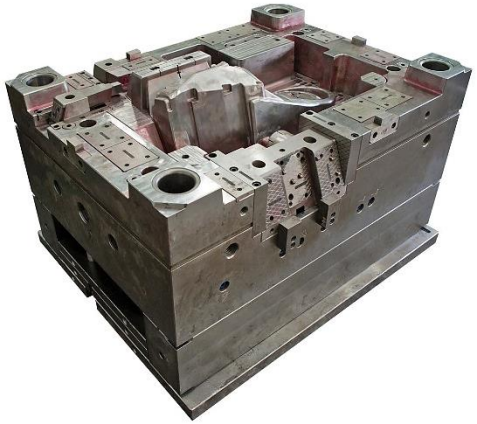
Inspection, packaging and dispatch.

Finishing

Components cleaned, surfaces finished and/or coated.

Advantages of additive manufacturing

Advantages of 3D printing over traditional manufacturing
• **Quicker** (no need to create and swap moulds)
• **Cheaper** (no need for specialised tools or software (e.g. CNC))
• **Flexible** (designs can be adjusted cheaply and easily)
• **Customisation** (particularly for medical devices or other one-off pieces and prototypes)
• **Design flexibility** (3D printing is capable of handling extremely complex geometries)
• **Sustainability** (less waste and fewer by-products than machining processes, manufacturing process is more energy efficient)



Prepare a time-consuming casting mould for plastic parts

versus

Print the design directly from the CAD software

Customer Analysis (data partially hidden)

All significant indicators improved in 2020 despite the coronavirus pandemic, e.g. number of customers, average order volume, repeat purchases, etc.

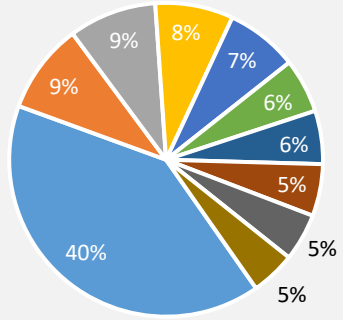
Sales increased by 51% as a result.

This trend will continue in 2021.

Overview

- Around 1700 companies have placed orders with our client and are now on its books.
- TOP 50 companies:
  - orders totalling EUR 1.5 million
  - all repeat customers
  - Order size 2019 (median) EUR 5,000
  - Order size 2020 (median) EUR 8,900

TOP 10 customers in 2020 = EUR 350,000 = 36%



Industries

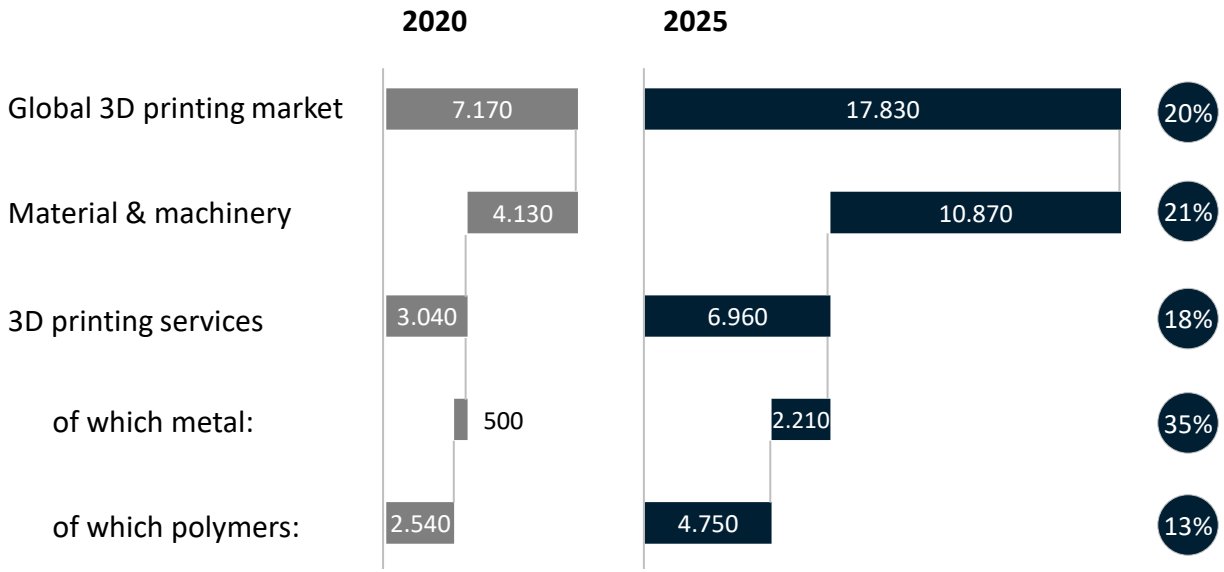
Industry	
Services	
Automotive	
Biotech & Medtech	
Public bodies & universities	

Key Figures 2019 | 2020

	Average order volume	Repeat customers	Number of customers
2019			
2020			

Market & Competition | Market

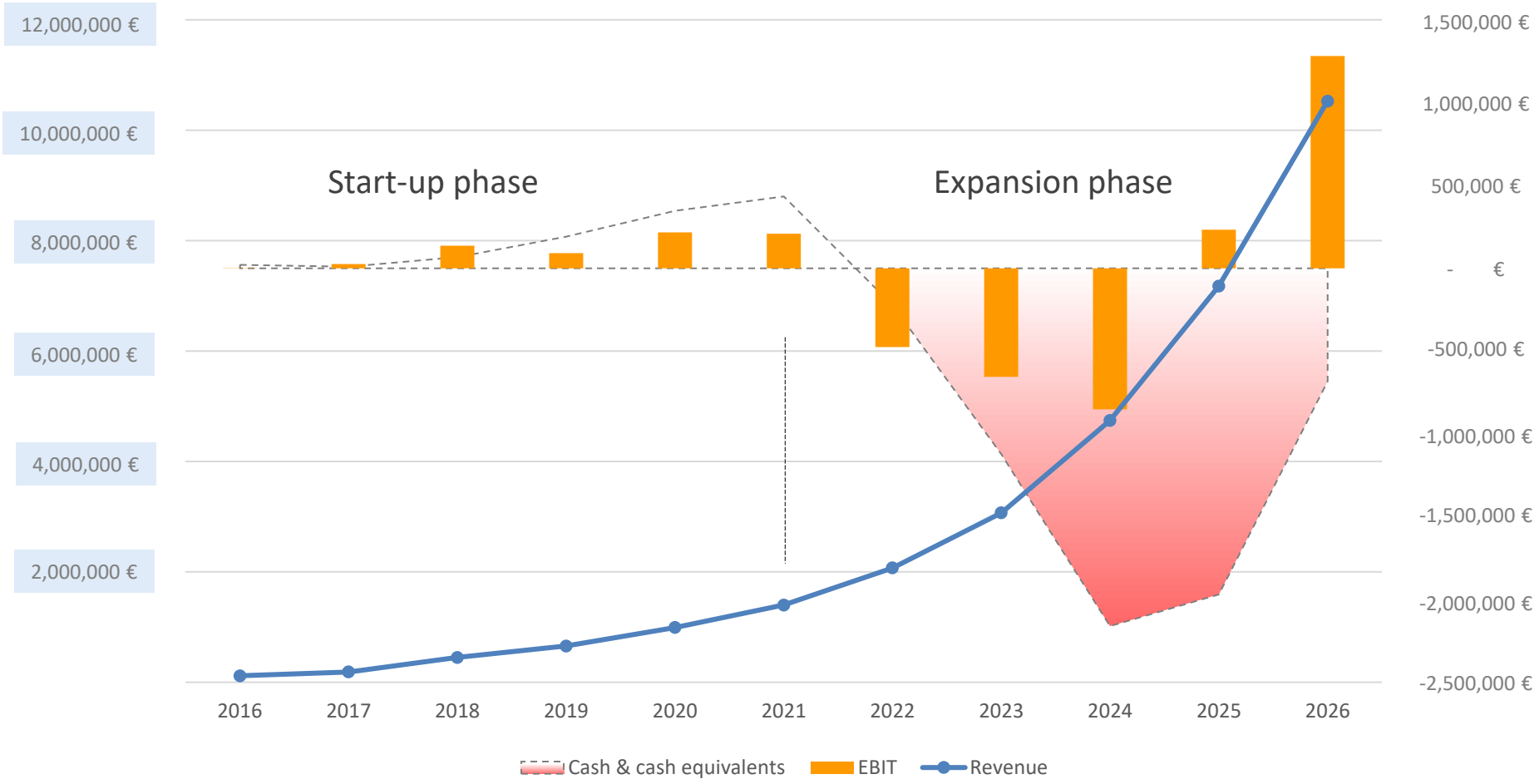
3D printing market in 2020 and 2025 forecast (in EUR thousand)



- Market growing significantly across all segments
- Germany currently accounts for around 6 – 7% of the global market with comparable growth rates
- Growth is being driven by a number of different factors:
  - Metal: new technologies (metal binder jetting, multi-laser systems)
  - Plastics: growth mainly being driven by high-performance methods (MJF, SLS, DLP) *but* traditional prototype technologies are stagnating (e.g. stereolithography, Polyjet)

- The service sector is currently highly fragmented, with very few global players
  - Protolabs (PRLB) and Materialise (MTLS) are the leaders in the global market
  - Some relatively large regional competitors

Sales – EBIT – cash requirements



Wanted …

Must have

- Investor from the VC/PE sector (Add-on) or from the industry (strategist).
- Willingness to constructively accompany the growth phase.
- Investment sum of €2.5m with an option to increase.

Nice to have

- Support with the upcoming expansion of sales (national + international).
- Industrial experience in plastics processing.
- Network of potential customers or cooperation partners.

Contact

If you are interested in the complete document and further information, please contact the following person:

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