



## Industrial IoT Startup

### Ramp up production capacity to meet growing demand

#### STRENGTHENING EQUIV BY € 15 MILLION 50M€ CAPEX (2019-2022) TO SERVE FIRST ORDERS

##### BUSINESS

**Primo1D** designs, produces and distributes RFID tags integrated into a textile thread: the RFID E-Thread® yarn, a passive component equipped with a microchip and a micro-antenna, embedded into textile threads.

*An innovative and differentiating product protected by 12 patents*

- Can take any shape, fits any shape and surface;
- Embeddable in all materials; easy to integrate into textiles and plastics;
- Invisible, inseparable and durable;
- Present throughout the life of the host product;
- 10 times smaller than any other solution.

The tag is readable at up to 10 m while not being visible, and encodable throughout the life of the host product.

*Many use cases*

- Give each object a unique ID, authentication and product traceability throughout its life cycle;
- Outstanding customer experience with a discrete anti-theft function and the immediate identification of the products purchased during checkout;
- Connection to the IoT;
- Real time inventory, fleet management and 2<sup>nd</sup> hand market monitoring.

##### MILESTONES ACHIEVED

Creation of the company in 2013 from an innovation developed at CEA-Leti

*Reliability of the product*

The company has since September 2017 a fully reliable product meeting the requirements of textile retail market.

*Ready for manufacturing*

The industrialization of mass production process is under way with a first machine with a production capacity of 5 million tags per year.

*First commercial agreements*

- With one of the world leaders in the **textile retail sector**: an agreement to provide from 2019 the first tags with the goal of reaching minimum 665 million tags a year; this agreement is supported by a financial commitment;
- **Industrial sectors**: **Primo1D** is in advanced negotiations with reference clients in the pneumatics, agriculture and cables sectors after having passed technical validation.

##### RETAIL BUSINESS PLAN

The retail business plan is established according to Retail customer orders:

- 2018 and 2019: development of the very high capacity assembly machine: 25 M tags / year
- 2020: first tag deliveries

€	2018	2019	2020	2021	2022
Total Sales	750 000	1 180 920	11 048 104	27 039 902	42 539 480
Gross Margin	0	859 440	4 044 704	11 086 360	19 047 662
EBITDA	416 450	-1 025 063	956 427	5 982 452	12 124 428

##### AN EXPERIENCED TEAM

The management is composed of *4 seasoned executives* including the 2 founders: CEO, COO and two Sales. All of them have held executive positions in major international groups, and also have had a start-up experience.

The company has a staff of *14 professionals* of whom *11 engineers*.

##### SPECIALITY PRODUCTS BUSINESS PLAN

BP established based on ongoing discussions with 3 industrial customers:

- 2018 and 2019: development and adaptation to clients' cases
- 2020: first tag deliveries

€	2018	2019	2020	2021	2022
Total Sales	898 490	2 898 210	6 763 360	19 434 400	50 738 700
Gross Margin	1 586 001	1 447 293	3 827 687	10 611 137	27 316 996
EBITDA	-853 392	-1 526 548	-710 940	3 465 815	17 811 611

##### FINANCIAL PLAN

The business plan shows a need for equity financing of €15 million:

- Industrial CAPEX: € 49 million;
- OPEX and WCR: € 5 million

**Primo1D** is seeking *€15 million in equity* for its 2<sup>nd</sup> fundraising

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