



Endless ways to the future

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# SECO and Camozzi

## Digital

### Industrial Partnership presentation

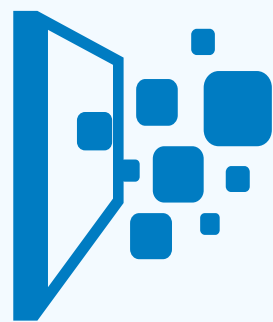
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May 3, 2022

# Deal Highlights

Accelerating our growth in the IIoT market

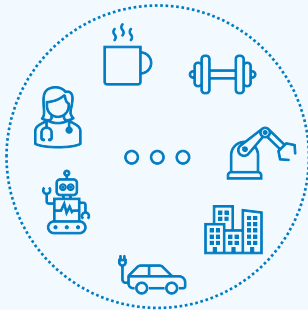
In a world driven by digitalization...



...we are evolving our offering to enable customers to maximise the value of their data...



...building up a vertical-specific offering...



...with a partner bringing solid Industrial domain competences...



...and launching 2 versions of CLEA for the Industrial IoT



## SECO-Camozzi Digital deal: key benefits

>90

Ready-to-use apps for SECO Industrial customers

>3yr.

Time-to-market acceleration of SECO IIoT SaaS offering

~€50M

Cumulated incremental SaaS revenues expected in 2023-25

EPS accretion

2025E: mid-high double digit accretion



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Deal Rationale

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# **Accelerating our growth into the IIoT market**

# Deal rationale - Accelerating our growth into the IIoT market

Offering dedicated CLEA features by vertical: how we cut our time-to-market in the Industrial world

Introducing IIoT-specific functionalities into SECO offering...

...leveraging strong Industrial domain competences developed by a high-value partner





# Deal rationale - Accelerating our growth into the IIoT market

## Camozzi Digital at a glance



Industrial Cyber-Physical  
Systems

### A highly-innovative company...

- Part of **Camozzi Group**
- Wide global network of **companies**, **universities** and **research centers** (among them Berkeley University, IIT of Genova and Politecnico di Milano)
- Strong **domain knowledge** (verticals, business processes, functions and technological skills) exploiting Camozzi Group unique **Industrial Competences**
- **Advanced Library of Models and Algorithms** addressing all needs of Industrial Processes



Textile



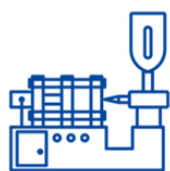
Machining & Metal  
processing



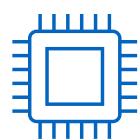
Machine tools



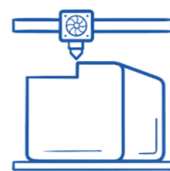
Metalworking



Plastic  
molding



Electronics  
production



Additive  
manufacturing

### ...backed by a solid Industrial excellence



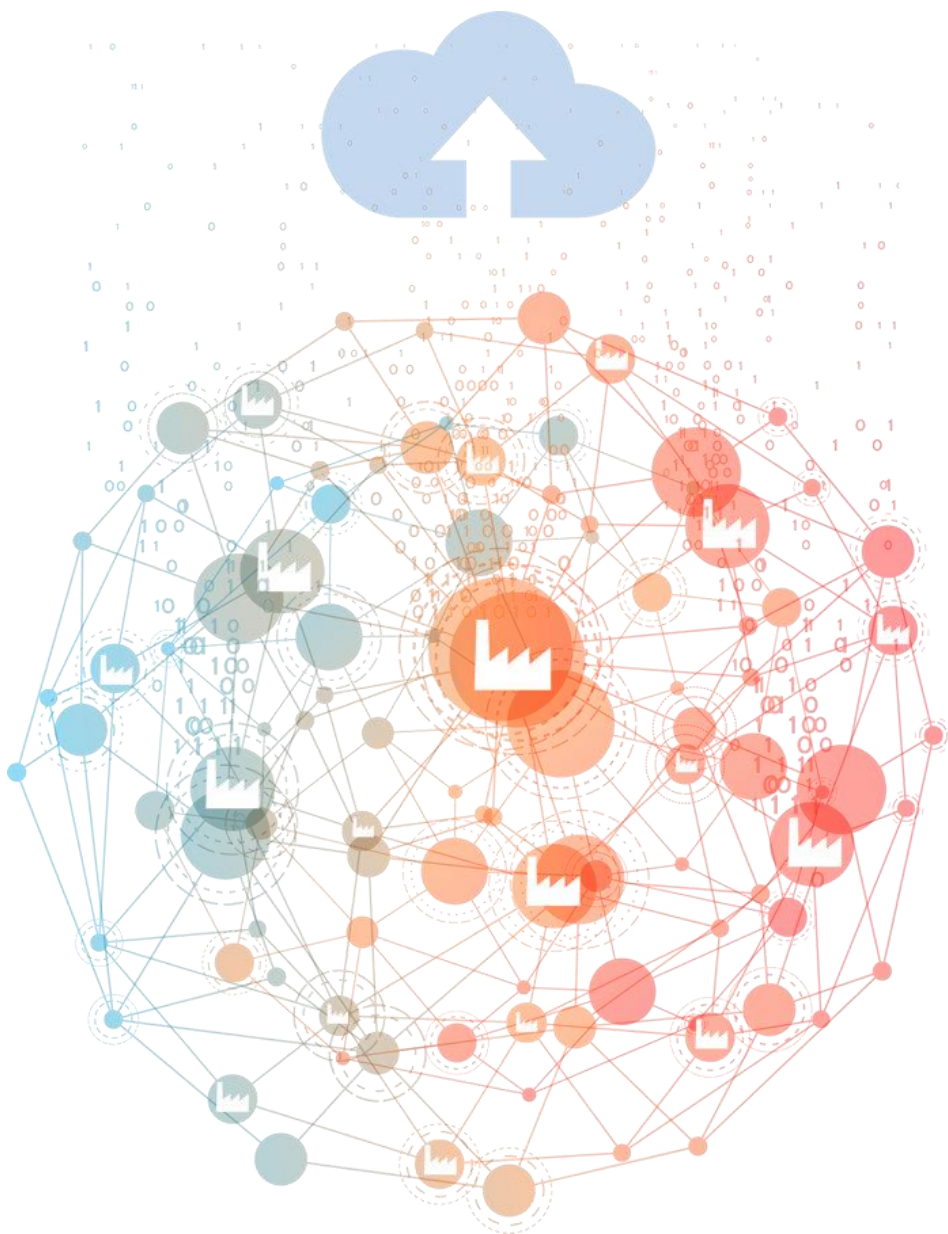
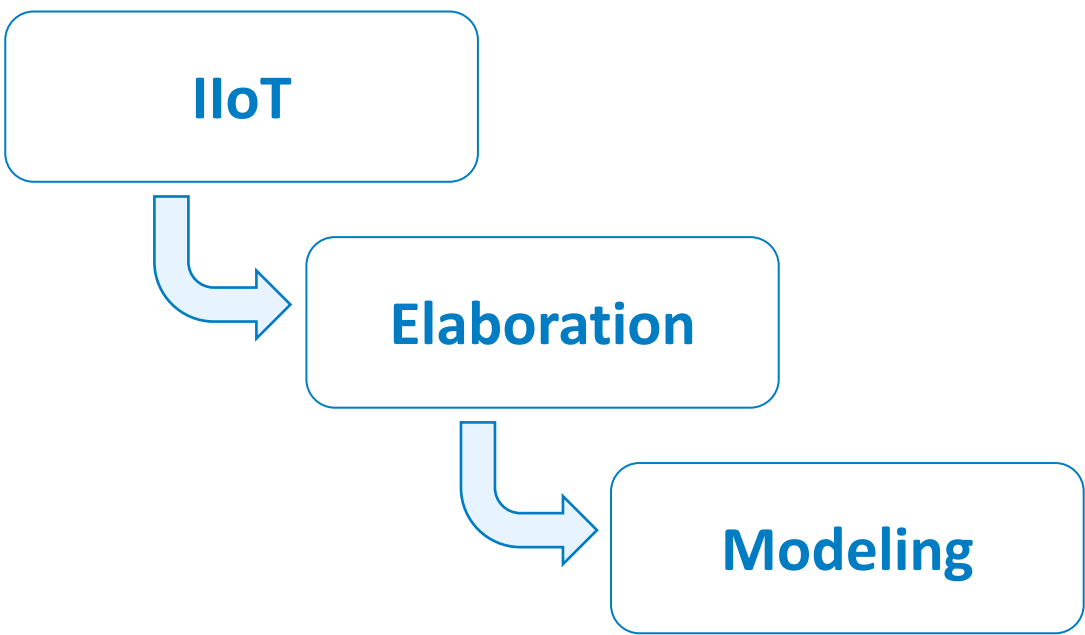
**+100**  
Years of  
Industrial history

**~3.000**  
Employees

**25**  
Production sites

### ...enabling digitisation of production processes: from big data to valuable asset

- Digital platform to **connect machines and plants** to the Cloud
- **End-to-end** cyber physical system
- 3 phases



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# Deal rationale - Accelerating our growth into the IIoT market

Camozzi Digital at a glance

A highly-innovative company...







**Added value of the partnership**

- A **unique IIoT platform** on the market, designed for the Industrial world
- Integrating competences in an **ecosystem** of data, people and experience

**Fundamental functionalities**

- Management of manufacturing plants (**autonomous factories**)
- **Algorithms libraries** and **specific models** (including those for predictive maintenance and energy saving)
- **IIoT connectors** for the interconnection of manufacturing machineries of more than **40 international players**

...with a consolidated IIoT track record

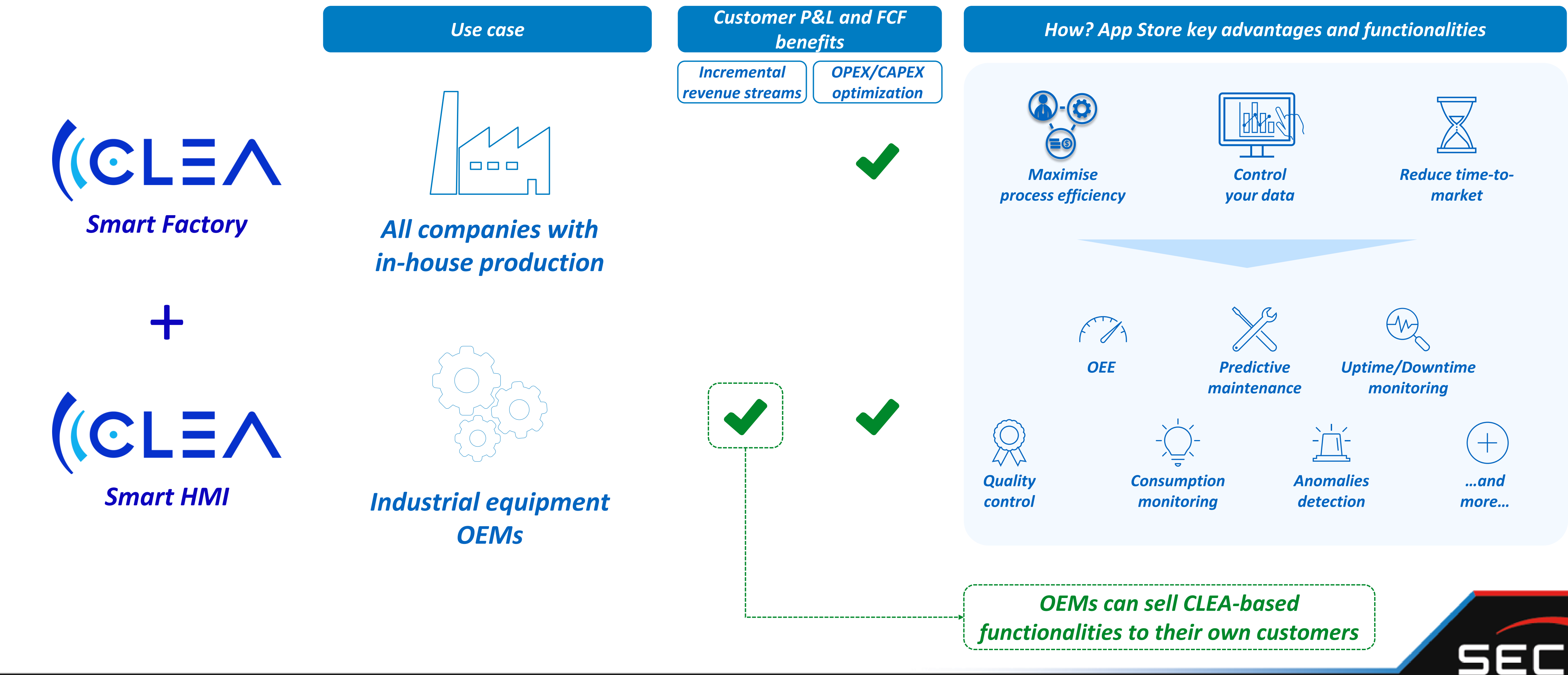
A new height in SECO IIoT SaaS offering				
				
Cloud MES			✓	
OEE			✓	
Energy monitoring			✓	
Emissions monitoring			✓	
Predictive Maintenance			✓	
Tooling Monitoring System	✓		✓	
Reports			✓	
Scheduler			✓	
Quality management			✓	



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# Deal rationale - Accelerating our growth into the IIoT market

Enabling the transition to Autonomous Factories: two versions of CLEA for the Industrial world

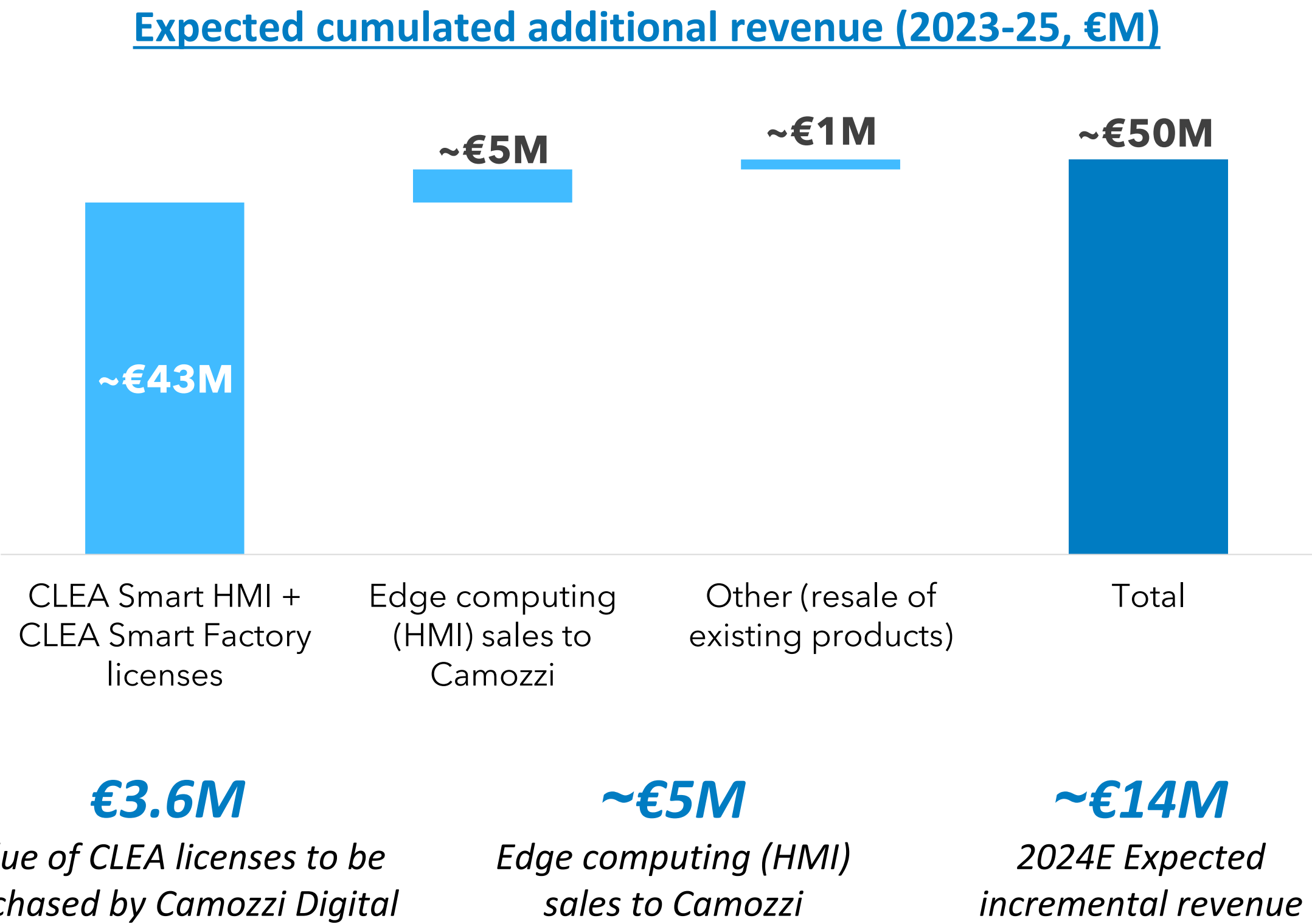
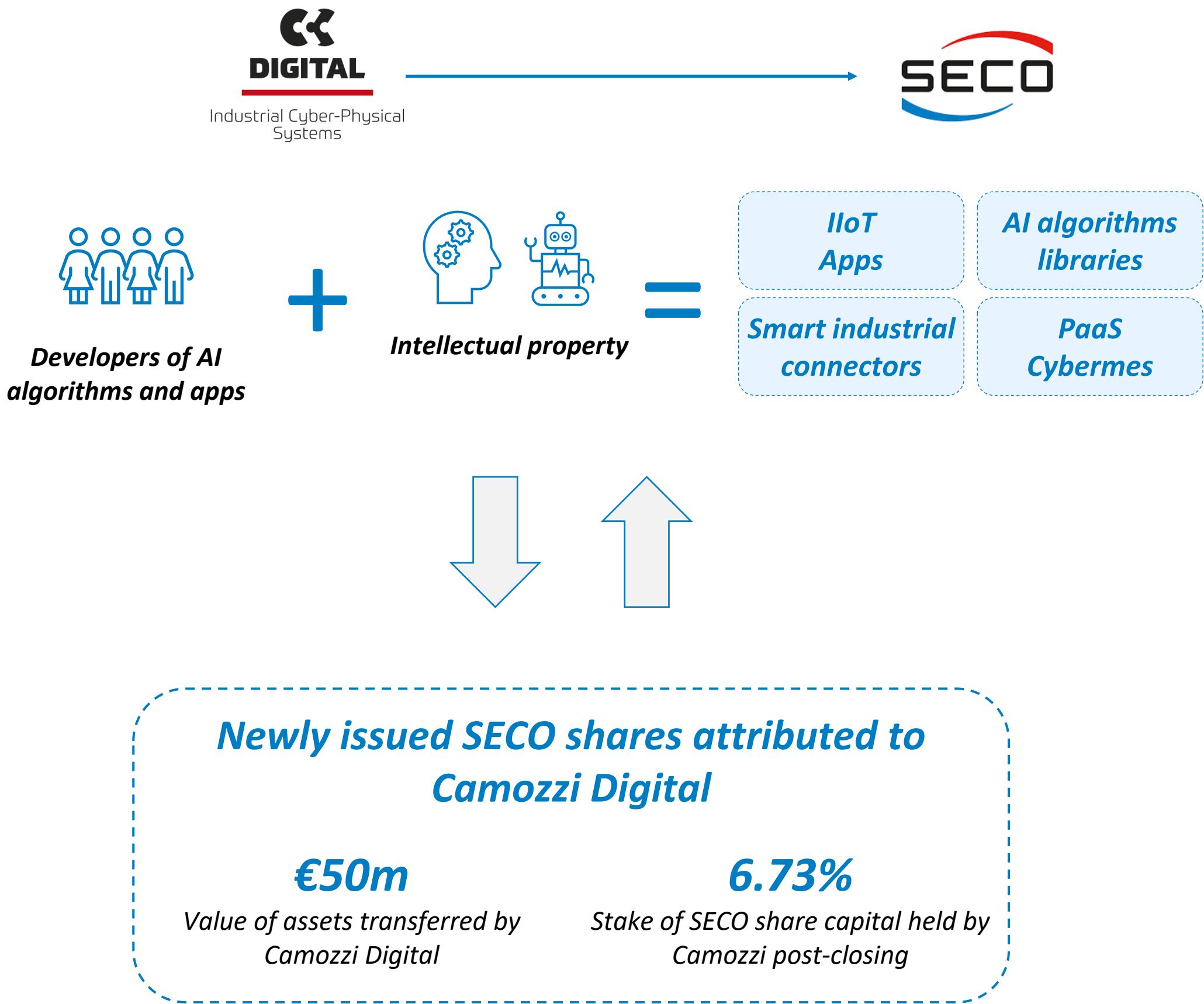


# Deal rationale - Accelerating our growth into the IIoT market

Camozzi Digital becomes a reference partner and shareholder of SECO with a long-term horizon

High-value assets transferred into SECO...

...laying the foundations for a strong value creation





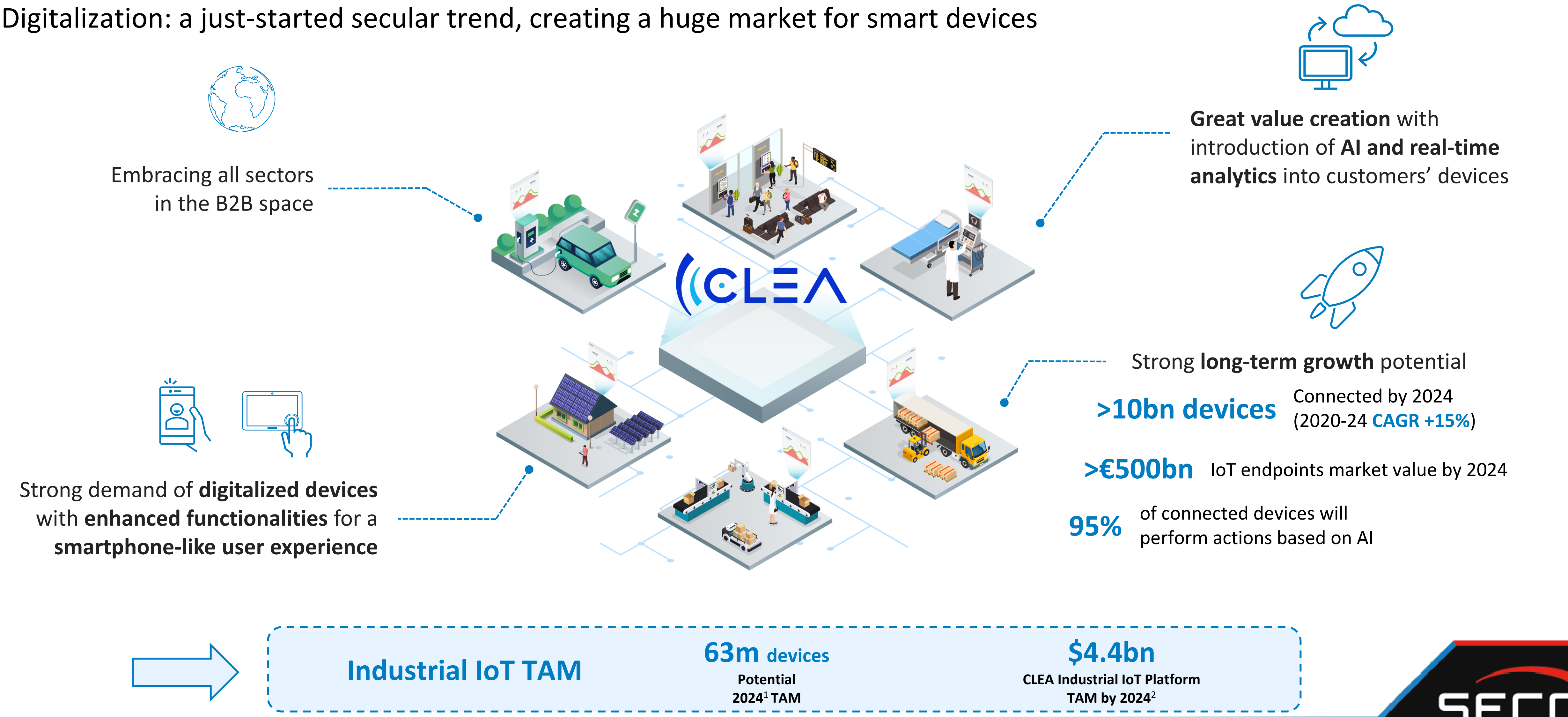
Final remarks

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# **An innovative strategy for a long-term growth path**

# An innovative strategy for a long-term growth path

Digitalization: a just-started secular trend, creating a huge market for smart devices



<sup>1</sup> Statista, analysis of total IoT-connected Endpoints by use case

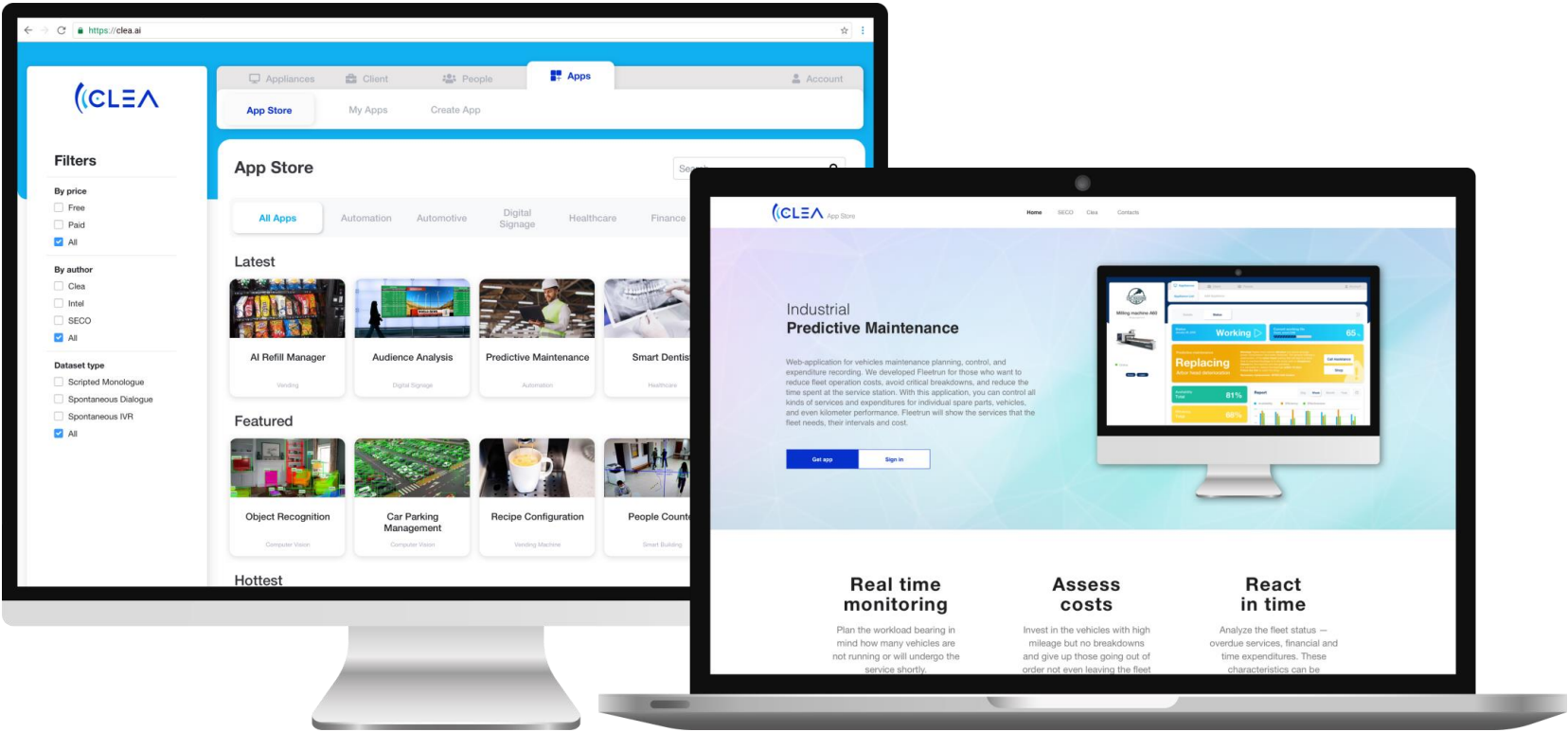
<sup>2</sup> Gartner analysis

# An innovative strategy for a long-term growth path

Camozzi Digital deal: a fast track to the App Store made by SECO



The power of AI at your fingertips



>90

Ready-to-use apps for SECO Industrial customers

>3yr.

Time-to-market acceleration of SECO IIoT SaaS offering

2

IIoT-dedicated versions of CLEA



Increased capability to attract new business (edge computing + SaaS) from new and existing customers



New primary industrial shareholder with specific domain competences and network to further support SECO's growth



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Endless ways to the future

ANNEX

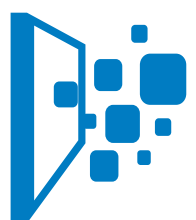


# SECO at a glance

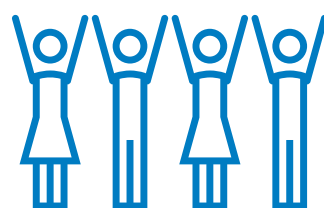
A worldwide spread center of excellence, with top-tier capabilities...



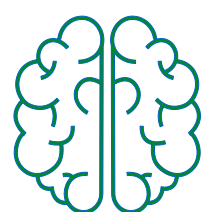
**€200M**  
2022 FY expected revenue



**~900k devices**  
manufactured every year



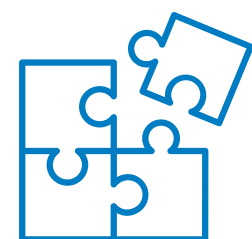
**>800 people**



**250+ R&D people**  
of which ~150 in AI algorithms development



**~ 8-10%**  
of revenue invested in R&D every year



**9** R&D centers  
**5** production plants



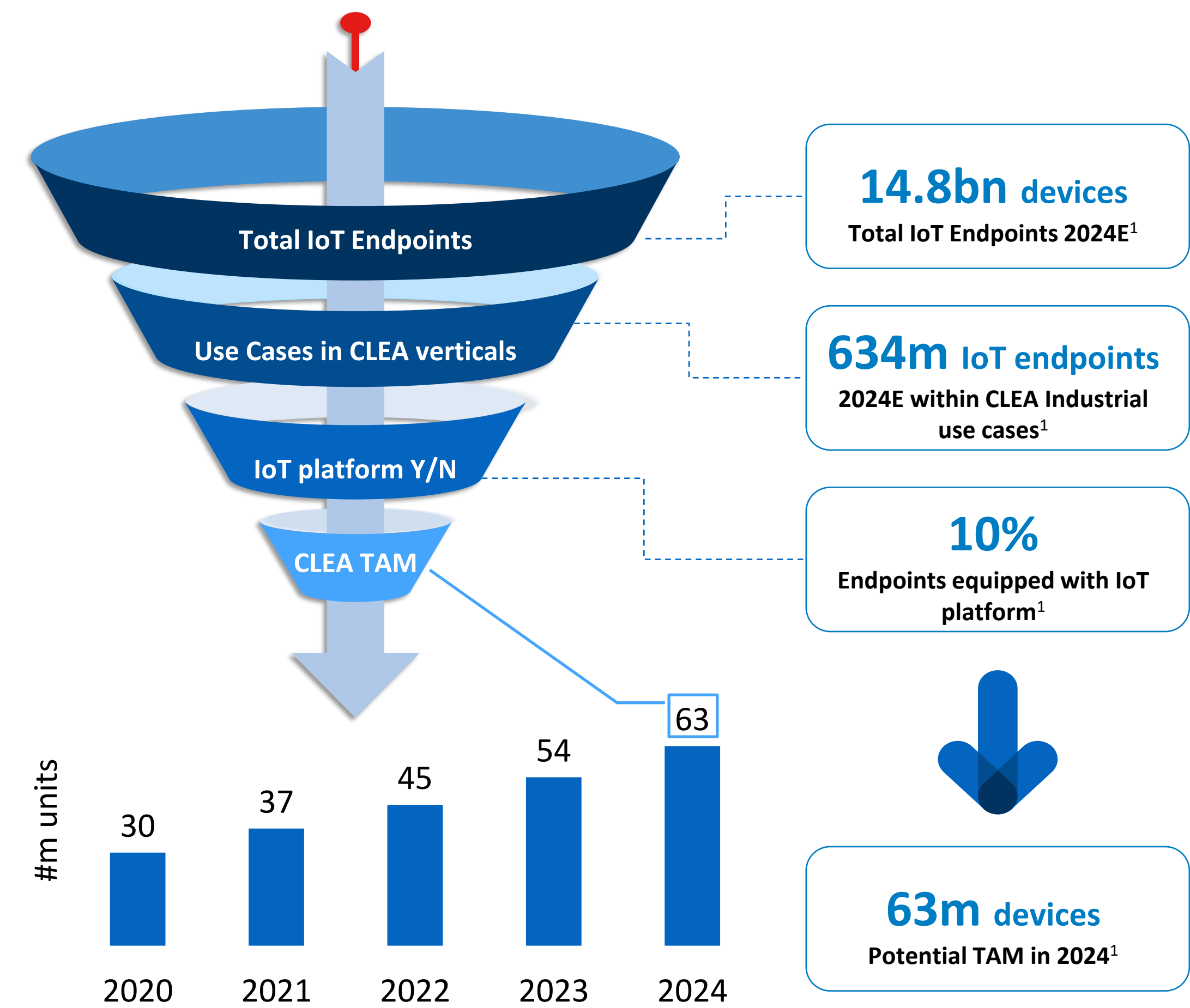
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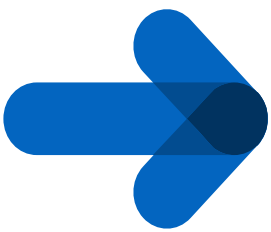
# CLEA Industrial Addressable Market

A large space with ample scope for further growth

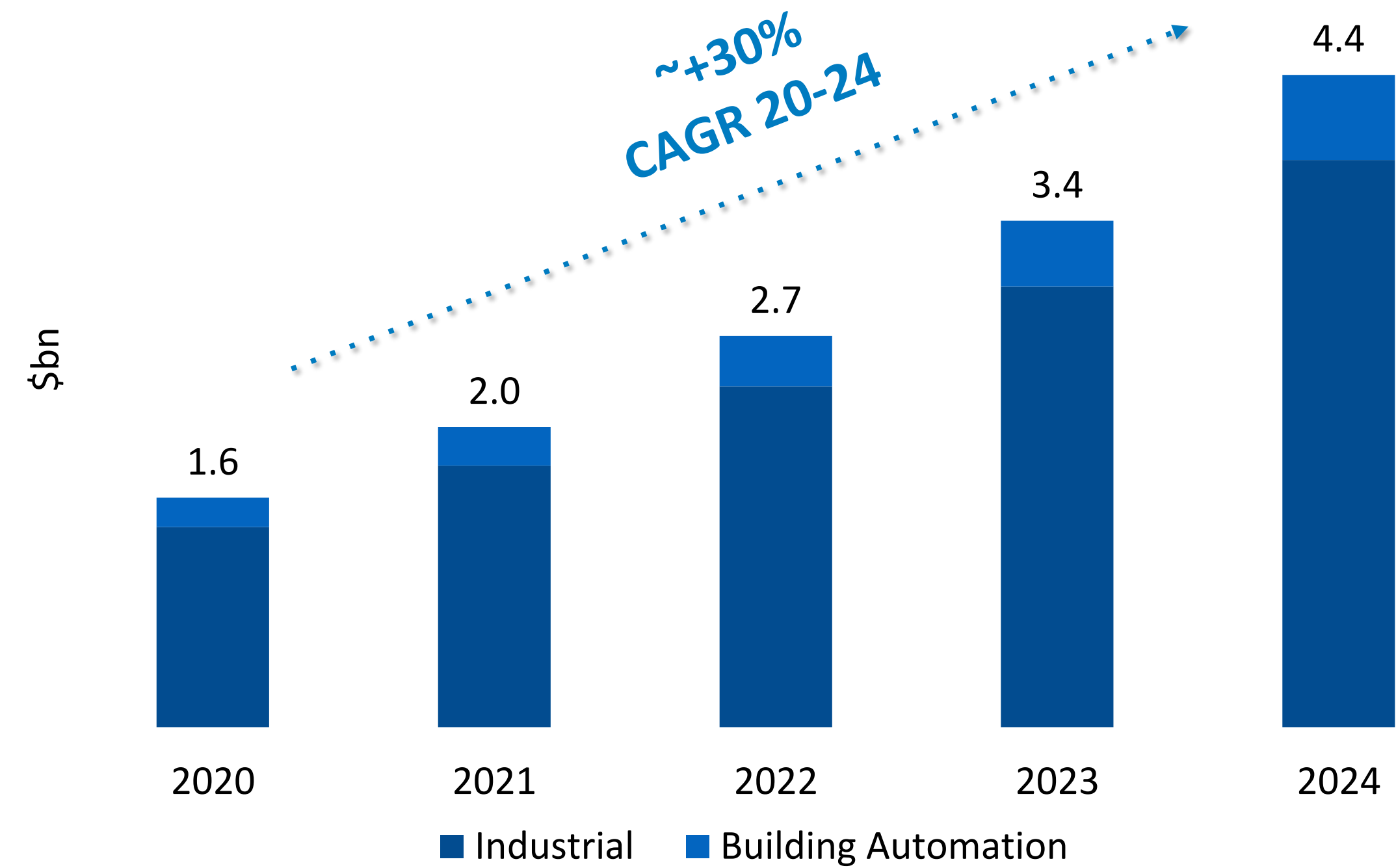
## How do we define CLEA’s Industrial TAM?



## How much is this market worth?



**\$4.4bn**  
CLEA Industrial IoT Platform  
TAM by 2024<sup>2</sup>



<sup>1</sup> Statista, analysis of total IoT-connected Endpoints by use case

<sup>2</sup> Gartner analysis

# SECO at a glance

## A highly committed management team



40+ years

Daniele Conti  
*President & Co-Founder*

Co-founder of SECO. He has been serving as president of the company for over 40 years. Under his leadership, the Group has grown in terms of technological expertise, human resources and financial performances.



15+ years

Davide Catani  
*CTO*

Joined SECO in 2006. CTO since 2020, after serving as Hardware developer and ARM-based platforms R&D manager.



5+ years

Vincenzo Difronzo  
*CSO*

15+ years sales experience in worldwide leading hardware and software companies. Joined SECO in 2015.



15+ years

Carlos Valeiras  
*CEO SECO USA*

20+ years experience as executive in several Tech companies. Former CFO of SECO USA from 2020.



15+ years

Angelo Peloni  
*COO*

20+ years experience in Operations & Supply chain management. Joined SECO in 2003.



3 years

Michael Duhamel  
*Vice President of Sales SECO USA*

20+ years of experience in sales and marketing for the largest industrial, embedded and automation solution providers. Previously in Eurotech USA.



3 years

Lesen Ding  
*CEO Fannal Electronics*

Founder and General Manager of Fannal Electronics (2011 – present).



~1 year

Angela Lepore  
*Group HR Director*

15+ years of experience in HR management in multinational and international companies.



6+ years

Massimo Mauri  
*CEO*

20+ years experience as executive in several Tech companies. Strong experience in IPO and M&A transactions.



3 years

Alessandro Hong  
*CEO SECO China*

Serving also as CFO of Fannal Electronics. Strong corporate finance and M&A background.



~1 year

Stefan Heczko  
*CEO SECO Northern Europe*

Previously CEO of Garz & Fricke GmbH. 10+ years experience as executive in industrial companies.



15+ years

Gianluca Venere  
*CIO*

10+ years experience in business development, sales, innovation and internationalization for SECO Group.



2 years

Lorenzo Mazzini  
*CFO*

Served as CFO in several public and private companies. Strong experience in IPO and M&A transactions.



2 years

Dario Freddi  
*CEO SECO Mind*

Previously founder and CEO of Ispirata Srl. Strong data orchestration background in primary worldwide leading companies.



4 years

Maurizio Caporali  
*Chief Product Officer*

Previously co-Founder and CEO of AidiLab. Joined SECO in 2018 as IoT BU Product Manager and R&D Project Manager.



5+ years

Marco Parisi  
*Head of IR*

Business Manager of SECO from September 2019. Financial advisor of SECO from September 2016 to September 2019.



~1 year

Ajay Malik  
*CEO SECO Mind US*

30+ year experience in high-tech, IoT and AI. Former executive in Google, Cisco, Qualcomm, Motorola.

# years

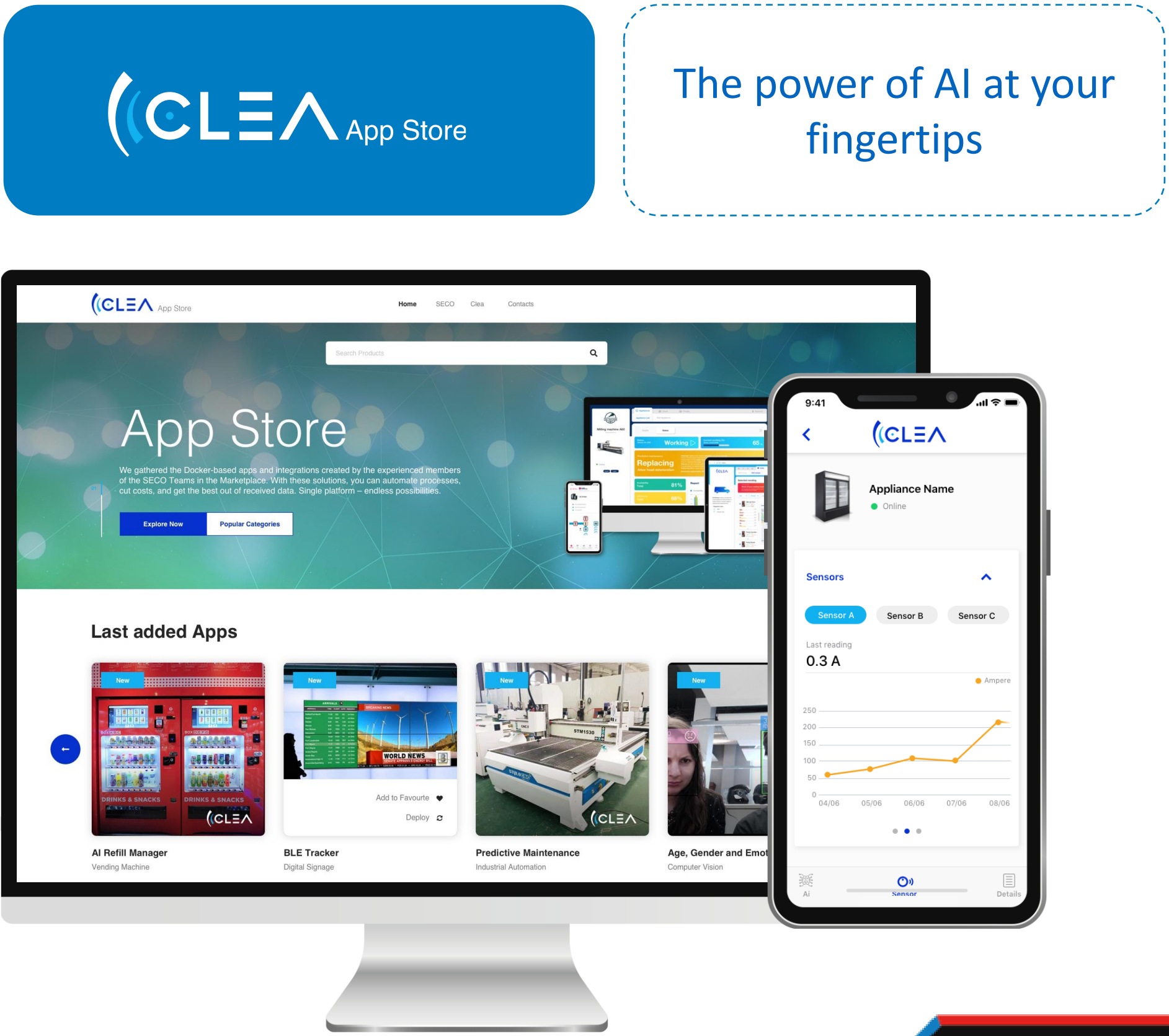
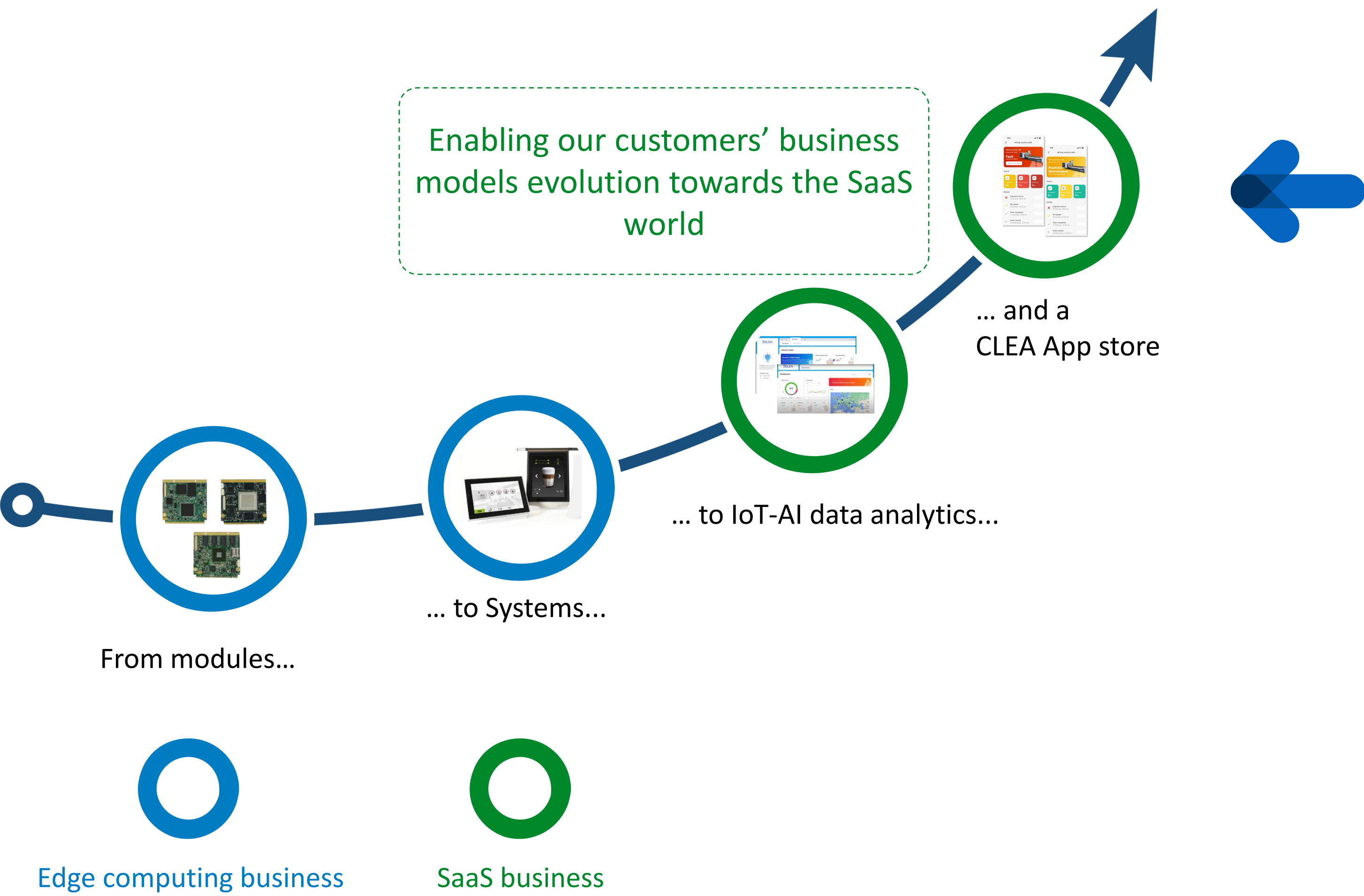


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# SECO at a glance

Our offering from Edge to AI: unique market positioning vs. competitors





# CLEA: the value of AI

The people of SECO Mind



**We are an AI as a Service Company.**

Our vision is to **augment the abilities of machines and people** by using **AI everywhere** computing takes place.

~150  
People

Silicon Valley, India,  
Italy, Germany & Brazil

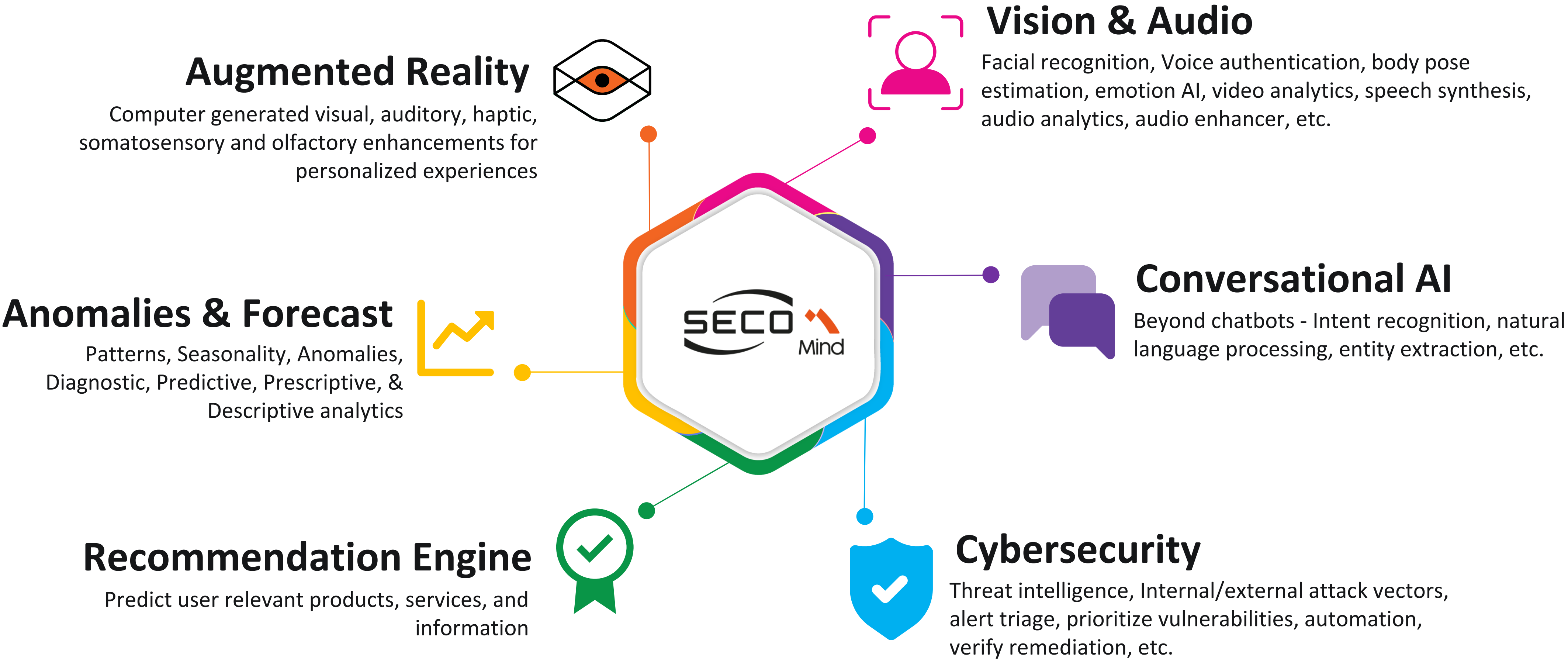
Neuroscientists, Data scientists, Software  
Engineers, Hardware Engineers, and Cloud SREs



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# CLEA: the value of AI

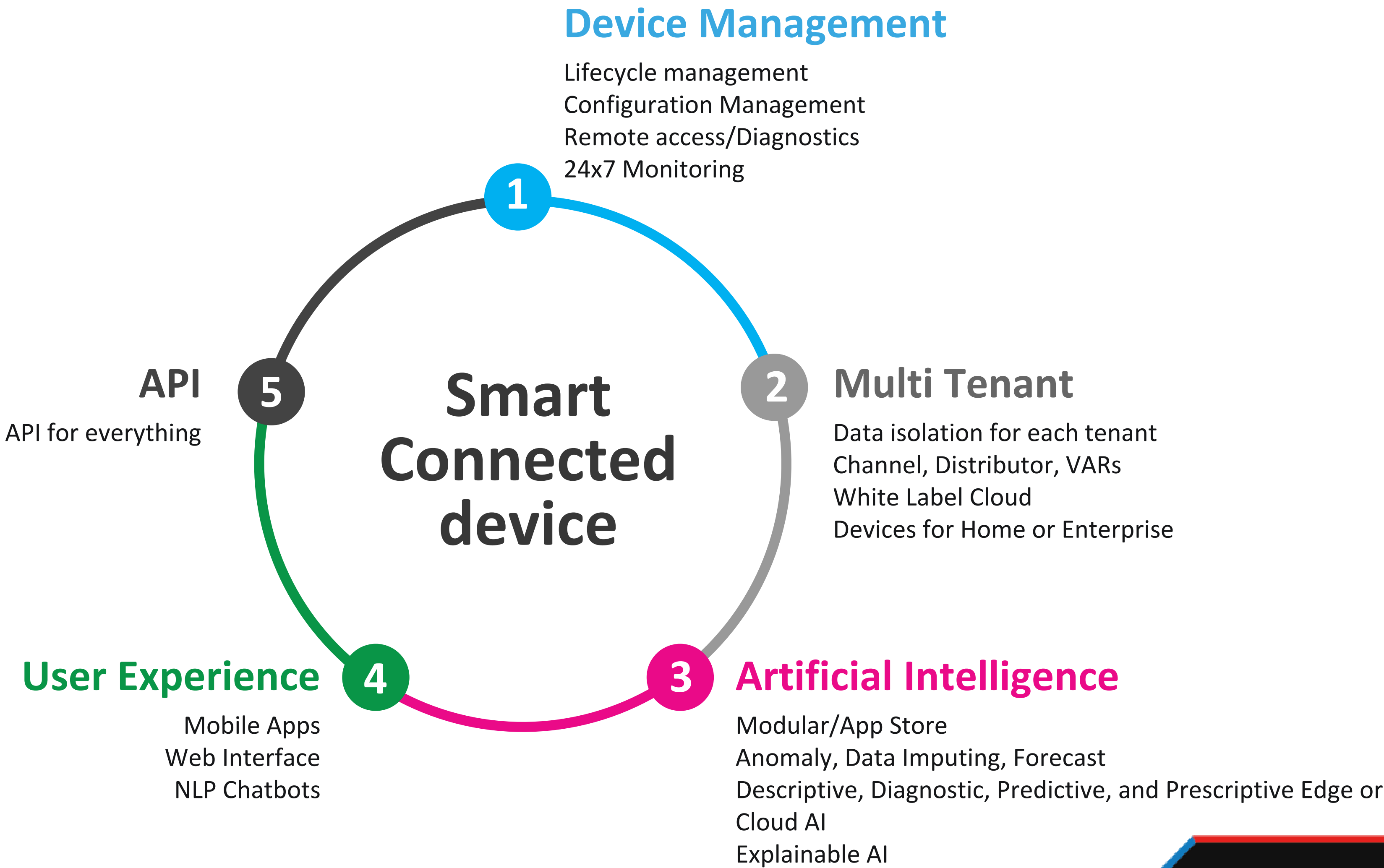
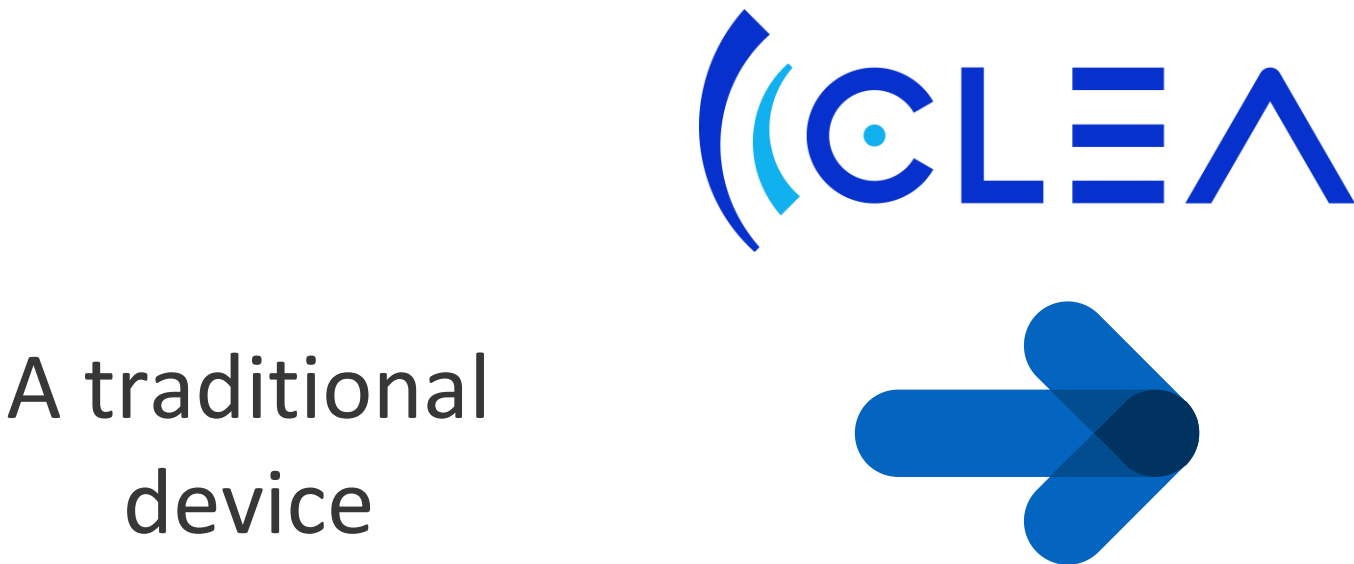
## Our AI capabilities



# CLEA: the value of AI

Run AI anywhere: it's easy!

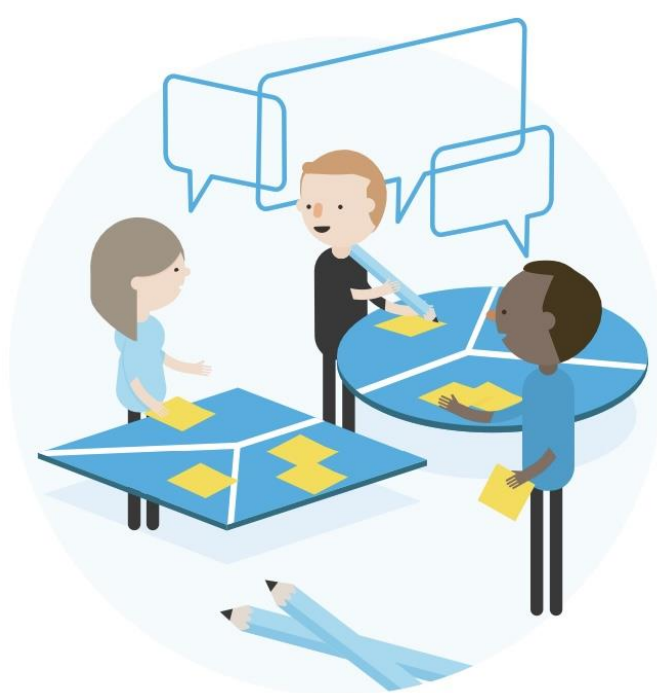
Make any device an intelligent connected device



# Vertical Applications of CLEA

## Products & Services Value Proposition

SECO Service Design  
Consulting for AI & IoT solutions



Technology Push

Market Pull

Turning Technology into a Viable Business

Value for Your Customer and Your Business

Fast Time to market  
Accelerate customers' go to market strategy

CLEA for customer's cost reduction:  
Support optimization  
Predictive maintenance  
Refill optimization

CLEA enables a new business model for our customers:  
Subscription Revenues  
Recurring Revenues  
Transform a technology (innovation) into a fashionable trend.

CLEA Apps  
For Vertical Markets

Reinvent value proposition and business model by shifting from products to services

Minimizes risk of failure  
Helps create products and services people want  
Deliver what customers want  
Develop services around device



Win-win

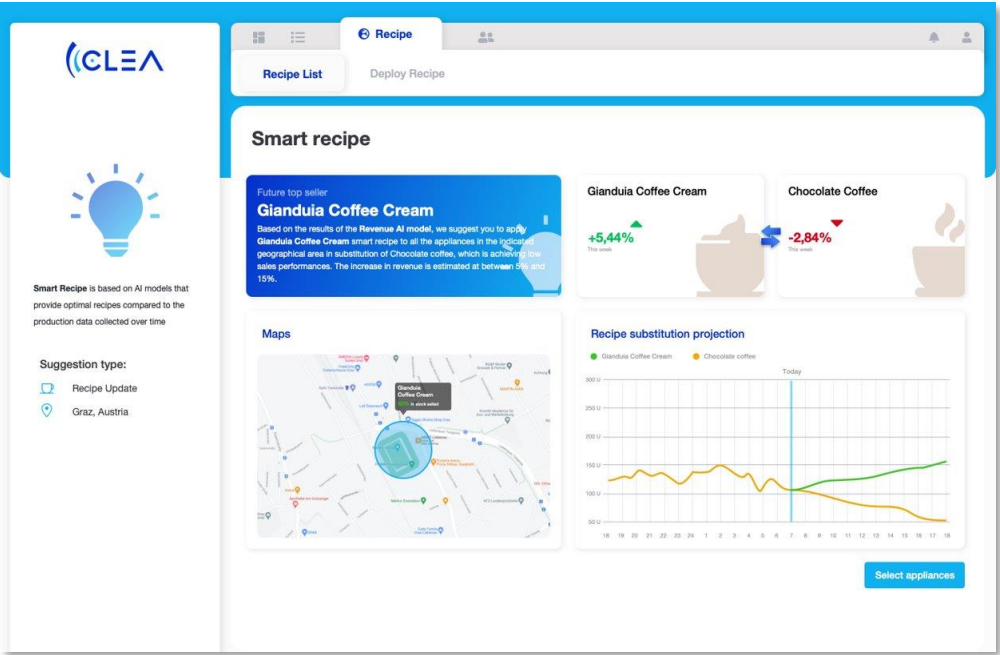




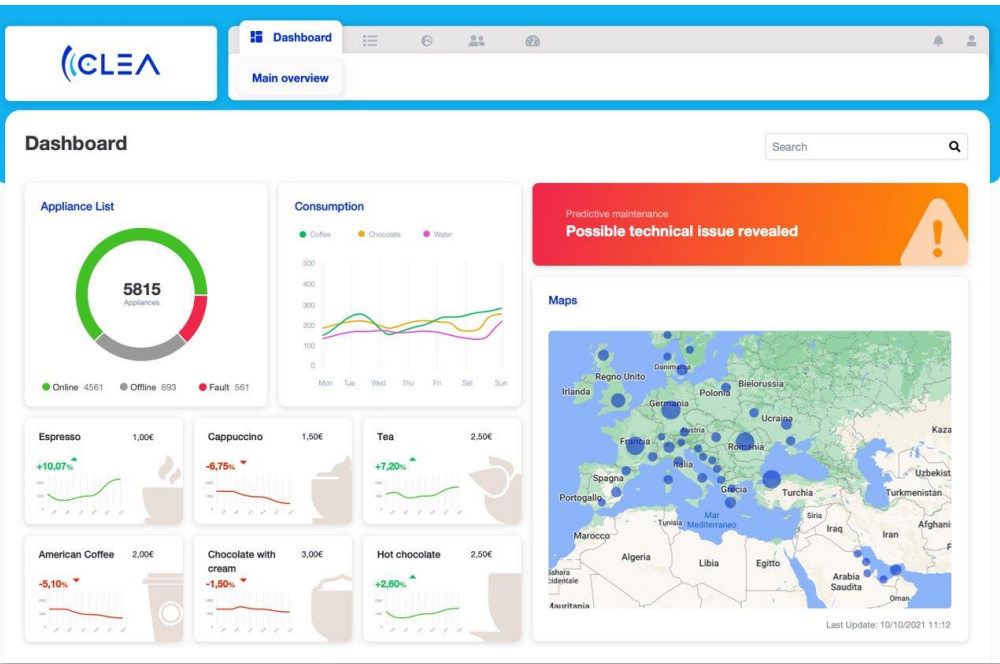
# Vertical Applications of CLEA

How customers can generate higher margins, recurring revenues, better differentiation

## CLEA Vending Machine Apps



Recipe Sales Trends Analysis App

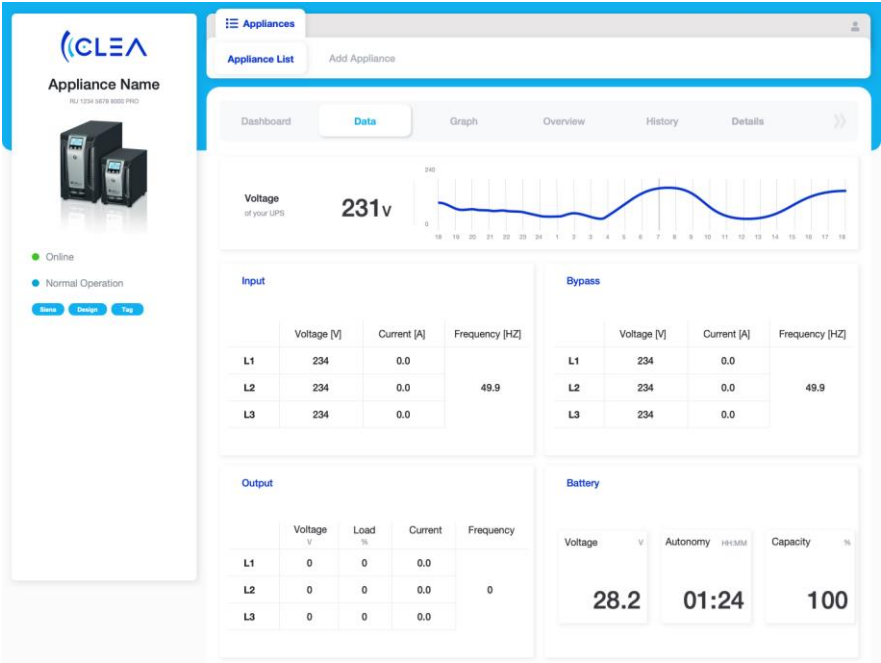


Fault Detection & Machine Downtime Reduction

AI Smart Refill

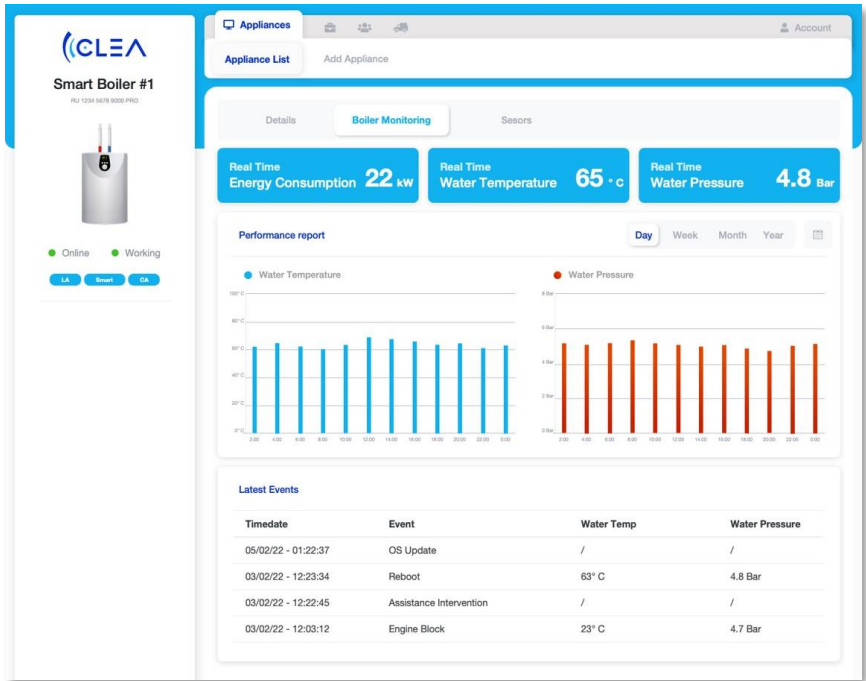
Landing Page

## CLEA UPS App



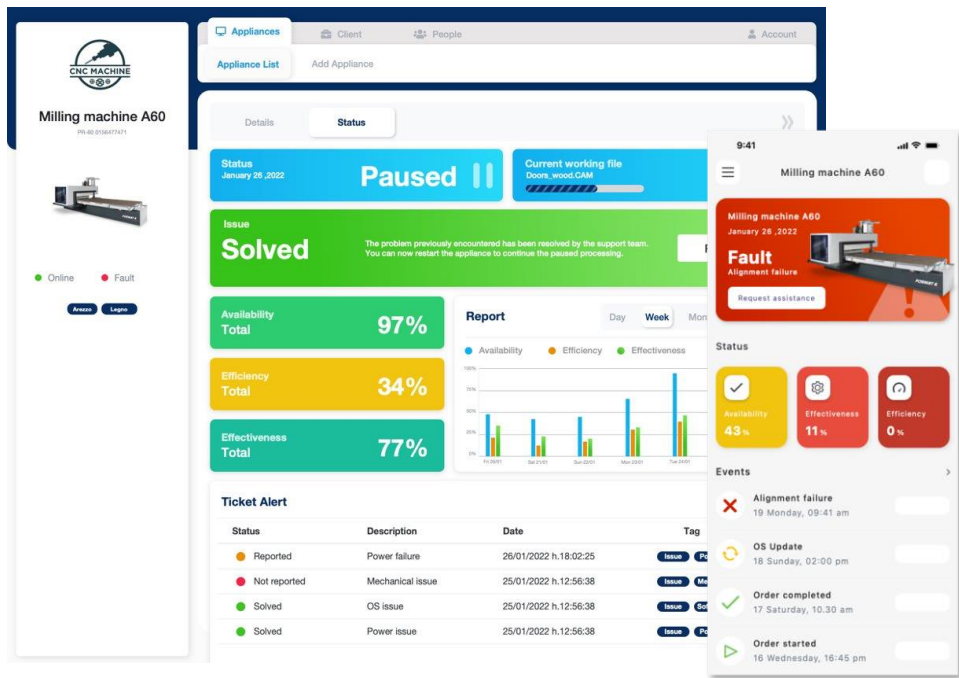
UPS Management

## CLEA Boiler App

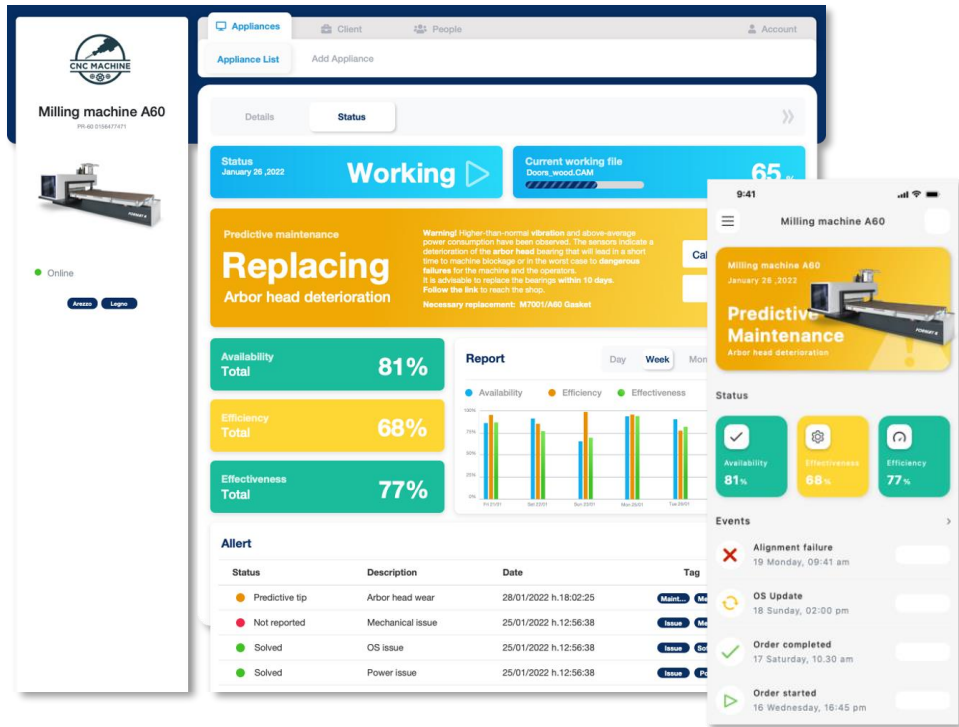


Boiler Predictive Maintenance

## CLEA for Industrial Apps

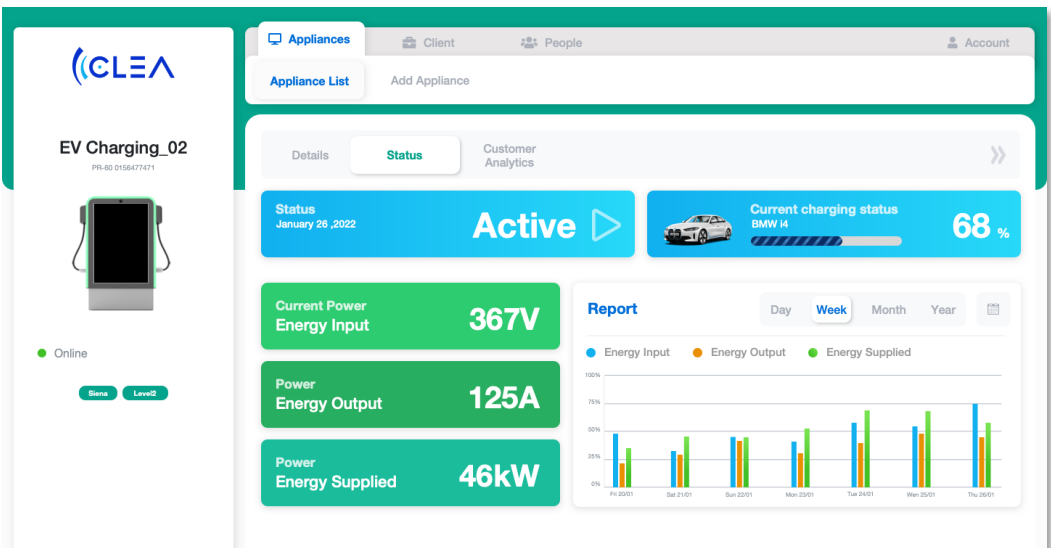


AI Remote Assistant



Predictive Maintenance

## CLEA AI EV Charging Station Apps



AI Remote And Predictive Assistant

CMS for Digital Signage

Landing Page



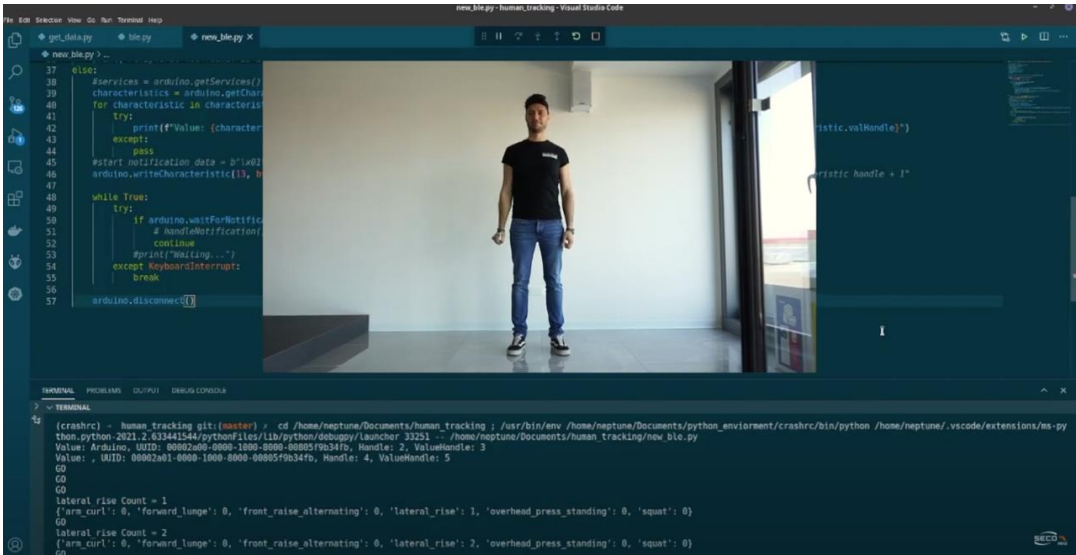
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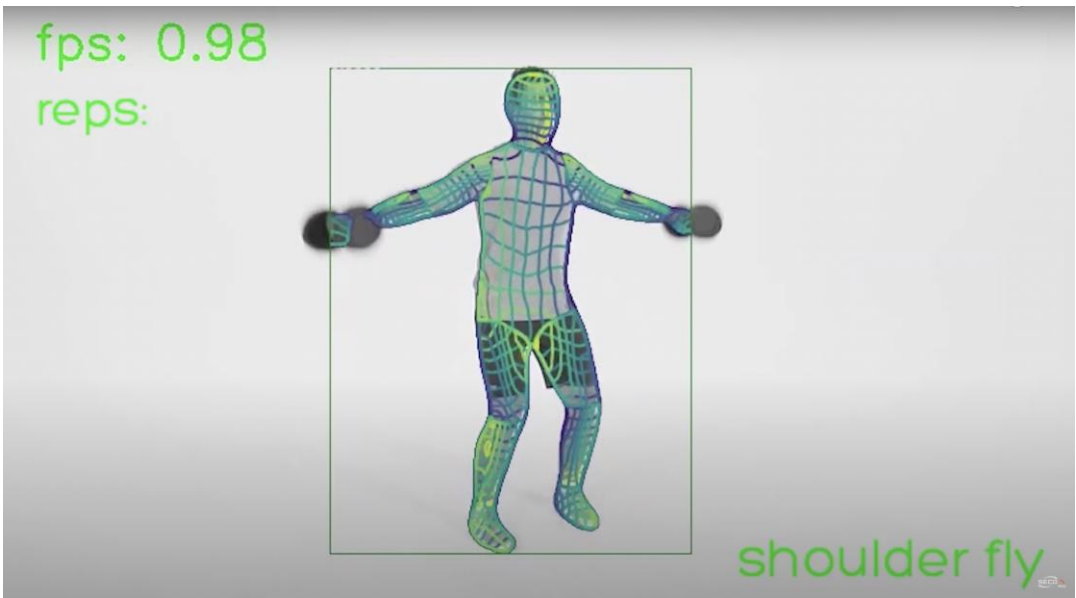
# Vertical Applications of CLEA

How customers can generate higher margins, recurring revenues, better differentiation

## CLEA Fitness App

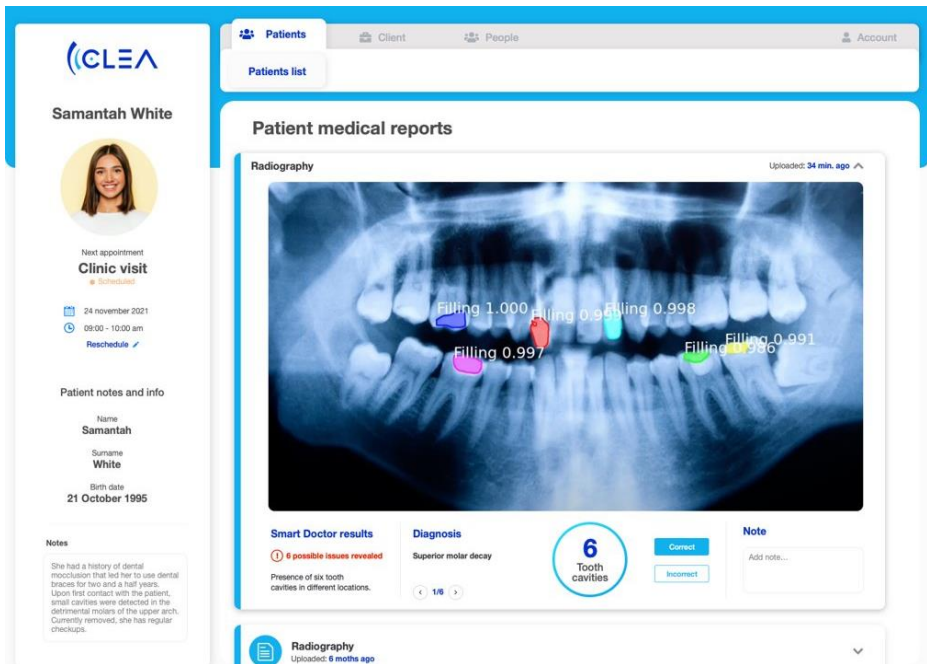


Smart Dumbbell



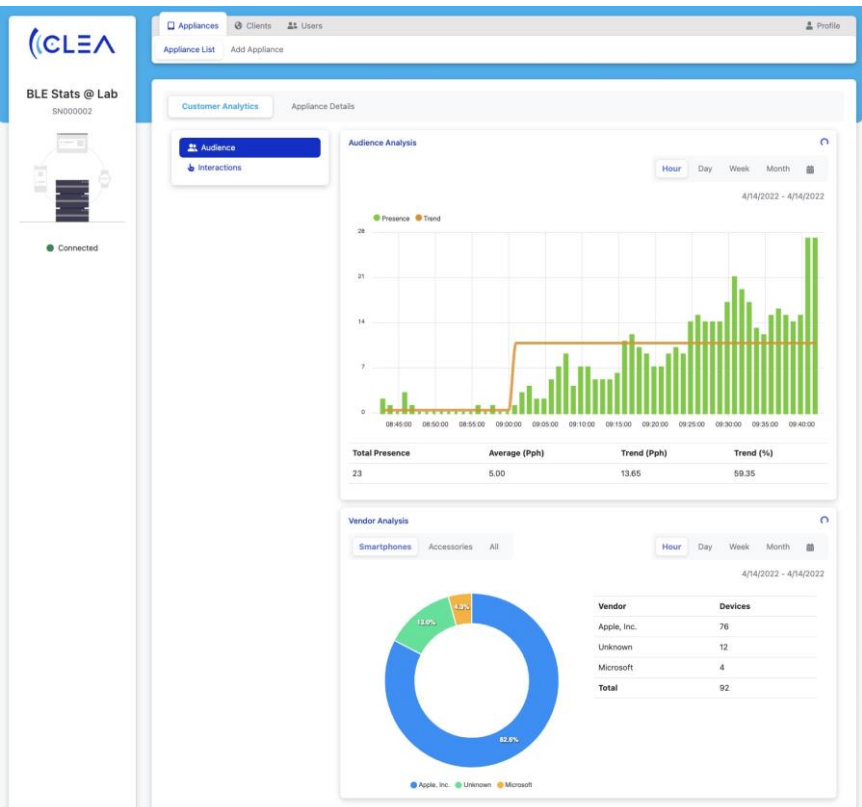
Exercise Recognition & AI Personal Trainer

## CLEA Healthcare App

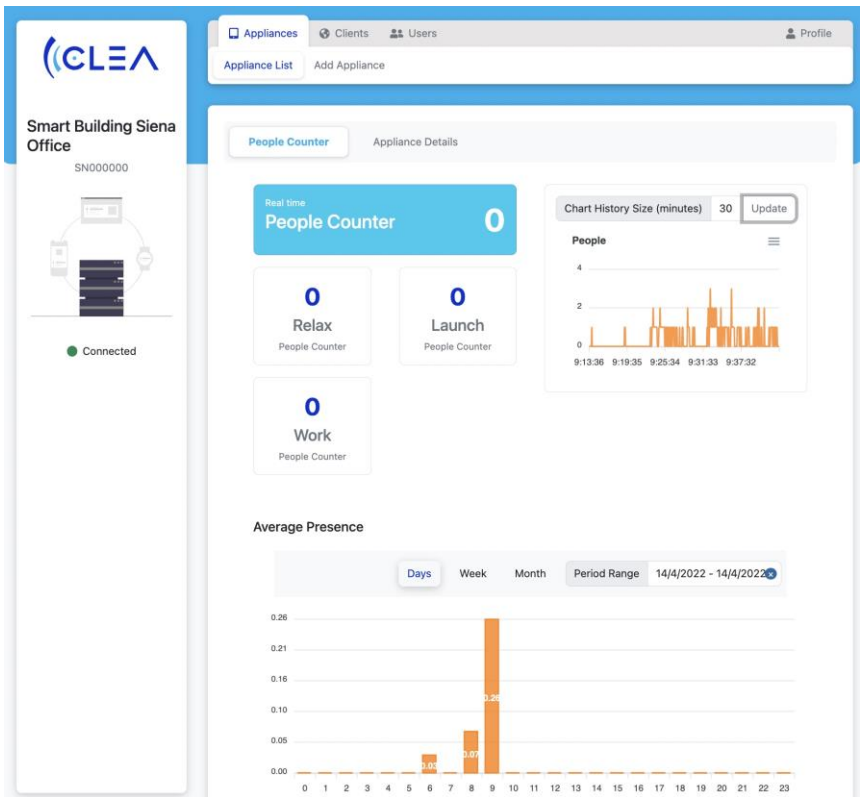


AI Tooth Cavity Detection App

## CLEA for Smart Cities

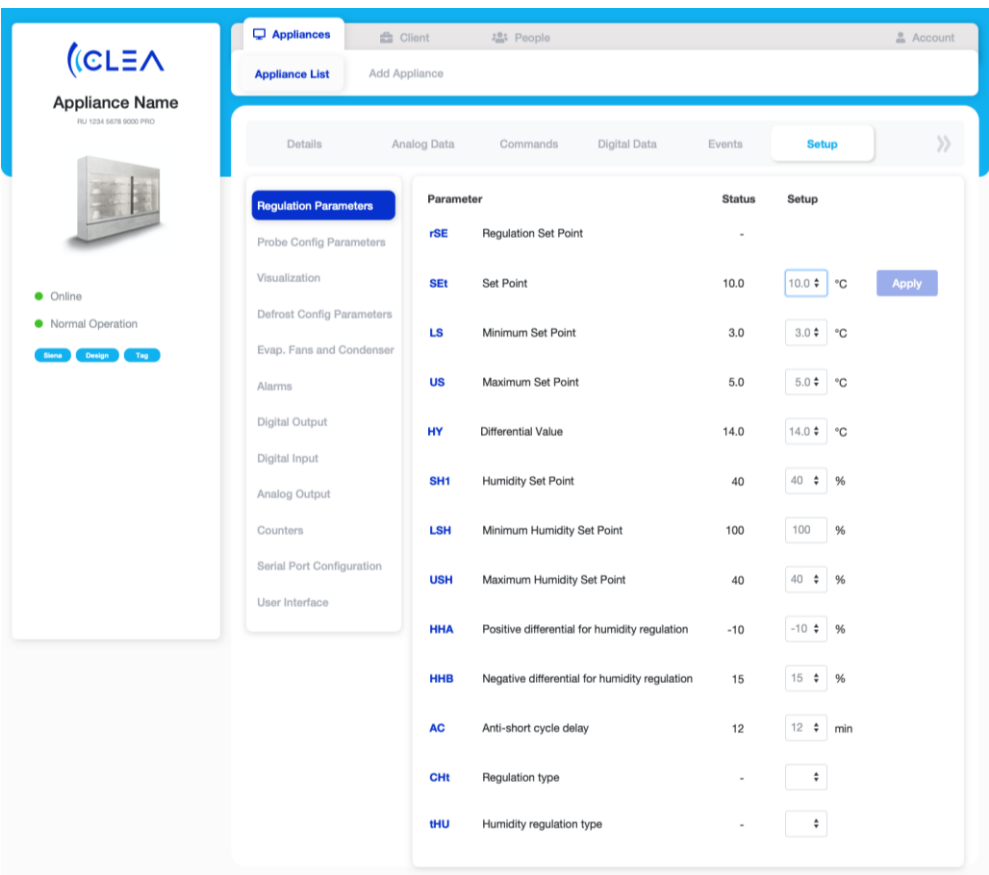


BLE Audience Analysis



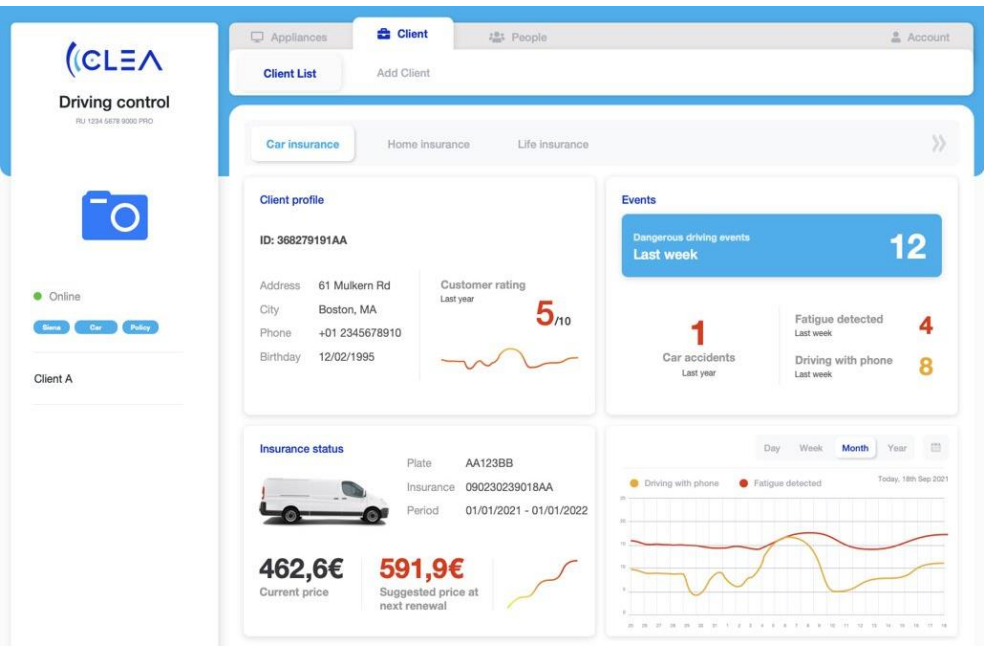
People Counter and Tracking

## CLEA Refrigeration App



Remote Setup and Management

## CLEA Automotive App



AI Driver concentration App



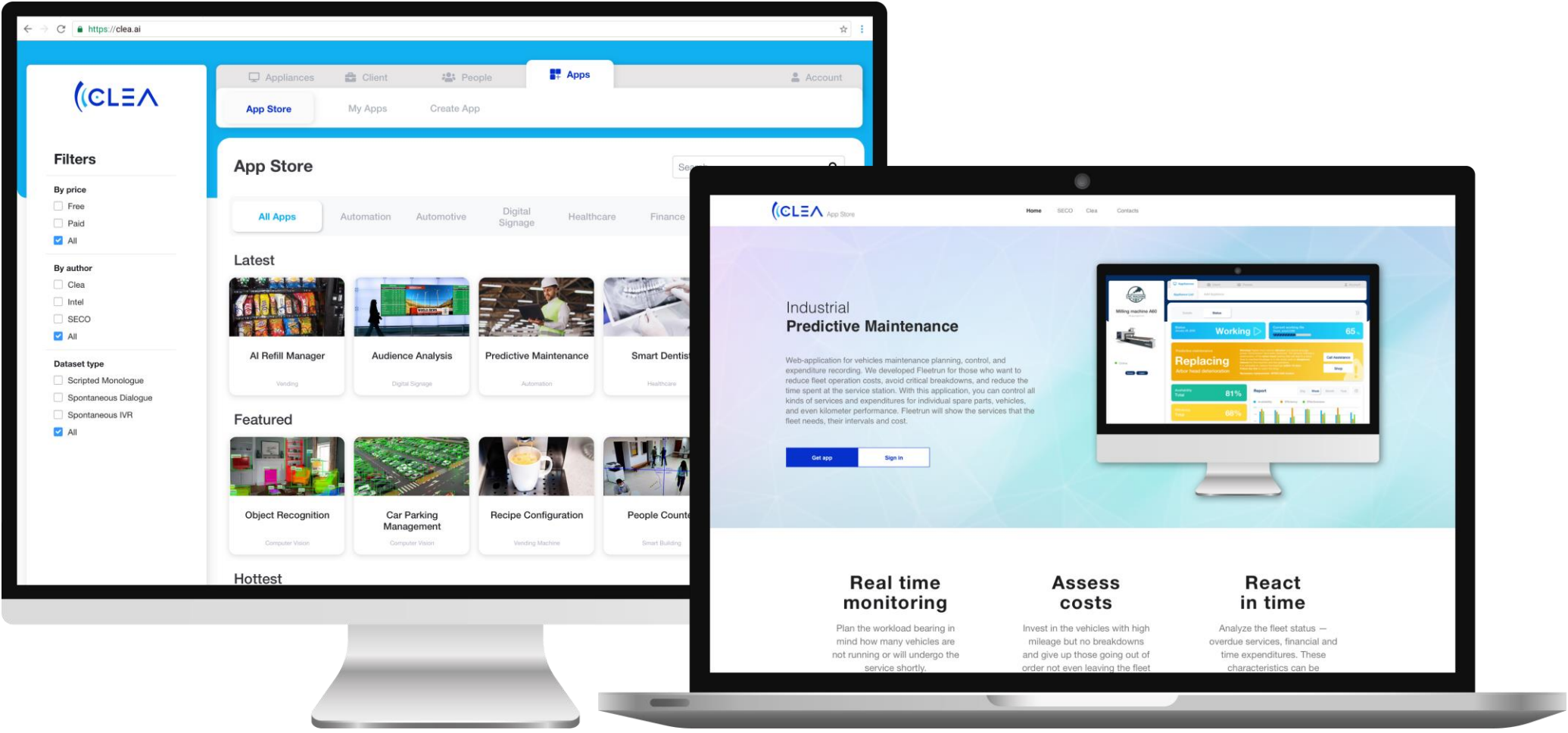
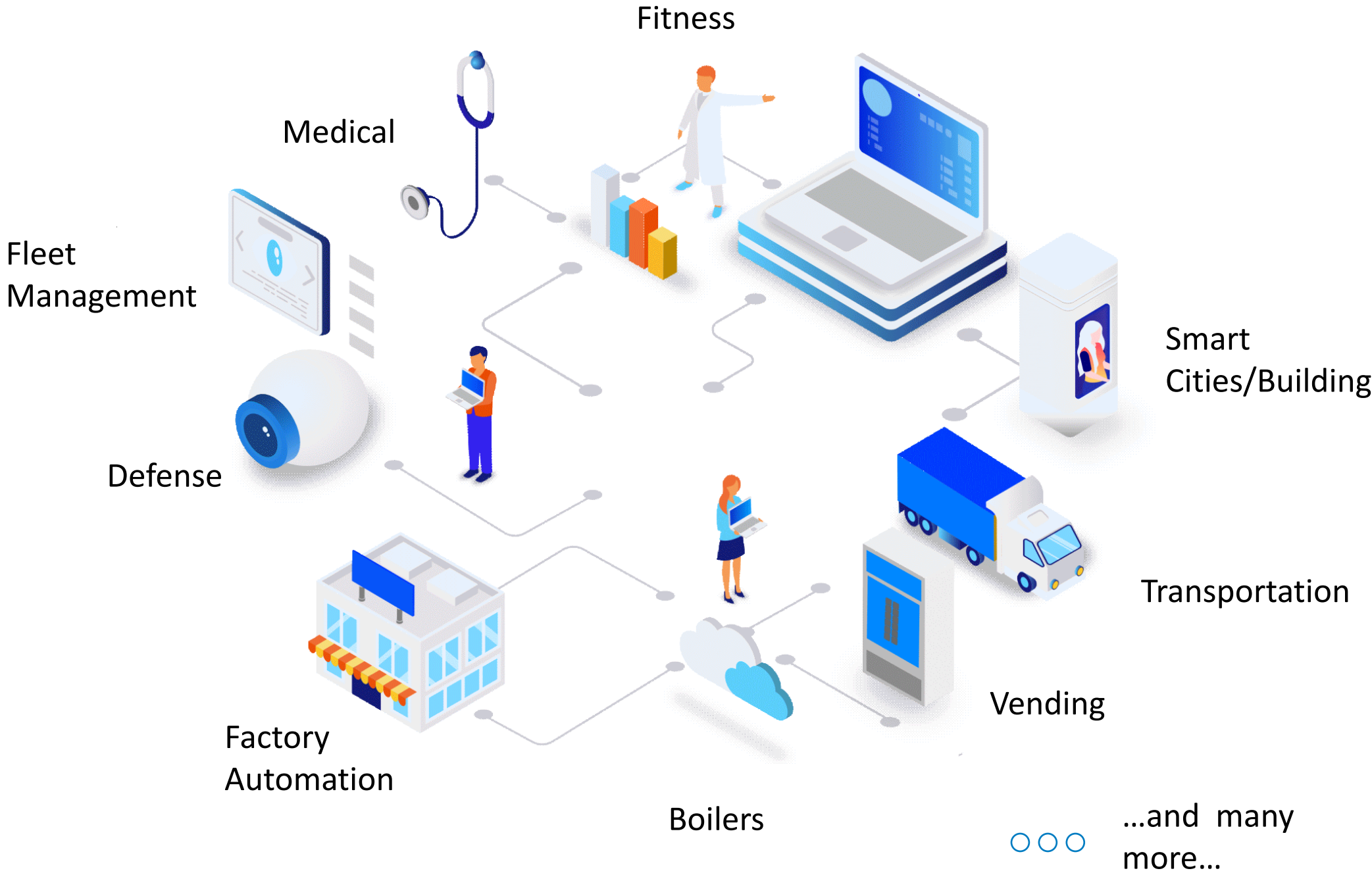
# An innovative strategy for a long-term growth path

Deeply understanding customers’ needs proves crucial when it comes to customizing AI algorithms

Strong value creation opportunity from introducing specific functionalities for each vertical

Each sector has its own KPIs to watch, making AI customization change significantly across each vertical

Cross-sector experience generating strong IP for each vertical: launching the CLEA App store



“Apple-like” successful approach based on an ecosystem of applications and connected devices with proprietary hardware and software



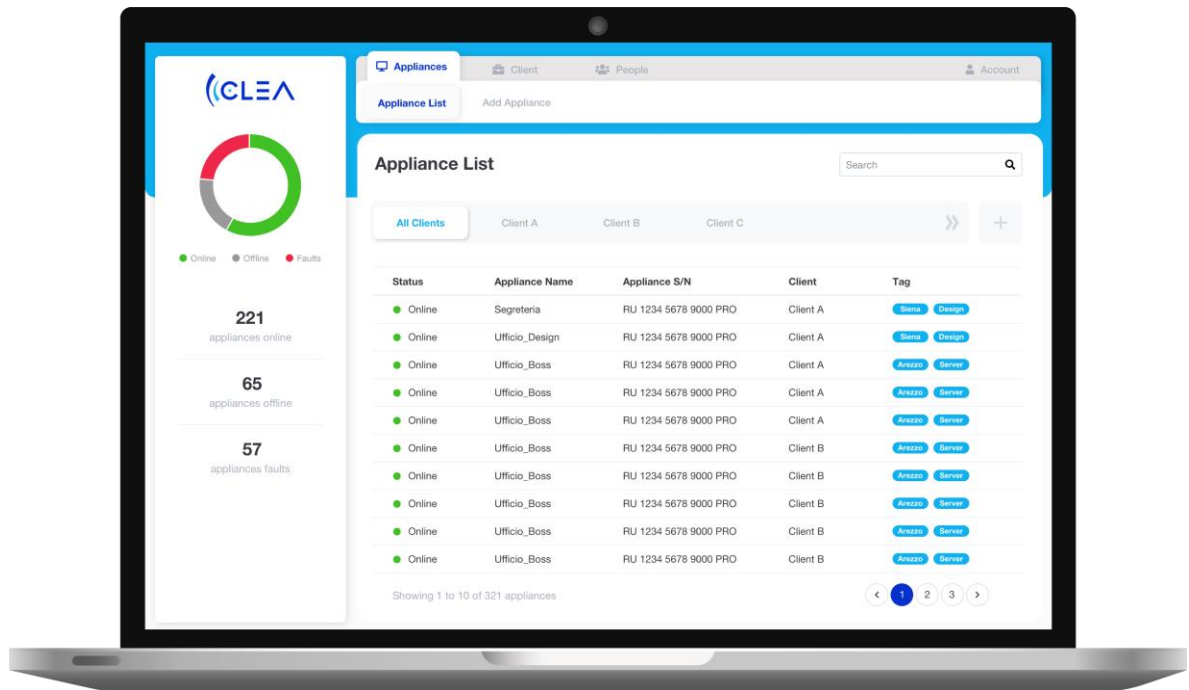
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# An innovative strategy for a long-term growth path

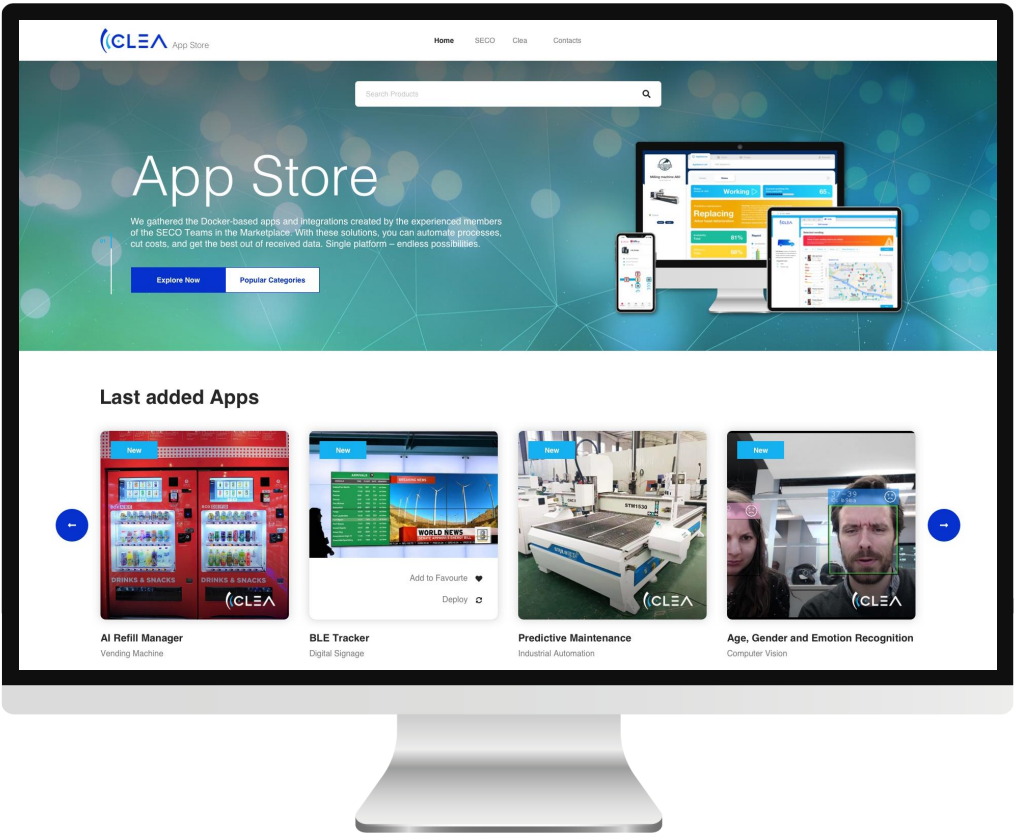
What’s next? Complementing organic growth with additional, value-accretive transactions to further expand our competitive advantage



Edge computing



CLEA



CLEA App store

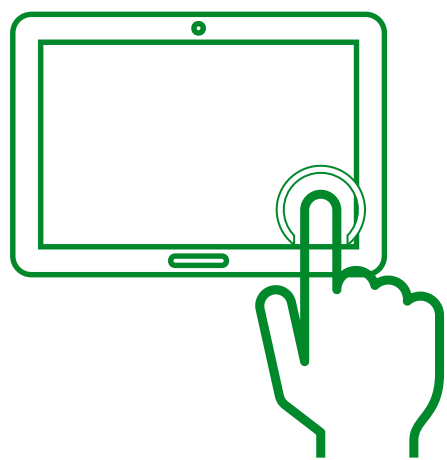
## M&A: key focus areas by segment



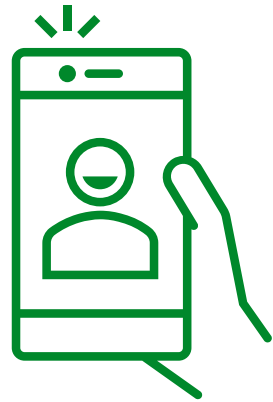
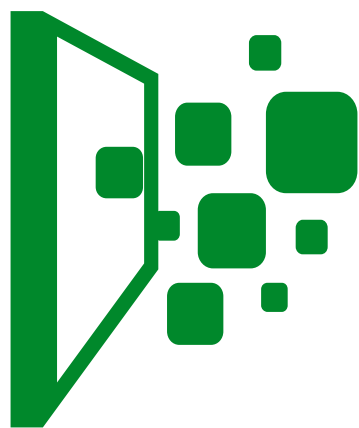
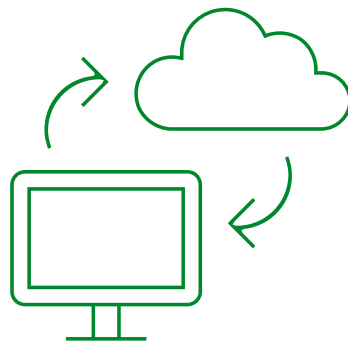
Customer base



Geographies



New technologies and functionalities



New Apps



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# An innovative strategy for a long-term growth path

Continuing to create value for our shareholders



**SaaS business (CLEA + App)** transition  
as a **game changer** for SECO and its  
customers



**Market leader**  
in the IoT-AI space



**€400m+ Revenue (2025 target)**  
from strong organic growth

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**Thank you**

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