



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 2nd 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 2nd fundraising

AUDE WALTER

+ 33 6 84 80 79 78 +33 1 71 70 44 18

aude.walter@AgylCapital.Com

AVERTISSEMENT L'objectif de cette note est de présenter de manière synthétique et anonyme le projet. Cette note a été préparée par Agyl Capital. Agyl Capital décline toute responsabilité concernant des erreurs ou omissions, sous-entendus ou déclarations dans ce document ou dans toute autre correspondance écrite ou orale envers tout partenaire ou un quelconque de ses représentants. Seules seront légalement recevables les garanties ou déclarations données au partenaire dans le cadre d'un contrat en bonne et due forme accompagné des restrictions et réserves nécessaires.

FRANÇOIS MIRIGAY

+33 6 6273 2693

Francois.Mirigay@AgylCapital.Com